



PROGRAM FRAMEWORK DOCUMENT (PFD)

TYPE OF TRUST FUND: GEF Trust Fund

TYPE OF AGENCY: Program Coordination Agency

PART I: PROGRAM IDENTIFICATION

Program Title:	Greater Mekong Subregion Forests and Biodiversity Program (GMS-FBP)		
Country(ies):	Cambodia, People's Republic of China (PRC), Lao PDR, Myanmar, Thailand, Vietnam	GEF Program ID: ¹	4649
Lead GEF Agency:	AsDB	GEF Agency Program ID:	
Other GEF Agency(ies):	WB (select) (select)	Submission Date:	2011-09-26
Other Executing Partner(s):	Participating govt agencies, inter-governmental agencies; non-governmental organizations	Program Duration(Months)	60 months
GEF Focal Area (s):	MULTI FOCAL AREA	Agency Fee (\$):	1,787,661

A. FOCAL AREA STRATEGY FRAMEWORK²:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Type of Trust Fund	Indicative Financing (\$)	Indicative Cofinancing (\$)
BD-1	Outcome 1.1: Improved management effectiveness of existing and new protected areas.	Output 1.1. New protected areas (number) and coverage (hectares) of unprotected ecosystems. Output 1.2. New protected areas (number) and coverage (hectares) of unprotected threatened species (number).	GEFTF	6,342,921	21,322,981
BD-1	Outcome 1.2: Increased revenue for protected area systems to meet total expenditures required for management.	Output 1.3. Sustainable financing plans (number).	GEFTF	2,115,021	7,107,660
BD-2	Outcome 2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation.	Output 2.1. Policies and regulatory frameworks (number) for production sectors.	GEFTF	285,088	150,000
BD-2	Outcome 2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks.	Output 2.2. National and sub-national land-use plans (number) that incorporate biodiversity and ecosystem services valuation.	GEFTF	285,088	150,000
CCM-5	Outcome 5.1 Good management practices in LULUCF adopted both within the forest land and in the wider landscape	Output 5.1: Carbon stock monitoring systems established	GEFTF	756,651	5,982,000
CCM-5	Outcome 5.2 Restoration and enhancement of carbon stocks in forests and non-forest lands, including peatland GHG emissions avoided and carbon sequestered	Output 5.2: Forests and non-forest lands under good management practices	GEFTF	2,246,190	17,946,000
SFM/REDD-1	Outcome 1.2: Good management practices applied in existing forests.	Output 1.1 Payment for ecosystem services (PES) systems established (number). Output 1.2 Forest area (hectares)	GEFTF	710,719	26,238,300

¹ Program ID number will be assigned by GEFSEC.

² Refer to GEF-5 Template Reference Guide posted on the GEF website for description of the FA Results Framework when filling in Table A.

		under sustainable management, separated by forest type			
SFM/REDD-1	Outcome 1.3: Good management practices developed by economic sectors	Output 1.3 Types of services generated from forests	GEFTF	473,813	17,492,200
SFM/REDD-2	Outcome 2.1: Enhanced institutional capacity to account for GHG emission reduction and increase in carbon stocks.	Output 2.2: National forest carbon monitoring systems in place (number).	GEFTF	1,409,612	5,860,224
SFM/REDD-2	Outcome 2.2: New revenue for SFM created through engaging in the voluntary carbon market.	Output 2.3: Innovative financing mechanisms established (number). Output 2.4: Carbon credits generated (number).	GEFTF	2,090,366	8,790,335
CCA-1	Outcome 1.1 Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas	Output 1.1.1: Adaptation measures and necessary budget allocations included in relevant frameworks	SCCF	60,000	1,500,000
CCA-1	Outcome 1.2: Reduced vulnerability to climate change in development sectors	Output 1.2.1: Vulnerable physical, natural and social assets strengthened in response to climate change impacts, including variability	SCCF	80,000	1,104,250
CCA-1	Outcome 1.3: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas	Output 1.3.1: Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability	SCCF	89,358	1,500,000
CCA-2	Outcome 2.1: Increased knowledge and understanding of climate variability and change-induced threats at country level and in targeted vulnerable areas	Output 2.1.1: Risk and vulnerability assessments conducted and updated	SCCF	229,358	1,526,750
LD-3	Outcome 3.1: Enhanced cross-sector enabling environment for integrated landscape management	Output 3.1 Integrated land management plans developed and implemented	GEFTF	392,847	1,910,000
LD-3	Outcome 3.2: Integrated landscape management practices adopted by local communities	Output 3.2 INRM tools and methodologies developed and tested	GEFTF	639,222	2,865,000
LD-3	Outcome 3.3: Increased investments in integrated landscape management	Output 3.3 Appropriate actions to diversify the financial resource base Output 3.4 Information on INRM technologies and good practice guidelines disseminated	GEFTF	982,117	4,775,000
Subtotal:				19,188,371	126,220,700
Program Management Cost:				963,968	5,675,400
Total Program Costs				20,152,339	131,896,100

B. PROGRAM RESULT FRAMEWORK

Program Goal: To increase investments and improve the management and climate resilience of high priority forest biodiversity conservation landscapes including protected area systems of the Greater Mekong Subregion (GMS), recognizing the pressures on these landscapes from development and climate change.						
Program Component	Grant Type	Expected Outcomes	Expected Outputs	Type of Trust Fund	Indicative Financing (\$)	Indicative Cofinancing (\$)
<p>1. Policies, institutions and cooperation for managing conservation landscapes and protected area systems at national and regional levels (BD1, BD2)</p> <p>- The aim of this component is to strengthen national and regional enabling mechanisms to address the pressures on high value forest conservation landscapes in GMS, particularly where they transect borders.</p>	TA	<p>Outcome 1.1: Policies, laws and regulations strengthened for the protection and management of conservation landscapes, including protected areas and trans-boundary landscapes.</p> <p>Outcome 1.2: Institutions strengthened for the protection and management of conservation landscapes, including protected areas and trans-boundary landscapes.</p> <p>Outcome 1.3: Increased regional cooperation and integrated sector planning for the protection and management of conservation landscapes in GMS.</p> <p>Outcome 1.4: Reduced illegal wildlife and forest product trade at landscape, national and regional levels.</p>	<p>- PA policy and governance reviews in Laos, Cambodia, Vietnam</p> <p>- Organizational development and training of PA authorities</p> <p>- Law enforcement protocols in PAs</p> <p>- Ongoing programs established to implement at least 3 trans-boundary conservation agreements</p> <p>- Enhanced profiles of priority biodiversity landscapes including updates species profiles, carbon stocks and climate change risks</p> <p>- Biodiversity monitoring systems and protocols established regionally and at national levels</p> <p>- Institutional coordination mechanism between the protected areas in Lao-PDR and Vietnam</p> <p>- Improved coordination mechanisms between organizations engaged in combating illegal trade</p> <p>- Biodiversity monitoring and carbon accounting systems and protocols established regionally and at national levels</p>	GEF	2,709,078	19,997,792
as above (CCA-1, CCA-2)	TA	Outcome 1.5: Ecosystem based strategies for climate resilience integrated into regional strategies and planning processes	- Regional assessment of projected climate change impacts on biodiversity and ecosystem services in conservation landscapes and associated risks for vulnerable communities	SCCF	286,697	3,578,875

			- Landscape conservation and climate resilience strategies for selected trans-boundary conservation landscapes developed and linked to regional and national planning processes			
<p>2. Ecosystem protection, sustainable forest management and climate resilient investment in key conservation landscapes and protected areas (BD1, BD2, CCM-5)</p> <p>- The aim of this component is to demonstrate multi-focal conservation and financing innovations that jointly lead to increased forest cover, forest and watershed rehabilitation, habitat connectivity, conservation of threatened species, climate change resilience and sustainable livelihoods.</p>	TA	<p>Outcome 2.1: Increased habitat connectivity in fragmented conservation landscapes.</p> <p>Outcome 2.2: Improved status of threatened species of global significance in GMS, including tiger populations</p> <p>Outcome 2.3: Improved food security and livelihoods for communities in priority conservation landscapes.</p> <p>Outcome 2.4 Good management practices in LULUCF adopted in forest lands and wider conservation landscapes</p>	<p>- PA, forest and watershed management plans that address biodiversity conservation and climate resilience developed and implemented</p> <p>- Habitat conservation plans developed and implemented for selected species</p> <p>- Support for implementation of national Tiger Recovery Plans</p> <p>- Ecotourism development pilots</p> <p>- Livelihoods training and support programs for communities within PAs, buffer zones and conservation corridors</p> <p>- integration of good practice sustainable management systems practices in forest lands and wider conservation landscapes including PAs.</p>	GEF	5,418,155	22,901,185
as above (BD1, CCM-5, LD-3, SFM/REDD+ -1, SFM/REDD+ -2)	Inv	<p>Outcome 2.5: Effective conservation of forest biodiversity and carbon stocks through SFM in selected priority landscapes generating an estimated emissions reduction/ carbon sequestration in the order of 2 – 2.5 million tonnes CO₂eq (preliminary estimate) plus additional indirect effects from capacity development and replication impacts.</p>	<p>- Conservation and SFM/REDD pilot projects in Lao PDR, Thailand and Viet Nam which increase landscape connectivity (reduced habitat fragmentation), climate resilience, and emissions reductions / carbon sequestration</p>	GEF	8,642,188	59,223,300
as above (CCA-1)	Inv	<p>Outcome 2.5: Increased climate resilience of biodiversity, ecosystems and vulnerable</p>	<p>Pilot ecosystem-based climate change adaptation measures identified and implemented in priority</p>	SCCF	172,018	2,052,125

		communities in conservation landscapes	forest landscapes Targeted individual and community livelihood strategies strengthened in relation to climate change impacts on ecosystem services and natural resources.			
<p>3. Knowledge, capacity, partnerships and sustainable financing for climate resilient conservation landscapes and protected areas (BD-1, BD-2, SFM/REDD+ - 2)</p> <p>- The aim of this component is to develop technical knowledge, methods and best practices for landscape conservation and climate resilience, financing and the means of sharing experiences between GMS countries.</p>	TA	<p>Outcome 3.1: Improved data and information systems for biodiversity assessment, monitoring and enforcement and climate risks.</p> <p>Outcome 3.2: Improved measurement, reporting and verification mechanisms for forest carbon assessment and related capacity to account for GHG emissions and carbon stocks on forest landscapes.</p> <p>Outcome 3.3: Good practices for landscape conservation and climate resilience generated, shared and adopted in GMS countries.</p> <p>Outcome 3.4: Increased funding mobilized for landscape conservation and protected areas, including the expansion of financing mechanisms such as PES and REDD+</p> <p>Outcome 3.5: Partnerships strengthened for the sustainable management and climate resilience of conservation landscapes in the GMS.</p>	<p>- Country dialogues and feasibility assessments for establishment of standardized regional MRV systems for REDD+</p> <p>- Support development of at least 3 national/sub-national MRV systems in selected countries in the GMS (GMS)</p> <p>- Support for REDD+ readiness and forest certification</p> <p>- Development and dissemination of good practices, model examples of landscape conservation and climate resilience through ecosystem based adaptation and financing and related training modules</p> <p>- Capacity development and training to support implementation of SFM/REDD projects, climate change vulnerability assessments and environmental and social safeguards, peoples participation, gender equity, benefit sharing, etc.</p> <p>- Information for good practice for forest carbon management and finance developed and disseminated</p> <p>- Knowledge product on climate change impacts and risks for ecosystems and vulnerable communities, and adaptation options developed and</p>	GEF	1,960,235	18,467,423

			disseminated. - Valuation models for selected biodiversity landscapes and ecosystems that support Payment for Ecosystem Services - Financing strategies and mechanisms for PAs and conservation landscapes developed and processes established for their application - Mentoring networks to facilitate dissemination of good practices			
	(select)			(Select)		
	(select)			(Select)		
	(select)			(Select)		
	(select)			(Select)		
Subtotal:					19,188,371	126,220,700
Program Management Cost ³					963,968	5,675,400
Total Program Costs					20,152,339	131,896,100

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

Sources of Co-financing	Name of Co-financier (if known)	Type of Cofinancing	Amount (\$)
GEF Agency	Asian Development Bank - Biodiversity Conservation Corridors Investment Project: Cambodia, Lao PDR, Vietnam (Soft-Loan Viet Nam)	Soft Loan	30,000,000
GEF Agency	The World Bank - Regional and Thailand, Laos and Vietnam	Grant	24,600,000
GEF Agency	Asian Development Bank - Core Environment Program and Biodiversity Cooridors Initiative Phase 2 (Cambodia, Lao PDR, Myanmar, PRC, Thailand, Vietnam)	Grant	26,507,000
GEF Agency	Asian Development Bank - Biodiversity Conservation Corridors Investment Project: Cambodia	Grant	4,500,000
National Government	Government of Thailand (TBC)	In-kind	24,273,100
National Government	Government of Lao PDR (TBC)	In-kind	550,000
National Government	Government of Cambodia (TBC)	In-kind	300,000
National Government	Government of Vietnam (Central Annamites project (TBC)	In-kind	750,000
CSO	WWF Greater Mekong Programme, WCS, Seub Nakasathien Foundation, others (TBC)	In-kind	11,416,000
GEF Agency	The World Bank - Vietnam	Soft Loan	9,000,000

³ Same as footnote #3.

Total Cofinancing			131,896,100
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D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Program Amount (a)	Agency Fee (b)²	Total c=a+b
(select)	(select)	(select)				0
AsDB	SCCF	Climate Change	Regional	458,716	41,284	500,000
AsDB	GEF TF	MULTI FOCAL AREA	Regional	458,716	41,284	500,000
AsDB	GEF TF	Biodiversity	Viet Nam	1,197,368	102,632	1,300,000
AsDB	GEF TF	Land Degradation	Viet Nam	921,053	78,947	1,000,000
AsDB	GEF TF	Climate Change	Viet Nam	921,053	78,947	1,000,000
AsDB	GEF TF	MULTI FOCAL AREA	Viet Nam	921,053	78,947	1,000,000
AsDB	GEF TF	Land Degradation	Cambodia	1,109,242	90,758	1,200,000
WB	GEF TF	Biodiversity	Lao PDR	4,614,679	415,321	5,030,000
WB	GEF TF	Climate Change	Lao PDR	422,018	37,982	460,000
WB	GEF TF	Land Degradation	Lao PDR	82,569	7,431	90,000
WB	GEF TF	MULTI FOCAL AREA	Lao PDR	1,706,422	153,578	1,860,000
WB	GEF TF	Biodiversity	Thailand	3,669,725	330,275	4,000,000
WB	GEF TF	Climate Change	Thailand	1,834,862	165,138	2,000,000
WB	GEF TF	MULTI FOCAL AREA	Thailand	1,834,863	165,137	2,000,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				20,152,339	1,787,661	21,940,000

¹ 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

² Please indicate fees related to this project.

PART II: PROGRAMATIC JUSTIFICATION

A. GOAL OF THE PROGRAM:

To increase investments and improve the management and climate resilience of high priority forest biodiversity conservation landscapes including protected area systems of the Greater Mekong Subregion (GMS), recognizing the pressures on these landscapes from development and climate change.

* **Introductory note:** *Annex 1 – A-2 provides an Executive Summary of the program. For GEF Council consideration, this PFD, along with a PIF for the GMS Regional Support Project have been submitted for consideration in the November 2011 Workprogram (please refer to the PIFs for details). A further 4 projects are expected to be submitted for consideration within 6 months. Concept Notes for the later projects are provided in Annex 1 – A-5.*

1. The proposed **GMS Forests and Biodiversity Program (GMS-FBP)** addresses region-wide biodiversity issues requiring larger scale approaches, cross-border landscape conservation through international cooperation, joint capacity development between GMS countries, and the provision of platforms for exchanging experiences and generating regional knowledge on landscape conservation. This is a programmatic endeavour to coordinate projects under an overall set of results, facilitating landscape and regional scale approaches and partnerships between countries and between conservation programs. It is based on the GEF rationale for programmatic approaches, including:

- (a) enhanced opportunities to generate synergies across the focal areas of the GEF within the framework of national and/or regional sustainable development;
- (b) enhanced scope for catalyzing action, replication and innovation;
- (c) improved opportunities for maximizing and scaling up global environmental benefits; and
- (d) opportunity for interested donors or other partners (including the private sector) to invest additional and focused funding based on the scope of the Program.⁴

2. GMS-FBP aims to enhance knowledge and management capacities for protected areas and landscape conservation, development of trans-boundary and landscape conservation models, and increased financing for protected areas and conservation landscapes. The rationale for a regional program was confirmed in discussions with GMS country stakeholders who highlighted the value of (i) external support for advancing progress on transboundary conservation cooperation, (ii) the cost-effectiveness of regional preparation (updating) of landscape and species profiles that could serve as technical inputs for national programs, (iii) the need for a larger scale perspective on species of regional and global significance that warrant a strategic approach to habitat and migration corridors conservation and rehabilitation, (iv) the regional nature of timber and wildlife trade and the importance of considering the cross-border impacts of national conservation policies and programs on illegal activities in neighbouring countries, (v) the usefulness of exchanges between countries on landscape conservation and financing experiences, and (vi) the co-financing benefits of partnerships with ADB, The World Bank and other programs.

3. The program goal of “enhanced management effectiveness” means that by the end of the program in 2016 we expect to see increased recognition and valuation of conservation landscapes, greater conservation financing, institutional capacity, climate change mitigation and adaptation, and physical improvements in key forest ecosystems, habitats and species in GMS. Many of the best practices from GEF biodiversity programs will be

⁴ GEF, *From Projects to Programs: Clarifying the Programmatic Approach in the GEF Portfolio*, GEF/C.33/6,2008, p. 2.

adopted and applied by GMS countries through a coordinated set of national projects assisted by the regional program.⁵ A multi-focal GEF approach will be used but a key focus will be on GEF BD-1 objectives:

- develop and implement comprehensive, system-level financing solutions and help build the capacity required to achieve financial sustainability;
- expand terrestrial and inland water ecosystem representation within protected area systems;
- extend the coverage of threatened species in protected areas and improve coverage of their spatial range; and
- improve the management effectiveness of existing protected areas.⁶

4. The proposed regional program has been developed based on consultation with GMS which occurred in February and April 2011 and extended through a Regional Workshop in Bangkok in May 2011⁷ and follow-up meetings conducted in Cambodia and Vietnam in June 2011 for national project identification and development to be aligned with PFD. The major challenges and opportunities listed by country representatives are shown in the table below. These discussions were followed by country visits to identify potential projects that could respond to the opportunities.

Challenges	Opportunities
<ul style="list-style-type: none"> • Weak environmental assessment policies, regulations and capacities • Enforcement of policies and regulations and national and regional levels • Disconnection between strategies and implementation • Harmonization of country priorities and actions • Lack of data and good monitoring and evaluation • Illegal logging, poaching and wildlife conflicts • Transboundary concerns over Illegal wildlife and forest product trade • Addressing climate change concerns • Financial resources for protected areas and landscape conservation. • Lack of ownership 	<ul style="list-style-type: none"> • Harmonization of policies and regulations • Regional cooperation for monitoring and enforcement to reduce illegal wildlife and forest product trade, including sharing intelligence and data. • Strengthening protected areas management effectiveness and financing • Strengthening regional dialogue or the development of a regional framework to assist in the management of transboundary conservation landscapes. • Introduction of green economy models • Emerging opportunities for REDD+ and PES • Sharing best practices and learning from each other. • Up-scaling existing models and experiences

5. The proposed program directly supports GMS Ministers agreement to increase regional cooperation on biodiversity conservation, climate change, poverty reduction, and sustainable finance mechanisms. At the recent GMS Environment Ministers’ Meeting, the GMS Environment Ministers’ endorsed the Joint Statement which declared, “We recognize that conserving our ecosystems and associated biodiversity is the foundation upon which economic prosperity in the GMS has been built. We also recognize that the economic development aspirations of the GMS will require improved and more efficient management of our ecological infrastructure for meeting the current and emerging demand for food, water and energy that will underpin future economic growth and prosperity in the GMS. Maintaining the productivity of the inter-connected ecological systems, which span the GMS, also will provide resilience to the increasingly evident impacts of climate change. Improved capacity for

⁵ See the 28 ‘best practices’ identified in GEF, *Protected Areas for the 21st Century: Lessons from UNDP/GEF’s Portfolio*, 2010.

⁶ GEF Secretariat, *GEF-5 Focal Area Strategies*, Sept. 18, 2009.

⁷ GMS Forests and Biodiversity Program, A Regional Response to Pressures on GMS Landscapes, Regional Workshop Report, Bangkok, Thailand, 10 - 11 May 2011.

planning and managing our ecosystems and the critical services they provide are key to making economic prosperity in the GMS inclusive, green, and balanced between rural and urban growth....We request the ADB to support GMS countries in mobilizing sufficient knowledge and financial resources, including those from the Global Environmental Facility, for scaling-up the CEP-BCI efforts to address biodiversity conservation, climate change, and poverty reduction challenges faced by the GMS Economic Cooperation Program.” [Note: Following this meeting, the GMS countries are now in the process of reviewing this PFD and considering final endorsement of the program and national projects. Endorsment forms will be submitted when this process is completed].

6. GMS-FBP represents a partnership between the GMS countries, the GEF, ADB, the World Bank, and other donors and stakeholders engaged in forest biodiversity conservation in the region. It provides opportunities to address the regional and trans-boundary biodiversity issues in a more comprehensive and strategic manner than is currently possible through individual projects. The funding partnerships reflect the cross-cutting nature of the program. Funding sources include the:

- (i) GEF Trust Fund country GEF-5 allocation contributions and Sustainable Forest Management funding incentives;
- (ii) GEF Trust Fund Focal Area set aside for regional-level initiatives that coordinate country programs;
- (iii) Special Climate Change Fund (SCCF) for climate change adaptation activities;
- (iv) ADB Core Environment Program (CEP-BCI) program (proposed follow-on phase) that provides technical assistance to mainstream environmental management across sectors in under the GMS Economic Cooperation Program in Cambodia, Lao PDR, Myanmar, PRC, Thailand, and Vietnam;
- (v) ADB Biodiversity Conservation Corridors (BCC) investment program which scales up the Biodiversity Corridors Initiative (BCI) pilots across wider landscapes in Cambodia, Lao PDR and Viet Nam;
- (vi) World Bank programs in forest and biodiversity management in Lao PDR, including Participatory Sustainable Forest Management, REDD+, protected area management, and capacity building for forest and wildlife protection to enforcement and monitoring authorities (funded through IDA, GEF, FIP, FCPF); and in Thailand on initiating REDD+ (funded by FCPF), and in Vietnam on wildlife conservation and wildlife trade control, and REDD+ (funded through IDA and FCPF);
- (vii) Forest Investment Program resources for Lao PDR, channeled through ADB, and theWorld Bank; and
- (viii) other co-financing and parallel financing that align with the program outcomes.

7. GMS-FBP will build upon the current biodiversity conservation programs and develop region-wide synergies between conservation programs within a programmatic approach. GEF resources will target key *spatial gaps* in landscape conservation – within Protected areas, between PAs, buffer zones and biodiversity corridors, between countries in trans-boundary landscapes, across landscapes where the ranges of key species transect boundaries, and across illegal trade supply, transport and market locations. Tiger populations and habitat will be of special interest. The program will also target *thematic gaps* – addressing technical information, monitoring and financing aspects that are not currently being considered at sufficient scale or comprehensive level by existing protected area and conservation programs. The primary results expected of the three **Program Components** are:

- strengthened national and regional enabling mechanisms to address the pressures on high value conservation landscapes in GMS, including protected areas and particularly where they transect borders (Component 1);
- multi-focal conservation investments that jointly lead to increased forest cover, forest and watershed rehabilitation, habitat connectivity, conservation of threatened species, climate change resilience and sustainable livelihoods (Component 2); and

- development and increased application of technical knowledge, methods and best practices for landscape conservation and financing and the means of sharing experiences between GMS countries (Component 3).

8. **Figure 1** provides a conceptual outline of the proposed program. The overall vision conveyed by stakeholders was for *a network of high value forest conservation landscapes that are effectively protected and managed in a manner that is ecologically sound, climate resilient and financially sustainable*. This will be pursued by increased regional cooperation on high priority conservation landscapes in the GMS. The program aims to deliver results related to the three program components through **National Projects**, as identified in Annex A. The **Regional Support Project** will complement the national projects through targeted activities related to (a) trans-boundary cooperation on priority conservation landscapes, (b) development of policy, management and financing tools for protected areas and conservation landscapes, (c) illegal wildlife and forest products trade control, (d) ecosystems adaptation to climate change and (e) knowledge and capacity development across GMS countries. The ‘conservation landscapes’ that will be the focus of program investments will be determined by the countries, drawing on areas of biodiversity concern as shown on **Figure 2**.

9. Under the program framework, the Regional Support Project will operate in coordination with the ADB Core Environment Program – Biodiversity Corridors Initiative (CEP-BCI) technical assistance program (proposed 2012-2016) as well as the National GEF Projects. The project will include support for ongoing trans-boundary biodiversity conservation agreements and processes, refinement and dissemination of various monitoring and financing mechanisms that have been under development in the region and that need to be more formally adopted and institutionalized by GMS countries, and targeted measures to facilitate greater regional cooperation on illegal trade, as well as forums to share experiences and establish best practices. Project secretariat services, including monitoring and reporting on program results, will be provided by the GMS Environment Operations Centre in Bangkok.

10. The GMS Forests and Biodiversity Program seeks a strategic change in the ‘business as usual’ approach to forest and biodiversity management. The large scale forces that are driving the decline in the quantity and quality of the forest land base for biodiversity warrant an equally large scale, joint effort to identify, protect, rehabilitate and sustain the landscape attributes that support critical biodiversity values, ecosystem functions and related natural resource livelihood systems that are under pressure from development and climate change in GMS. The expected program level results will be measured primarily by the increased recognition and valuation of significant conservation landscapes, the presence of effective models of trans-boundary cooperation, greater protected area and conservation financing, enhanced institutional capacity to manage biodiversity and illegal trade, greater climate change resilience particularly through ecosystem-based approaches, and of course, physical improvements in the status and sustainability key forest ecosystems, habitats and species.

11. The sustainability of the program outcomes will be assisted by (a) working with key institutions and community organizations at regional, national and local levels to improve management capacities for PA management and forest conservation, (b) firmly establishing the identity and profile and recognition of priority conservation landscapes of regional significance within regional and national sector development strategies and planning frameworks, (c) refining ecosystem-based climate change adaptation measures and demonstrating their potential as effective ‘no regrets’, multiple benefit interventions within multi-focal development programs, and (d) strengthening the institutions and processes for climate change mitigation through SFM/REDD, PES and other mechanisms which provide a means of reducing GHG emissions in the forest and biodiversity sectors; (e) developing sustainable financing mechanisms for protected areas and forest conservation areas; (f) working with local people through community driven conservation approaches and livelihood development programs.

Figure 1: Conceptual Outline of the GMS Forests and Biodiversity Program

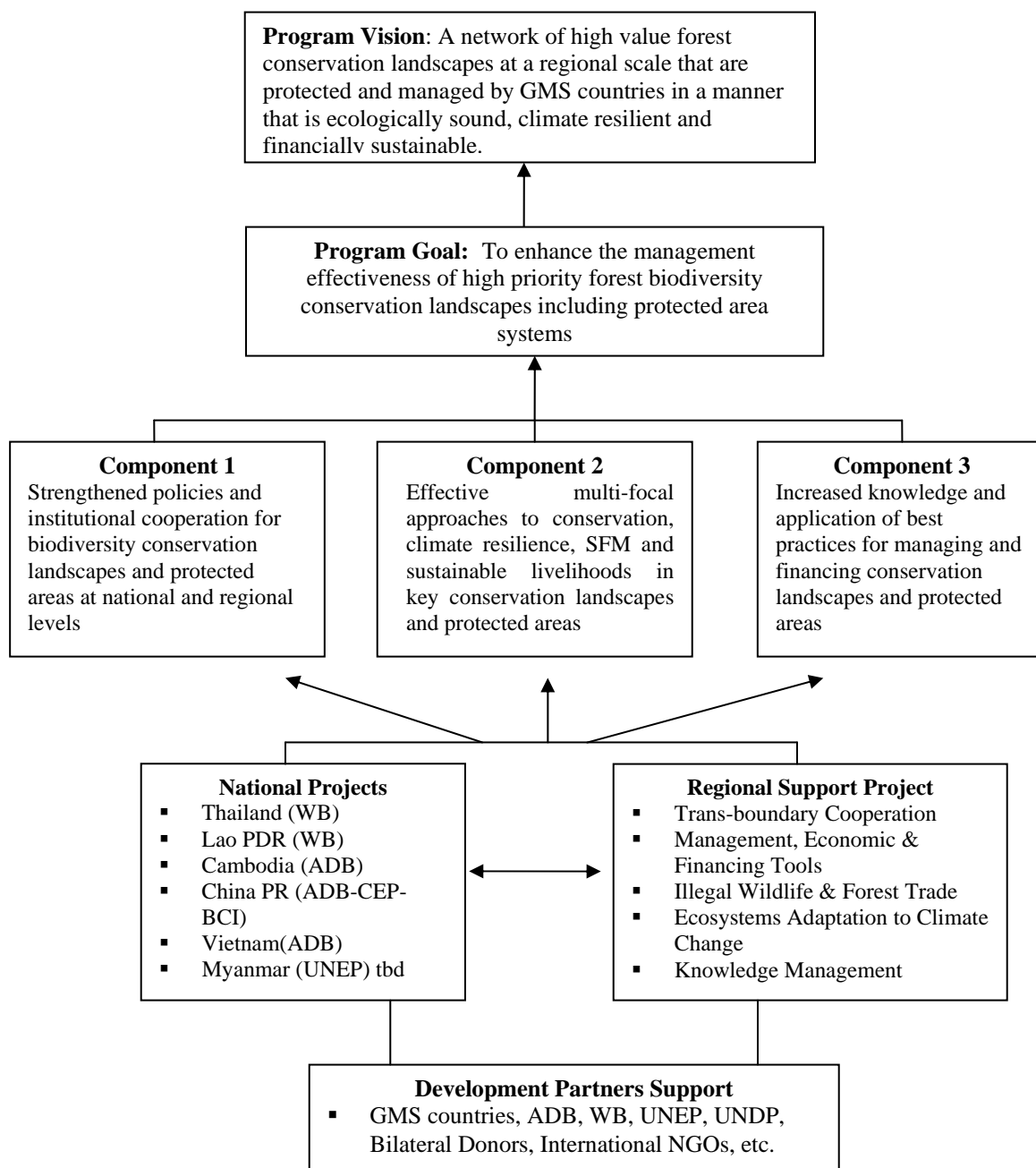
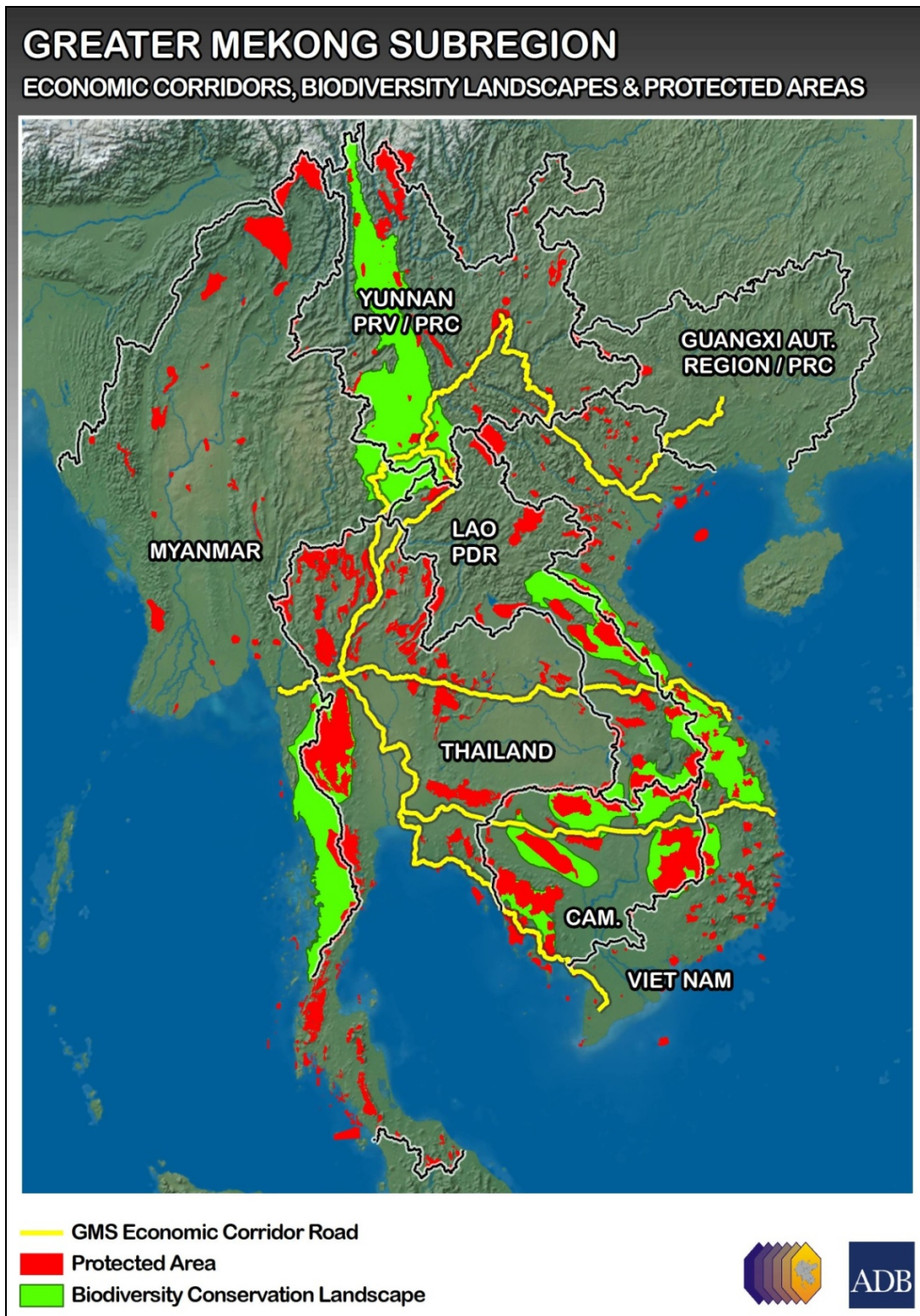


FIGURE 2: Greater Mekong Subregion



B. DESCRIPTION OF THE CONSISTENCY OF THE PROGRAM WITH:

12. The program is consistent with the GEF focal area strategies and the LDCF/SCCF as set out in B1.1 and B1.2 below. The relevant focal areas involve (a) Biodiversity (BD1/BD2) in PAs and conservation landscapes, (b) Climate Change Mitigation and Adaptation (CCM-5/CCA) related to assessing risks to/impacts on biodiversity from climate change, promoting ecosystem-based, climate resilient adaptation strategies, restoration and enhancement of carbon stocks in forests and generating sustainable financing for maintaining ecosystems services; (c) Sustainable Forest Management (SFM/REDD) focal area objectives related to protection and rehabilitation of forests and increased ecosystem connectivity from landscape conservation planning and related investment activities, and (d) Land Degradation (LD3) issues related to watershed management and restoration of forest ecosystems services. The eight focal area priorities are reflected in the various multi-focal national projects that are proposed under this program.

B.1.1 The [GEF/LDCF/SCCF focal area strategies](#):

13. The program is consistent with GEF focal areas because it addresses key priorities for GEF/LDCF/SCCF. **Table 1** identifies the GEF focal area and GMS-FBI component relationships.

Table 1: Key relationships with GEF Focal Areas			
GEF-5 Focal Area Priorities	Component 1 Policies, Institutions and Cooperation	Component 2 Multi-focal Conservation Investments	Component 3 Knowledge and Capacity Development
BD-1	<i>Enabling conditions for Protected Areas management</i>	<i>Improved management effectiveness of protected areas</i>	<i>Increased capacity to introduce innovations and generate revenue for protected area systems</i>
BD-2	<i>Sector strategies for mainstreaming biodiversity conservation in priority conservation landscapes</i>	<i>Protection, restoration and enhancement of habitats and species in priority conservation landscapes</i>	<i>Economic valuation of biodiversity and conservation financing mechanisms developed and disseminated</i>
CCM-5	<i>Policies and institutional development for avoided deforestation and degradation and related climate change mitigation</i>	<i>Protection, restoration and enhancement of forest carbon stocks to increase climate change mitigation in GMS</i>	<i>MRVs developed at national/sub-national levels; information for good practice for forest carbon management and finance developed and disseminated.</i>
SFM/REDD-1	<i>Policies and institutional development for avoided deforestation and degradation. PES policies developed or strengthened in selected GMS countries.</i>	<i>Demonstration of good SFM practices; sustainable flows of forest ecosystem services Integrated SFM in landscape management</i>	<i>Promotion of and learning from integrated SFM in conservation landscape management. PES systems and other financing mechanisms systems tested and established</i>
SFM/REDD-2	<i>Policies and institutional development for forest carbon accounting and carbon markets in conservation landscapes</i>	<i>Demonstration of use of carbon markets for conservation financing</i>	<i>Regional dialogue and feasibility assessment for establishment of regional MRV system. National / sub-national MRV systems developed or strengthened. Information and capacity for sustainable forest management and restoration opportunities</i>
CCA-1	<i>Climate change resilience strategies integrated in GMS</i>	<i>Climate change adaptation measures for biodiversity and</i>	<i>Capacity building and knowledge product development</i>

	<i>development strategies and sector planning</i>	<i>sustainable livelihoods in vulnerable communities implemented through pilot projects in selected conservation landscapes.</i>	<i>on ecosystem based adaptation and climate resilient livelihood strategies based on program lessons.</i>
CCA-2		<i>Ecosystem-based climate change adaptation measures identified and implemented in critical forest landscapes</i>	<i>Climate change vulnerability assessments undertaken for conservation landscapes and used to plan the protection of natural resources that are key to the livelihoods of the people living in conservation landscapes.</i>
LD	<i>Policies and institutional development for joint biodiversity and watershed development</i>	<i>Conservation and sustainable land management in selected watersheds</i>	<i>Best practices for linking conservation and watershed management</i>

14. **Biodiversity BD 1/BD 2:** The program will support the development and implementation of comprehensive, system-level financing solutions and help build the capacity required to achieve financial sustainability. It will enhance information that assists terrestrial ecosystem representation in the national PA systems, increase the awareness of threatened and endangered species, and strengthen PA management effectiveness. It will also increase conservation-oriented livelihoods and the production of biodiversity-friendly goods. These objectives will be achieved through all of the components of the program, including support for protected areas management, landscape conservation strategies, and the promotion of payment for ecological services and other approaches to sustainable financing.

15. **Climate Change Mitigation CCM-5:** The program will support efforts to conserve and enhance carbon stocks through sustainable management of land use, land-use change, and forestry (LULUCF), and prevent GHG emissions of carbon stocks by reducing forest degradation pressures on these lands in the wider landscape. It will be linked, where opportunities exist, with cross-cutting Sustainable Forest Management (SFM) objectives and generate measurable reductions in GHG emissions. These mitigation objectives will be achieved through the proposed National Projects and through targeted activities at the regional level which aim to increase the commitment and strengthen the processes for mitigation of GHG emissions in protected area and forest management. Addition descriptions of the 3 national projects requesting CCM-5 resources are summarized below:

- **Thailand:** The project is consistent with the Climate Change Mitigation Objective 5, to avoid GHG emissions and sequester carbon through good management practices in LULUCF; and Sustainable Forest Management/REDD Objective 2, which seeks to reduce pressures on forest resources and generate sustainable flows of forest ecosystem services. A pilot on REDD+ will support restoration and enhancement of forest carbon stocks linked to wildlife conservation. In the World Heritage Site, the forest is dense, high canopy cover tropical forest, which is ideal for REDD projects, as it is high in carbon density. Initial study suggests that either the HKK Buffer Zone or the Thung Yai East sanctuary could be viable for REDD+ projects under the SFM funding, and this will be analyzed through feasibility study. In these sites, there is some level of forest loss/degradation due to conversion for agriculture. In Thung Yai this is likely related to the five villages inside, and a number of villages of the border, of the sanctuary, and in the HKK buffer zone, related to numerous villages located at the buffer zone edge. Wildlife population recovery (monitored by yearly camera trapping and prey density transect lines), and community benefits, will be verified through standards, either through the existing Community and Climate Biodiversity Standards (CCBS), or the Wildlife Standards that will be developed by the World Bank. As well as

generating revenue from carbon credits, through the Wildlife Premium, additional revenue is paid out, if wildlife recovery targets are met. This revenue can be used for monitoring, law enforcement, and management of wildlife and community incentives to reduce threats to wildlife. The REDD and Wildlife Premium revenues allows contribution towards long-term sustainable financing for managing a protected area, though it will not cover all costs. This will be the first pilot of a REDD+ linked to wildlife conservation in Thailand, and one of the first in Asia.

- **Lao PDR:** The project is consistent with the Climate Change Mitigation Objective 5, to avoid GHG emissions and sequester carbon. The main cause of emissions in Laos is from forest loss and land use change. The national deforestation rate is 0.83% p.a. The project will contribute to GHG emissions avoidance by implementing REDD+ in two protected areas, Nam Kading, and Xe Pian. Initial assessments in both of these protected areas, by WCS, WWF and Government of Laos, show that there is a significant deforestation rate and potential for generation of carbon credits through a REDD project through the integration of good practice management in LULUCF and the restoration and enhancement of carbon stocks. The main drivers of deforestation and degradation in these protected areas include shifting cultivation from enclave villages, agricultural encroachment from villages at the protected area boundary and logging. The project will further study these drivers, and then the GEF funding will provide incremental value to the current management status by implementing activities to address these drivers, including land use planning with villages, alternative livelihoods, stabilization and improved productivity of agriculture, community outreach, law enforcement to prevent forest conversion and logging, and initial direct incentives towards community adoption of forest protection. It is anticipated carbon credits and revenue would be generated by year three or four of the project, and this would contribute to ongoing community development and incentives for forest protection, and towards protected area management costs.

- **Viet Nam:** The project is consistent with the Climate Change Mitigation Objective 5, to avoid GHG emissions and sequester carbon; and Sustainable Forest Management/REDD Objective 1. The project will support efforts to conserve and enhance carbon stocks through sustainable management of land use, land-use change, and forestry (LULUCF). It will prevent GHG emissions by reducing forest deforestation and forest degradation pressures on forest lands in the wider landscape of the Central Annamites. It will do this through: (i) efforts to improve policy and planning framework in the project area including the integration of good practice sustainable forest, land and watershed management considerations, and biodiversity conservation within land use plans and sectors plans; (ii) improving protected areas management effectiveness (linked to BD1 above); and (iii) developing capacity of forest management and protected areas authorities and local communities to apply sustainable forest management practices in forest and agro-forestry. In addition, the project will support restoration and enhancement of carbon stocks in forest landscapes and protected areas. This will include a mixture of reforestation, natural regeneration and enrichment planting, forest protection contracts with the local population, as well as community-based forest management. In addition, these approaches will seek to integrate biodiversity and ecosystem service provisions and benefits sharing mechanisms for local communities. This work will be further supported through the valuation of ecosystem services and the development of PES models supporting forest carbon and watershed protection benefits.

16. **Sustainable Forest Management SFM/REDD:** The program will achieve multiple environmental benefits from improved management of forests, in conformance with the GEF-5 strategy for SFM which aims to (a) reduce pressures on forest resources and generate sustainable flows of forest ecosystem services and (b) strengthen the enabling environment to reduce GHG emissions from deforestation and forest degradation and enhance carbon sinks from LULUCF activities. These objectives will be achieved through SFM that will be

promoted in field activities that are integrated with forest biodiversity and climate change adaptation, consistent with the relevant country GEF-5 priorities and the potential linkages with national REDD programs.

17. **Climate Change Adaptation CCA-1:** The activities supported under the program are consistent with Outcome 1.1: Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas; and Outcome 2.1: Increased knowledge and understanding of climate variability and change-induced threats at country level and in targeted vulnerable areas. This will include the preparation/updating climate change vulnerability assessments related to forest conservation landscapes and support for mainstreaming ecosystem based adaptation approaches and resilience strengthening measures into the development of a GMS regional development master plan, regional sector plans (energy, transport, land use, tourism, agriculture). In addition, climate change vulnerability assessments will consider the impacts of climate change on biodiversity and ecosystem services and how this would impact on vulnerable communities and their livelihoods, so that appropriate resilience and risk reduction strategies and livelihood options can be developed. The program will implement adaptation measures that are consistent with the priorities set out in country NAPAs and the national GEF-5 programs. Pilot projects will support the development and implementation of ecosystem based adaptation approaches in conservation landscapes and climate resilient livelihood and risk reduction strategies for vulnerable communities. Capacity development activities that create a foundation for sustained use of climate change adaptation practices will also be supported, including the preparation of knowledge products to disseminate lessons from the program.

18. **Land Degradation LD:** The program will address land and watershed degradation issues where there are national SLM projects that also support biodiversity conservation and climate change concerns, particularly in ameliorating changes in Mekong River flows through upland forest management systems.

B.1.2. For programs funded from LDCF/SCCF: the LDCF/SCCF [eligibility criteria and priorities](#):

19. The use of SCCF funding under the program, is consistent with the SCCF eligibility criteria and priorities (as per Decision 28/CP.7). Specifically, the ecosystem based approach proposed in the program are consistent with - NAPAs and other national strategies and the GEF-5 prioritization processes in each of the countries, and targets specific climate change vulnerabilities in the GMS region, which is considered to be highly vulnerable to the affects of climate change. In particular the program addresses 4 of the 9 SCCF priority areas: (a) Loss of life and livelihood; (b) Water availability, quality and accessibility; (c) Biological diversity; and (d) Land-use management and forestry; The primary target for the proposed adaptation is to reduce forest development pressures and modify management practices under the '*business as usual*' case so that climate change risks to biodiversity and related natural resources are reduced, thereby improving climate resilience at a landscape scale and reducing the vulnerability of communities due to flooding, and water scarcity. The incremental investment case is further presented in Section F below.

B.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

20. The program has been designed to complement the implementation of relevant national priorities, including:

CBD NBSAPs: The program will provide information and conservation planning that supports the updating of National Biodiversity Strategy and Action Plans (NBSAP) and the preparation of Fifth National Communications under the Convention on Biological Diversity (CBD). The updated landscape profiles and the endangered species technical information will contribute toward the revisions in the national NBSAPs alongside GMS-FBP, particularly in Laos, Cambodia and Vietnam. The current status of the NBSAPs (year adopted) is as follows:

China (1994, 2010) – The National Strategy for Biodiversity Conservation identifies the following objectives: 1. Improve the basic research of biodiversity in China; 2. Improve the national network of nature reserves and other protected areas; 3. Conserve wild species that are significant for biodiversity; 4. Conserve genetic resources related to crops and domestic livestock; 5. In-situ conservation outside nature reserves; 6. Establish a nationwide information and monitoring network for biodiversity conservation; 7. Coordinate biodiversity conservation and sustainable development.

Thailand (1997, 2002) – Thai Government's *Biodiversity Policy* (2009) focuses on the protection and restoration of conservation areas that are important to the preservation of ecology in support of biodiversity conservation. The policy is implemented through surveys, database development, conservation and development. Biodiversity is used in order to secure food, energy and health, and to bring about economic benefits. The *Country Management Plan* (2008 – 2011) provides the 4th policy on land, natural resources, and the environment promotes conservation, development, and sustainable utilization of biodiversity and the *Policy, Measure, and Plan for Sustainable Biodiversity Conservation and Utilization* (2008 – 2012) is an instrument that seeks to enhance the abundance of biodiversity, to promote biodiversity research to raise its economic value and to formulate mechanisms so that benefits resulting from biodiversity development are shared throughout the country, based on equality and fairness. The ultimate goal is to significantly reduce the rate of biodiversity loss by maintaining the health of associated types of ecology, different animal and plant species, and important genetic sources, and also by protecting related biodiversity components in a sustainable manner. This instrument is composed of five measures and 17 action plans that support the objectives and goals of the Convention on Biological Diversity.

Lao PDR (2004) – The *National Biodiversity Strategy to 2020 and Action Plan to 2010* identifies the main Objectives: 1. Identify important biological diversity components and improve the knowledge base; 2. Manage biodiversity on regional basis, using natural boundaries to facilitate the integration of conservation and utilization oriented management; 3. Plan and implement a biodiversity specific human resource management program; 4. Increase public awareness of and encourage participation in sustainable management of biodiversity; 5. Adjust national legislation and regulations and harmonise them MEAs; 6. Secure the NBSAP implementation; 7. Promote country needs driven international cooperation. The *National Forest Strategy 2020* (2005) has a goal to restore forest cover to 70% by year 2020.

Cambodia (2002) – The *National Biodiversity Strategy and Action Plan* presents a series of strategic objectives and priority actions that are presented according to the following themes involving most sectors of society: Protection of Natural Resources (Protected areas, Endangered species, *Ex situ* conservation), Animal Wildlife Resources, Freshwater Fisheries and Aquaculture, Coastal and Marine Resources, Forest and Wild Plant Resources, Agriculture and Animal Production, Energy Resources, Mineral Resources, Industry, Technology and Services (Manufacturing, Biotechnology and Biosafety, Tourism), Environmental Security, Land Use Planning, Water Resources, Climate Change and Biodiversity, Community Participation, Awareness, Education, Research Coordination and Development, Legislation and Institutional Structure, and Quality of Life and Poverty Reduction.

Vietnam (1994, 2007) – The National Action Plan on Biodiversity specifies objectives to 2010 related to a) Conservation and development of terrestrial biodiversity, b) Biodiversity conservation and development in wetlands and marine areas, c) Agricultural biodiversity conservation and development, d) Sustainable use of biological natural resources, e) Strengthen state management capacity on biodiversity and biosafety. Orientations to 2020 include a) to conserve, develop and sustainable use the rich and unique biodiversity of genetic resources, biological species and ecological system of Vietnam; b) to complete the organizational system, mechanisms, policies and legal documents on biodiversity and bio-safety management in Vietnam; and c) to

complete the system of (terrestrial, wetlands and marine) protected area; to restore 50% of natural, typical and sensitive ecosystems which have been destroyed.

Myanmar – the first NBSAP is under development.

21. **UNFCCC NAPAs:** The program will be consistent with and support NAPA follow-up programs in the participating GMS countries. Integrated biodiversity, climate change mitigation (deforestation and degradation avoidance) and adaptation and sustainable forest management will be implemented in conjunction with national NAPAs. NAPA and related national strategies, including UNFCCC National Communications, will be assisted primarily by activities relate to ‘**ecosystem-based adaptation**’, ‘**payment for ecosystem services**’ (**PES**) and in **monitoring, reporting and valuation of carbon stocks (MRV)** to be addressed by the program (see Regional Support Project PIF) consistent with LDCF/SCCF including various national objectives summarized below. The proposed country project activities for climate change adaptation and mitigation have been coordinated with national objectives through the GEF-5 National Portfolio Implementation Exercise (NPFE) in each country.

Cambodia: The NAPA (2006) identified a series of "no-regrets" adaptation options that involve (i) capacity building/training (ii) awareness raising/education, and (iii) infrastructure development. The suggested NAPA projects included several associated with reforestation/forest rehabilitation and biodiversity climate resilience, including Awareness Raising and Education in Climate Change Issues, Vegetation Planting for Flood and Windstorm Protection, Improving Farmers' Adaptive Capacity to Climate Change, Community Agro-Forestry in Deforested Watersheds, Rehabilitation of Upper Mekong and Provincial, Waterways, Promotion of Household Integrated Farming and Community Based Agricultural Soil Conservation.

Lao PDR: The NAPA (2009) identified two ‘Priority One’ measures for the forest sector: 1. Continue the slash and burn eradication programme and permanent job creation program; and 2. Strengthen capacity of village forestry volunteers in forest planting, caring and management techniques as well as the use of village forests. There are also 14 ‘Priority Two’ measures, including, for example, raising public awareness on wildlife conservation and forest-fire prevention; public awareness campaign to disseminate information on forest and wildlife regulations and laws, and strengthen the implementation of these regulations; developing agro-forestry systems for watershed protection and erosion reduction in steep areas; developing small reservoirs in upland areas in order to provide water for wildlife/aquatic animals and plants during the dry season; and public awareness on pest and disease outbreaks in wildlife caused by natural disasters and associated preventive measures.

Myanmar: National communications and NAPA documents are not available.

PRC: The National Climate Change Programme (2007) includes as a strategic objective the enhancement of capacity for adaptation to climate change, including (among others) the strengthening of natural forest conservation and nature reserve management and continuously implementing key ecological restoration programmes. Relevant measures proposed include: expanding the total area and improve the quality of nature reserves and develop bio-corridors among reserves. Strengthen forest fire control by establishing systems for forest fire forecasting, monitoring and suppression; and effectively integrating existing forestry monitoring systems into a comprehensive one for forest resources and other ecosystems.

Thailand: The *Five Year Strategy on Climate Change 2008 to 2012* provides six strategic sets of actions. These include: Building capacity to adapt and reduce vulnerability to climate-change impacts; Promoting greenhouse-gas mitigation activities based on sustainable development; Supporting research and development to better understand climate change, its impacts, and adaptation and mitigation options; Raising awareness and promoting public participation; Building capacity of relevant personnel and institutions and establishing a framework of

coordination and integration; and Supporting international cooperation to achieve the goal of climate-change mitigation and sustainable development. The National Economic and Social Development Plan indicates that the forest policy of the country is to maintain the conservation forests at 25 percent of the country's total land area while expanding forest plantations or commercial forests to 15 percent. Adaptation options include capacity building on vulnerability and adaptation analysis, reforestation with drought and heat tolerant species, prioritization of protected areas for conservation, establishment of gene banks and the collection of various plant cultures.

Vietnam: The *National Target Program (NTP) to Respond to Climate Change* has a general objective and eight specific objectives with targets to be achieved for short/long term period. *The strategic objectives* of NTP are to assess Climate change's impacts on sectors/areas and region in specific periods and develop feasible action plan to effectively respond to climate change in each short/long term period to ensure sustainable development of Vietnam, take over opportunities to develop towards a low-carbon economy and join international community's effort to mitigate climate change impact and protect global climate change. The NTP has also defined key activities targeted for each of three phases of its life time, specifically: Phase I (2009-2010): start-up; Phase II (2011-2015): implementation; and Phase III (post 2015): development.

22. **UNFCCC NCs and SFM/REDD strategies:** The program will facilitate selected follow-up actions associated with the Second National Communications in the participating countries, particularly in promoting climate resilient development and livelihoods, and conservation of carbon stocks which are recommended in SNC reports. SFM/REDD strategies related to Land Use, Land-Use Change and Forestry (LULUCF) that will be supported at the national and regional level will include:

Cambodia – The program's SFM/REDD activities will support Cambodia's *National Forest Plan* implementation and National REDD+ Readiness and REDD+ demonstration projects. It will provide momentum for the significant REDD+ funding has been committed recently in support of Cambodia's REDD+ Roadmap implementation with \$4.2 million approved for a two-year UN REDD Programme. GMS-FBP will also assist the further development of the *Cambodia Climate Change Alliance* and the proposed *Climate Change Strategic Plan* by expanding capacity in the design SFM/REDD projects and addressing carbon stocks and emissions in the forest sector. The program will also be linked to implementation of the *Pilot Programme for Climate Resilience (PPCR)* where there are complementarities.

Laos - The GMS-FBP program and Laos GEF-5 PIF are aligned with the recently approved *Readiness Preparation Proposal (RPP)*, which notes that the main cause of emissions from Laos is from the land use, land use change, and forestry (LULUCF) sector, and emphasises the importance of sustainable management and avoiding loss of existing forest. The program also complements the *National Climate Change Strategy and Action Plan 2020* which highlights the importance of REDD and sustainable forest management. The program will facilitate and draw out the proposed REDD pilot project experiences in four National Protected Area that are part of the Laos program.

PRC - Since 1998, China initiated a series of National Key Forestry Programs, which have been all taken into the National Economic and Social Development Plan, including the Natural Forest Protection Program (NFPP), covering 17 provinces during 2000-2010. In their strategy for SFM, the PRC is following an approach of afforestation, reforestation, conversion of marginal agricultural land back to forest, and improvement in forest quality (reducing degradation), increasing volume/yield; with the aim to increase carbon sequestration and decrease carbon release by forests, with 40 million ha. and 1.3 billion cubic meters increased by 2020 base on 2005. In the Xishuangbanna Tropical Rainforest landscape in South Yunnan the project will support these aims

through restoration and sustainable forest management.

Thailand – The GMS-FBP program is linked to the national program in developing the methodology and piloting REDD+ in conjunction with wildlife conservation, developing a full REDD+ funding strategy for the Dawna Tenasserim landscape, and linking REDD+ pilot with the Thailand national Forest Carbon Partnership Facility (FCPF) process which will provide the first such pilot for Thailand. The proposed process and mechanism to ensure revenue from REDD+, Wildlife Carbon and Ecotourism back to the three wildlife sanctuaries and to local communities, for management and conservation of the forest and key wildlife resources will provide guidance for other GMS countries. The SFM/REDD activities will also assist the Government of Thailand in meeting their obligations and objectives under the National Tiger Recovery Plan, NBSAP, and the CBD.

Vietnam - The GMS-FBP program will complement the national laws and strategies such as the Biodiversity Law, the Law on Forest Protection and Development, Forestry Development Strategy 2006-2020, etc. It will support the *Forestry Development Strategy (FSD) 2006-2020* which aims to: sustainably establish, manage, protect, and utilize 16.24 million ha of forest land, to increase the ratio of land with forest up to 43% by 2010 and to 47% by 2020; to ensure wide participation from various economic and social sectors in forestry; to increase their contributions to socioeconomic development, environmental protection, biodiversity conservation and environmental services supply, as well as to reduce poverty and improve the livelihood of rural mountainous people. The Strategy sets tasks, inter alia, to increase incomes from forest environmental services through Clean Development Mechanism (CDM), ecotourism, and other services such as erosion control and water protection to USD 2 billion by 2020, and to get at least 30% of production forests certified for SFM. The GMS-FBP will provide targeted inputs to support a National REDD Strategy and will assist the *Vietnam Forestry Development Strategy and Vision to 2020* which has SFM as one of the five priority program areas. The priorities related to LULUCF under the *Second National Communication (UNFCCC)* including CO₂ sequestration from Change in Forest and Other Woody Biomass Stocks, CO₂ emissions from soils, CO₂ removal from Abandonment of Managed Lands and CH₄ emissions from Forest and Grassland Conversion will be assisted by the program. The program also supports the *National Biodiversity Strategy and Action Plan*, the *National Environmental Action Plan*, and the *UNCCD National Action Plan (NAP)* related to actions to address land degradation through sustainable forest land management.

23. **UNCCD NAPs:** The program will support selected national Sustainable Land Management (SLM) projects where opportunities exist to address priorities within country National Action Plans that are aligned with the program outcomes.

China (1996) - The NAP presents three phases of action: The Objectives of the first phase (1996-2000) are to slow down the speed of desertification; ecosystem in some regions will be improved; people's living standard will be significantly increased including 3.177 million ha. of lands affected by wind erosion will be rehabilitated; 4.3 million ha. of lands affected by water erosion will be controlled; 12.15 million ha. of degraded steppe, desert steppe and rangelands will be revegetated; 2 million ha. of salinized land will be treated appropriately; 6.905 million ha. of artificial plantation will be established; 165 natural reserves and the preservations in arid, semi-arid and dry sub- humid areas will be established, covering a total area of 59.5 million ha. The Objectives of second phase (2001-2010) state that ecological conditions in some regions will be improved and people's life will be greatly improved, with targets: 7.45 million ha. of lands affected by wind erosion will be rehabilitated; 5.7 million ha. of lands affected by water erosion will be controlled; 34 million ha. of degraded rangelands will be revegetated; 6.69 million ha. of forest plantation will be created; 4 million ha. of salinized lands will be

treated properly; total area of natural reserves will be increased to 68.68 million ha. The Objectives of the third phase (2011- 2050) are for nearly all desertified land to be brought into control, with total area of natural reserves will be 91.35 million ha. and the ecosystem and economic development in desertified areas will be fully rehabilitated.

Thailand (2004) – The *National Action Plan for Combating Desertification* identifies two *strategic issues*: (Issue 1) Development of basic infrastructure of soils and water resources for crop production that aims to promote suitable land uses as well as improves soil fertility and water resources to achieve safety and security, increasing crop production while reducing production cost competitiveness and conserving the environment. Two strategies are presented: *Strategy 1*: Development of geo-information technology (GIS) as well as delineation of agricultural land-use zones for suitable and appropriate use of land while reducing production cost by the following guidance (includes Development of soil information and maps and planning and delineation of suitable soil boundaries for individual crop and crop varieties); and *Strategy 2*: Improvement of organization management to become a learning organization with good governance focusing on preference of customers. (Issue 2) Development of land and water resource infrastructures for crop production consisting of *Strategy 1*: Development of a geo-information technology system for agricultural land-use zoning; and *Strategy 2*: Development of soil and water resources to increase productivity.

Lao PDR (1999) –The NAP focuses very broadly on food security, avoiding slash and burn practices, conserve forest watershed and provide permanent occupation for farmers, rural development, human resource development, public awareness and sensitization on drought hazard and new technologies, and life improvements and prosperity. Eight primary measures are proposed: Stop slash and burn and provide permanent occupation, Land and forest allocation, Forest and water resource conservation, Wood industry, forest products and wood exploitation management, Survey, research and promotion, Forest rehabilitation, Improvement of organization and human resource development and Cooperation with foreign investors.

Cambodia (2011) – The recent NAP – National Action Program to Combat Land Degradation in the Kingdom of Cambodia 2011-2020 was developed with support from GEF, UNP and the Global Mechanism. It provides an analysis of the local degradation circumstances (Part 1) and the specific objectives, targets and programs (Action Plan), including a proposed three phase, \$22M set of projects and activities. Two main themes are highlighted: soil conservation and improvement, and restoration of forest ecological services. The priorities focus on watershed management and soil fertility as the key themes for addressing land degradation concerns. The NAP also includes an Integrated Financial Strategy (IFS) to guide the funding of the NAP implementation.

Vietnam (2002) – The NAP identifies *Enabling Programmes* including: 1: Survey and assessment of affected areas (2002-2005), 2: Strengthen legal framework on natural resources sustainable management (2002-2010); 3: Strengthen international cooperation, information exchange, training and education (2002-2020); and *Implementing Programmes* including: 1: Develop advanced science and technology based on traditional knowledge promotion (2002-2020); 2: Protect forests and increase green cover (2002-2010); 3: Improve water resources, limit impacts of drought and disasters (2002-2010); and 4: Poverty alleviation (2002-2010).

Myanmar – The NAP is still under development. The *Dry Zone Greening Department* has the following objectives: (1) To make the arid region lush, green and beautiful; (2) To maintain ecology of the system; (3) To fulfill basic forest produce requirements of the rural people; (4) To carry out socio-economic development of the rural people; (5) To make the regional people aware of the value and essence of forest and trees; (6) To enhance public knowledge about conservation and promotion of natural environment; and secure its participation; (7) To

maintain climatic balance that will help cultivation works; (8) To prevent desertification.

24. **PRSPs and National Development Plans:** The program will enhance forest-based livelihoods development and related sustainable development and poverty reduction within the project sites, including improved financial sustainability or protected areas and measures to offset the social and environmental costs of development. The sustainable livelihoods aspect of the program is consistent with poverty reduction and decentralization and deconcentration policies and strategies in many of the GMS countries. In 2001, the GMS countries adopted a Strategic Development Framework (SDF) which included action to address environmental issues, and in 2005 they approved a vision for the Biodiversity Corridors Initiative (BCI): “By 2015, GMS countries will have established priority biodiversity conservation landscapes and corridors for maintaining the quality of ecosystems, ensuring sustainable use of shared natural resources, and improving the livelihoods of people”. The goal of BCI has been to maintain and improve the cover, condition and biodiversity of forestlands and associated ecosystems in priority biodiversity conservation landscapes and corridors. This goal is also reflected in many of the national development strategies on GMS countries.

C. Rationale of the program and description of strategic approach (including description of current barriers to achieve the stated objectives):

Program Rationale

25. The GMS is one of the most biologically and culturally diverse places on the planet. Between 1997 and 2008, 1,231 new species were discovered across the GMS region, with an impressive 308 new species identified in 2008 and 2009 alone.^[9].110] This region is home to numerous endangered species including the Indochinese Tiger (*Panthera tigris corbetti*), Asian elephant (*Elephas maximus*), Irrawaddy dolphin (*Orcaella brevirostris*), Siamese crocodile (*Crocodylus siamensis*) and the Mekong giant catfish (*Pangasianodon gigas*). In particular the GMS is rich in endemic species including Saola (*Pseudoryx nghetinhensis*), Annamite muntjac (*Muntiacus truongsongensis*), larger-antlered muntjac (*Muntiacus vuquanganensis*), Annamite rabbit (*Nesolagus timminsi*) and a new gibbon species Annamite gibbon (*Nomascus annamensis*). The majority of this globally important biodiversity occurs in landscapes that are trans-boundary, thereby necessitating regional cooperation for their long term conservation. Unifying the region is the Mekong River - the longest in Southeast Asia, winding through China, Myanmar, Laos, Thailand, and Cambodia before forming the delta in Vietnam and dispersing into the South China Sea. The basin is the richest, per catchment unit area, for fish biodiversity on the planet: this includes the Mekong giant catfish, as well as 150 long-distance migrants. The basin’s high biodiversity and productivity are associated with its active flood regime and, to a large extent, depend on sustainable water management and system connectivity across the entire basin, including through a greater focus on some major tributaries, floodplains, wetlands, and forested watersheds. The rich natural ecosystems of the GMS provide a variety of benefits essential for sustainable development across the region. These ‘ecosystem services’ are realized at the global, subregional, national and local scales. The forests of the GMS are globally significant as carbon storehouses. As the largest inland fishery in the world, the basin provides food security and livelihoods for at least 60 million people who rely on fish as their main source of protein. Much of the economic expansion experienced in this region has been derived from tapping the region’s natural capital – water resources to support rapid expansion of hydropower generation capacity; land resources for increased agricultural production, mineral resources for mining and mineral-based industries; and forest resources for timber and other forms of fibre. Maintaining the integrity and productivity of the inter-connected ecological systems that span the GMS will ensure the maintenance of ecosystem goods and services and generate sustainable flows of forest ecosystem services, such as resilience to the increasingly evident impacts of climate change^[11]. Fragmentation of forests and conservation landscapes remains the fundamental threat to sustaining biodiversity; maintaining resilience to the threat of climate change; continued provision of other ecosystem services; and continued sustenance of rural

livelihoods. Effective regional cooperation and coordination for concerted conservation must be stepped up immediately, or ecosystem resilience thresholds will likely be exceeded - with significant negative consequences for the region and the world.

26. The ongoing incremental loss of forests and habitat connectivity is having a cumulative effect on regional biodiversity. There is no overall strategy to maintain a long term forest land base that supports globally important species within the high priority conservation landscapes. It is this **vision of a sustainable network of priority conservation landscapes at a regional scale** that is central to the program. The strategy is principally to undertake a set of national multi-focal GEF and related projects in priority conservation landscapes that are supplemented by regional technical assistance, capacity building and exchange of experiences/knowledge development.

27. One species that clearly demonstrates this situation is the tiger. Over the last century, 95% of the world's tiger population has vanished due to shrinking habitats, expanding human populations, the increasing demand for traditional medicines and wild meat, and decrease in prey species abundance due to over hunting. Future conservation of tigers will only be possible by securing and expanding viable populations in key landscapes. The GMS contains the largest combined area of habitat for a tiger sub-species in the world. The *Global Tiger Recovery Program* (GTRP) has an important role in GMS biodiversity conservation. The GMS represents five of the 11 countries where tigers still exist, although only Laos, Thailand and Myanmar have breeding populations while Cambodia and Vietnam have a small number of individual animals. Joint coordinated management of these trans-boundary landscapes and cooperation to combat poaching and illegal trade in tigers and tiger parts can ensure future survival of this iconic species, and many other species found in tiger habitat. The GTRP endorsed at the recent St. Petersburg Tiger Summit in November 2010 provides a concrete framework for national governments to demonstrate commitment to regional cooperation. The regional program can facilitate coordination of several key GTRP program activities and link them with landscape interventions.

28. The forests of the GMS are also globally significant as carbon storehouses. Within the Asia and Pacific region, Myanmar, Lao PDR, and Cambodia are in a small group of only 10 countries with high to moderate forest cover (at least 25% of land area) and also experiencing a high rate of deforestation (greater than 0.5% loss per year). Viet Nam and Thailand also have high forest cover, though their deforestation rates are slightly lower.⁸ The countries of Southeast Asia, because of their high forest carbon density, have a huge potential to reduce CO₂ emissions from deforestation. There has, therefore, been tremendous interest in applying the approach of reducing emissions from deforestation and forest degradation as well as through conservation of forest carbon stocks, sustainable management of forests, and enhancement of forest carbon stocks (REDD+)⁹ as an important new approach to climate change mitigation and means to generate financing for sustainable rural development. All of the GMS countries except Myanmar and PRC are already participating in one or more of the multilateral REDD+ support mechanisms – opening new opportunities, but requiring good coordination and social and environmental safeguards.

29. The GMS has been characterized by rapid economic growth over the past two decades – with average annual GDP growth of the region in excess of 8% between 1992 and 2006. Economic expansion has been fuelled largely by exports and tapping natural resources; between 1992 and 2004, exports grew by 300%. Intra-regional trade expanded even more dramatically – by 11 times in the same period. However, despite this impressive economic growth, the region still remains relatively poor with the percentage of the population living in poverty

⁸ ADB and RECOFTC, National REDD+ Strategies in Asia and the Pacific: Programs and Challenges, ADB, 2010.

⁹ Wording based on negotiating text of the UNFCCC Ad Hoc Working Group on Long-Term Cooperative Action, Eleventh Session, Bonn, 2-6 August 2010 (Chapter VI.3)

ranging from 2% in Thailand to 44% in Lao PDR.¹⁰ The region's population remains largely rural, ranging from 57% in Yunnan and Guangxi provinces of PRC to just below 80% in Cambodia. Agriculture still accounts for a substantial portion of GDP, particularly in the lower-income countries (e.g., 48.4% in Myanmar, and 34% in Cambodia and Lao PDR). Most poor households depend on agriculture and to a lesser extent on a diversified basket of farm and non-farm wages and transfer payments. Defining features of the region's poor are that they own very few productive assets, and that self employment or unskilled labor from agriculture makes up the bulk of their income.¹¹

30. Growth in the region's economy and its population are placing increasing pressures on its forests and other ecosystems. Much of the economic expansion has been derived from tapping the region's natural capital – water resources to support rapid expansion of hydropower generation capacity; land resources for increased agricultural production, mining and mineral-based industries; and forest resources for timber and other forms of fibre. Fragmentation of forests and conservation landscapes remains the fundamental threat to: sustaining biodiversity; maintaining resilience to the threat of climate change; continued provision of other ecosystem services; and continued sustenance of rural livelihoods. Despite a recent statistical slowing of forest loss – between 2000 and 2005 net forest cover declined at 0.7 percent per annum, compared to 1.2 percent per annum during the 1990s – the effective rate of forest loss is seven times higher if forest degradation during the same period is also taken into account. The overall forest area of the GMS contracted by 8.5 million hectares between 1990 and 2005, and quality of forests continues to decline. Recent survey data show a range in 2005-2010 annual forest cover change from +1.39% in China to -1.22% in Cambodia. The 2010 data are as follows:

Country	Annual Forest Cover Change 2005-2010 (%)	Annual Natural Forest Cover Change 2000-2005 (%)	Forest extent 2010 ('000 hectares)	Natural Forest extent 2005 ('000 hectares) WRI	Land Area with Forests (%)
Cambodia	-1.22	-2	10,094	10,388	57
Myanmar	-0.95	-1.5	31,173	31,373	48
Lao PDR	-0.49	-0.6	15,751	15,918	68
Thailand	0.08	-0.5	18,972	11,421	37
Viet Nam	1.08	1.1	13,797	10,236	44
PR China	1.39	1.6	206,861	165,921	22
<i>GMS Total</i>			296,648	245,257	

Source: FAO Global Forest Resources Assessment 2010.

31. The rate of forest cover decrease has had significant effects on local biodiversity values. In Battambang Province in Cambodia, for example, forest cover has decreased in fifteen years from 66% to 44% of total provincial territory.¹² The forest landscapes in the Lower Mekong ecoregion complex have been systematically assessed by WWF.¹³ An inventory from over decade ago identified 26 terrestrial landscapes with high global or

¹⁰ World Bank. 2010. World Development Indicators. Washington, D.C. , World Bank. Excludes Myanmar.

¹¹ Stone, Susan, et al. 2010. Assessing Socioeconomic impacts of Transport Infrastructure Projects in the Greater Mekong Subregion. ADB Institute Working Paper Series.

¹² GEF, Project Document: Strengthening sustainable forest management and bio-energy markets to promote environmental sustainability and to reduce greenhouse gas emissions in Cambodia, 2010, para 49.

¹³ Baltzer M.C, N.T. Dao, R.G. Shore, Towards a Vision for Biodiversity Conservation in the Forests of the Lower Mekong Ecoregion Complex, WWF Indochina/WWF-US, 2001

regional biological importance. Ten of these were classified as both Critical biological priority and High threat ranking.

32. Natural ecosystems provide a variety of benefits essential for a sustainable development of the GMS. These ‘ecosystem services’ are realized at the global, subregional, national and local scales. Maintaining their ecological integrity and subregion’s resilience to climatic changes¹⁴, will require effective conservation, watershed and natural resource management. Furthermore, regional scale conservation approaches are critical in the GMS because of the compounding trans-boundary impacts of climate change on other threats (e.g., infrastructure development and habitat fragmentation), thereby increasing the importance of effective regional cooperation and coordination. Unless concerted conservation actions are stepped up immediately, these ecosystem resilience thresholds will likely be exceeded with significant negative consequences for the region. Development projects and economic concessions are increasing at a rapid pace both within the economic corridors and the protected areas. Hence, there is an urgency expressed by government and NGOs in developing a more integrated and effective framework to guide development decision making in the region.

33. In the face of growing development pressures, the protected areas systems in GMS countries have not made adequate progress toward conservation objectives. In Cambodia, for example, a recent review notes: “Very little improvement was made towards creating integrated and cost-effective biodiversity conservation approaches within the protected area system. The situation is even worse beyond the borders of protected areas. Development sectors such as transportation, mining, forestry, agriculture and energy do not meaningfully integrate fundamental biodiversity conservation principles and practices into decision-making processes. Landscape level resource management and planning appears to be largely absent. The enabling environment does little to mandate coordinated and comprehensive conservation approaches across productive and protected landscapes. As a result, the positive impacts of capacity building are mostly isolated within the boundaries of those few protected areas benefiting from international investment.”¹⁵ Similar observations occur in other GMS countries.

34. The loss of forests and the decline of the iconic species – such as the tiger – are potent indicators that development and population related pressures are quickly outpacing the subregion’s ability to respond. This demonstrates the urgent need to define clear, viable and measurable policy measures that can address these pressures on the sub-region’s valuable natural resources – especially its forests. Sustainable financing mechanisms, policies for improved protected area management, stronger enforcement of forest regulations and protected areas laws, results-based monitoring of land use and forest change, and related capacity and institutional strengthening measures are needed to reduce further fragmentation of ecologically significant and carbon rich forest landscapes identified as regional conservation priorities. This will require collaborative efforts combining the objectives of the Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC) and the United Nations Convention to Combat Desertification (UNCCD). It will also require translating policies, laws and strategies to on-the-ground action to ensure effectiveness of a regional program grounded in a multi-country approach.

35. The Mekong River is the longest in Southeast Asia, winding through China, Myanmar, Laos, Thailand, and Cambodia, before forming the delta in Vietnam and dispersing into the South China Sea. The basin is the richest, per catchment unit area, for fish biodiversity on the planet: this includes the Mekong giant catfish, as well as 150 long-distance migrants. As the largest inland fishery in the world, the basin provides food security and livelihoods for at least 60 million people, which rely on fish as their main source of protein. The basin’s high biodiversity and productivity are associated with its active flood regime and, to a large extent, depend on

¹⁴ warmer temperatures, changing rainfall patterns, sea-level rise, and the consequent shifts in land use

¹⁵ UNDP Cambodia, Capacities to Respond to Biodiversity Conservation and Climate Change, Outcome Evaluation 2006-2010, May 2010.

sustainable water management and system connectivity across the entire basin, including through a greater focus on some major tributaries, floodplains and wetlands.

Regional Challenges

36. The threats to biodiversity and forest management in the GMS primarily focus on:

- (a) deforestation and forest degradation rates, unsustainable and illegal logging, fragmentation of conservation landscapes due to land clearance and related loss of habitat and habitat connectivity and a lack of appreciation among those engaged in such activities of the environmental consequences;
- (b) wildlife poaching and unsustainable hunting, human-wildlife conflict and the increased illegal trade in wildlife and other natural resources that is accelerated by increased access to declining habitats for wildlife and increased demand for products from a growing, urban middle class;
- (c) weak planning systems and a disconnect between economic planning and land-use planning which results in ad hoc land allocation arrangements;
- (d) weaknesses in protected area management, monitoring and enforcement due to a lack of or inconsistent national policy, inadequate recognition and demarcation of PA boundaries, limited management controls, and poor institutional and financial capacity to maintain PAs;
- (e) insufficient ecosystem and biodiversity conservation safeguards and incentives at a landscape scale to protect, restore or enhance habitat and to control the adverse effects of habitat fragmentation, habitat risks due to climate change particularly for species which depend upon large ranges and migration routes across several administrative and political boundaries;
- (f) unsustainable forest management practices that undermine watershed integrity and the ecosystem services provided by forest landscapes (including illegal logging and accompanying collateral damage to the forests, encroachment, fragmented institutions and weak monitoring capacities); and
- (g) limited understanding of the implications of climate change on ecosystems and biodiversity, the vulnerabilities associated with changes in temperature, precipitation and Mekong River flows and the related economic and social effects on forest-dependent communities.

These are common issues that warrant a larger scale effort in the GMS.

37. Forests and related aquatic ecosystems in the GMS are also facing the following challenges:

- a) The expected water-related impacts on nature and people associated with rapid economic development, as well as climate change and variability. While several species already suffer from over-fishing, for example, climate change will affect surface and water temperatures, lead to changes in river flows and seasonal patterns, and increase the frequency and intensity of extreme floods or droughts;
- b) The uncoordinated development efforts across countries and sectors, in the absence of adequate cooperation frameworks and long-term visions at the relevant levels; this has impeded the optimal and sustainable management of key hydrosheds, and impacted fish migration, water quality and food security of local communities; and
- c) The competition for access to water among various users and needs, such as agriculture, fisheries, hydropower, navigation, flood prevention, and aquatic ecosystems; for example, wetland conversion for agriculture is a major concern across the GMS, and has led to widespread habitat loss and fragmentation.

Addressing this challenge requires adequate planning and assessment of current and existing water and development demands, in order to avoid conflicts and ensure that vital human needs, environmental flows and the valuable services freshwater ecosystems provide for human security, health, well-being and livelihoods are duly considered in relevant laws, policies and decisions, at all levels, within and beyond the water sector.

38. The ADB-funded *GMS Core Environment Program (CEP)* and the related *Biodiversity Corridors Initiative (BCI)* have completed a pilot phase and are commencing an implementation phase aimed at biodiversity conservation in forest and agricultural landscapes outside of protected areas (PAs). A key gap is the conservation and sustainable use of biodiversity across both protected and production landscapes. Discussions with GMS countries indicate that there is a need to improve the management of national protected areas, building upon the experiences of various conservation programs, and recognizing strategic gaps in previous support programs. This includes the enhanced management of biodiversity and financing of conservation within and across PA boundaries, in PA buffer zones and on adjacent agricultural and forest lands where biodiversity values are linked to the PAs. The regional program is needed to expand and improve landscape approaches to PA management and financing, and to coordinate CEP-BCI with conservation in PAs and adjacent buffer zones.

39. Increased development pressures, fragmentation and loss of habitat, increased numbers of species at risk and endangered, excessive biodiversity exploitation rates, the growth in illegal trade in wildlife and forest products, and the increased pressures related to ecosystem impacts of climate change are the primary threats to biodiversity. Many of these issues are common to GMS countries and have regional and trans-boundary characteristics that warrant a broader and more integrated approach to management responses. Yet there are no regional strategies or initiatives to harmonize and synergize the many biodiversity conservation programs. **Table A-5 in Annex 1** outlines the major GEF and other projects underway in the region. A regional program is required to achieve strategic links between projects particularly related to trans-boundary and multi-country issues. There is a need to bridge the gaps between landscape conservation programs particularly where there are trans-boundary issues, to promote more integrated approaches across protected areas and biodiversity conservation landscapes, and to facilitate the exchange of experiences between countries.

GMS Country GEF-5 Priorities

40. GMS-FBP will provide a means to leverage additional funding, greater impact and efficiencies from programmatic cooperation. It will help to synergize GEF and other national projects within a landscape context. The national GEF-5 priorities are currently being formally established by GMS countries. They include (i) strengthening of governance, policy and legal framework for PA management, (ii) sustainable sources of financing for PA management, (iii) establishing national coordination mechanisms and capacity development of national institutions responsible for PAs and biodiversity conservation, (iv) strengthening the informed monitoring and enforcement of national biodiversity conservation targets, and (iv) integrating biodiversity conservation with climate change adaptation and UNREDD programs. The discussions with GMS countries indicated general support for a regional program that could address the gaps in capacity development of PA's management often within the same landscapes as other programs, the technical and institutional constraints related to implementing transboundary conservation cooperation agreements between countries, the overall lack of financial resources for PA and biodiversity management, and the limited means of exchanging experiences and best practices on forest biodiversity conservation across the region. In addition, there is an interest in opportunities for implementation and co-financing partnerships with national GEF-5 project proposals.

Programmatic Approach

41. The overall program rationale is based on achieving greater impact from regional scale cooperation to meet challenges that confront all GMS countries. There are several strategic benefits from collaboration between

GEF and other development partners at a regional level that can support country programs and priorities. Firstly, a regional GEF program will provide supplementary technical and co-financing support for national programs. For example, by developing the standards and processes for management and financing of protected areas and strengthening sustainable forest management, national policies and institutions can be effectively strengthened. A regional program can also bring some co-financing contributions to related national GEF programs. The program could serve to establish and promote financially viable models of forest biodiversity conservation.

42. Secondly, the program will forge project partnerships within priority landscapes to generate greater impacts on biodiversity conservation and sustainable forest management. For example, coordination between the CEP-BCI, the GMS Biodiversity Conservation Corridor Projects (in Cambodia, Lao PDR and Viet Nam) and similar efforts at integrated conservation such as the Global Tiger Initiative and various forest conservation programs can combine biodiversity, climate change, sustainable forest management and poverty reduction objectives within selected landscapes. A regional program can help to define, elaborate and scale-up a set of best practices within conservation landscapes. A regional program can also establish synergies between regional and national activities. Certain high priority trans-boundary landscapes are prime candidates for such coordinated programming between countries.

43. Thirdly, the program will enhance international and intra-regional recognition of sustainable forest management and biodiversity conservation, and of the value of the GMS as a biodiversity hotspot and carbon sink. For example, the improved profiling of conservation landscapes and endangered species of global significance will enhance the understanding of the value of ecosystem services provided by the landscapes in the GMS.

Barriers to be addressed

44. Barrier #1: Weak policy and inadequate resources and capacity to monitor and enforce protected area laws and regulations.

Over the past several decades, many PAs in GMS countries have been compromised or severely stressed by economic concessions, wildlife poaching, illegal logging, unauthorized settlements, NTFP over-exploitation, drought, fire and other pressures. Except for PAs that have international project support, there are many that have marginal or no patrolling and management activity. Across the entire region there is chronic under-investment in protected areas, particularly for law enforcement operations. Where there is some form of enforcement inside and around PAs, it often only occurs where there are partnerships between governments and INGOs. Lack of substantive or implementable policy, the absence of regulations and/or limited political commitments and budgets contribute toward a general decline in the status and conservation function of PAs. The relative institutional weaknesses of PA authorities have also put them at a disadvantage in government decision making. This barrier will be addressed by national projects that strengthen the policy and regulatory directives and the technical, organizational and financial capacity of PA management, including review of governance arrangements as appropriate in the country. Regional support to standardize and disseminate monitoring and management tools will also improve management effectiveness. Experiences-sharing forums will increase the replication of successful approaches across the region.

45. Barrier #2: Lack of effective structures and mechanisms for regional and trans-boundary partnerships, experiences-sharing and program/project collaboration on landscape and species conservation.

Current efforts to address biodiversity issues of regional and trans-boundary scale are very limited and are mostly project-oriented. In general, responses to biodiversity issues that are regional and trans-boundary still tend to be addressed mostly from a national perspective and often with different cross-border objectives and strategies. Although individual countries are working to respond to ecosystem degradation and species conservation, a large proportion of the region's key natural ecosystems exist in trans-boundary areas of GMS

countries, with impacts which cross national borders. Thus, effectively conserving these ecosystems will require enhanced cooperation and coordination across agencies/sectors and between and within countries. Regionally coordinated responses will make national strategies more effective and also prevent negative unintended consequences of individual, uncoordinated actions. The need to collaborate and to harmonize cross-border ecosystem management and biodiversity conservation has been recognized by GMS countries. This barrier will be addressed by developing targeted partnerships between GMS countries, between international conservation organisations, and between related donor projects so as to encourage more effective and efficient programs and to leverage greater impacts from programmatic collaboration. The regional program will strengthen biodiversity conservation partnerships at larger scales – regional, trans-boundary and landscape levels within GMS in conjunction with economic and poverty reduction programs. This includes more integrated conservation planning as well as greater mainstreaming of biodiversity into development decision making within these priority landscapes. Efforts at trans-boundary cooperation have commenced within the GMS and need to be further promoted and strengthened where countries have agreed to collaborate on conservation. The regional program seeks to establish successful models of cooperative trans-boundary management in priority biodiversity landscapes.

46. Barrier #3: Insufficient regional and cross-border strategies and capacity to combat illegal trade in biodiversity.

Biological diversity in the GMS is subject to a number of pressures, including: habitat fragmentation in the face of infrastructure development; land conversion for agriculture and human habitation; and climate change (Sodhi 2006). However, illegal wildlife trade¹⁶ is arguably the most immediate and addressable of the subregion's biodiversity threats (Barcenas, L.A.B. 2010; Nijman, 2010). Rapid economic development across Asia has raised living standards and purchasing power of millions, stimulating demand for wild products. Some wildlife markets still cater to traditional users. However, luxury and status purchasing have recently become the main drivers of the trade. Wild animal, plant and timber harvesting regimes have moved respectively from customary subsistence to commercial levels of extraction. Asia's increasingly efficient communications and transport infrastructure have only served to exacerbate difficulties governments face staying ahead of the crisis (TRAFFIC, 2008). The rapid development of regional trade, facilitated through enhanced road networks, is a major driver of wildlife trade providing access into once remote areas and increasing the speed of illegal transport of wildlife and products to the end markets.

Previously isolated or sustainably utilized wildlife are now under extreme pressure from poaching in the GMS. The poachers are connected to black markets in urban centers by illegal syndicates of shippers, middlemen and traders. Porous law enforcement and poor capacity all along these trade chains conspire to defeat protection efforts. If left unchecked, the chains stand to denude the GMS of its biological heritage long before climate change or habitat destruction take their toll. They also stand to engender a set of associated dire consequences, including:

Loss of ecosystem services. Reductions of key species to illegal trade can lead to corresponding degradation of ecosystem functionality (as in the loss of trees from watersheds), the disruption of longstanding cultural traditions (as in the loss traditional medicines) and the collapse of local livelihoods (as in the loss of fisheries).

The spread of pathogens affecting both humans and livestock. HIV, SARS, and bird flu all have links to wildlife trade.

- The absence of trade controls over natural resources. This problem ranges across several scales, from reduced community control over resource derived income, to subversions of government tax revenue; and
- Invasive species spread by illegal trade stand to supplant native and disrupt ecosystem functioning (Wyler,

¹⁶ 'Wildlife trade' is any sale or exchange of wild animal and plant resources by people. It involves commerce in both living and dead animals and plants and their derivatives. Products like skins, medicinal ingredients, tourist curios, timber, fish and wild food products are all included.. Correspondingly, illegal wildlife trade is any wildlife trade restricted or prohibited by national and international laws. Much wildlife trade (legal and illegal) takes place within national borders, but there is a large volume of wildlife in trade internationally

L.S and Sheikh, P.A, 2008).

47. Programs to address illegal trade in wildlife and forest products have generally had an ad hoc and piecemeal approach that lacks a focus on strategic interventions and related partnerships at a trans-boundary and regional scale. The growth in illegal trade has overwhelmed the capacity to combat it (e.g. the last Rhino in Vietnam was poached for its horn in Cat Tien National Park 2010). There is no overall GMS policy framework, cross-sectoral monitoring and inspection strategy or comprehensive capacity development plan to guide compliance and enforcement programs and activities. While the illegal trade issues are well recognized, the coordinated strategies and institutional capacities to generate a substantive impact on these issues have yet to be established. Additional support is needed to strengthen ASEAN-WEN, Customs Border Liaison (PATROL), Traffic and other programs. A regional approach is needed to ensure the compatibility and effectiveness of the monitoring, inspection and enforcement systems. This barrier will be addressed by providing an analysis of opportunities to improve regional and cross-border monitoring, inspection and enforcement operations and by initiating program activities (procedures, protocols, capacity development) through the responsible organisations that will implement some of the cost-effective options to reduce illegal trade. The program will provide a strategic plan and follow-up actions to address key gaps in current systems. This may include the mainstreaming of illegal trade control measures into the transport sector and capacity building of awareness and detection in combined border management units.

48. **Barrier #4: Lack of standardized and accessible methods and processes for valuing biodiversity and recovering the costs of conserving and sustaining biodiversity.**

Sustainable financing of protected areas and conservation programs is a priority in most of the GMS countries. A host of methodological, institutional and legal barriers affect the ability to broaden the range of financing options and sources for conservation at the PA and landscape scale. Valuation models need to be developed for different ecosystem and biodiversity services and the practical processes for payment of such services need to be designed and tested. GMS countries have individually made incremental progress in assessing the sustainable financing issue. GEF projects in Thailand and Vietnam have been testing selected approaches. But the methods and processes remain to be fully developed and standardized, and GMS countries are faced with significant capacity barriers to absorb and utilize many of the current conceptual models. A regional approach to assessing and designing financing mechanisms provides an efficient means of bringing together the various conservation organisations and national agencies currently working on this issue, and development a systematic methods and processes that are readily accessible to the GMS countries. This barrier will be addressed by a full review of and further development of the conservation financing options and by providing effective guidance and technical support to GMS countries to adopt the appropriate options. The general strategy is to provide a regional platform to coordinate and accelerate progress on conservation financing. The program will provide a means of improved regional dialogue and collaboration between agencies and organisations working on conservation financing at national and international levels. Pilot testing of innovative financing options focused on species of global and regional significance will also be used to address this barrier, and to facilitate the development of standardized approaches to assessing and initiating financing options.

49. **Barrier #5: Need for harmonization of economic development, such as e.g. economic land concessions with biodiversity conservation and integrated landscape management.**

So many economic developments, land use plans and investments in the GMS countries disregard or even replace protected areas without proper valuation, incorporation and protection of key biodiversity conservation objectives, or adoption of conflict and impact mitigation mechanisms. This is both an economic failure to do so, as well as an indication of the generally low level of willingness with policy and decision makers on the need and benefits of protecting both biodiversity as well as the various ecosystems services provided by these landscapes and forests.

The program will facilitate participatory planning and inter-sectoral coordination at sub-national, landscape and PA site management level, integrated with GSM regional biodiversity conservation corridors initiative. Given the specific needs of Cambodia for institutional reform and cooperation at national level, including dealing with capacity issues, national mechanisms, monitoring systems and policy support for enhanced sustainability of PAs will be established, additionally to the field based investments in conservation landscapes and PAs. This combined with prioritized investments in sustainable livelihoods, enterprise development and community-based natural resource management including forest protection and rehabilitation, will lead to increased security for protected areas and biodiversity including forest resources through harmonization of economic development with biodiversity conservation.

Program Framework

50. **National Projects** will be the main implementation vehicle for the program. National Projects have been nominated by the GMS countries for inclusion in the regional program framework. This includes projects identified through national priority setting mechanisms including GEF-5 National Portfolio Formulation Exercises (NPFs) that are aligned with the program outcomes, especially where mutual benefits and synergies can be derived from participating in a programmatic regional framework. Discussions with country GEF operational focal points will assess the candidate projects that are suitable for the program. Formal arrangements for each country will be discussed and confirmed through an MOU during the full project preparation. The national projects include: (i) projects that demonstrate a landscape-wide approach to conservation that links protected areas, buffer zones and adjoining agricultural and forest lands; (ii) projects with a full or partial focus on trans-boundary landscapes; and/or (iii) projects taking multi-focal area approaches that integrate sustainable forest and land management, biodiversity conservation, climate change adaptation/mitigation and poverty reduction.

51. Funding for National Projects has been secured through selective GEF-5 STAR allocations, which are complimented by co-financing from development partners. Countries have been encouraged to adopt multi-focal area projects that can facilitate access to the GEF SFM-REDD+ incentive mechanism. Opportunities to integrate climate change adaptation and resilience strengthening measures such as ecosystem based adaptation will also be encouraged through access to funding from the Least Developed Countries Fund (LDCF)/Special Climate Change Fund (SCCF). Additional resource mobilization through mechanism such as REDD+ and PES will also be pursued at project and site levels.

52. **The Regional Support Project** will involve multi-faceted support activities that assist the National Projects and address regional level issues. Funding for the Regional Support Project is proposed through SFM/REDD and SCCF. This will build on a baseline of \$30,577,000 in co-financing from ADB, the WB and other partners.

53. Components of the Regional Support Project will include:

Component 1: Improved environmental planning systems, methods and safeguards: This component will strengthen GMS Environment Cooperation Program development policies, strategies, plans and investments in the GMS economic corridors by incorporating environmental and social considerations at upstream design and planning stages. The aim is to mitigate negative impacts from development in economic corridors and conservation landscapes and enhance opportunities to promote pro-poor, gender and ethnically sensitive 'green' development strategies. Under this component, GEF resources will be used to assist in mainstreaming climate change adaptation considerations into GMS strategies and plans, including land use plans for conservation landscapes. In addition, opportunities for promoting and implementing good practice SFM/REDD+ approach within planning frameworks will be supported.

Component 2: Management of transboundary biodiversity conservation landscapes and local livelihoods improved: This component will promote the effective management of biodiversity conservation in critical trans-boundary landscapes in the GMS. It will support sustainable livelihoods for local communities and also enhance performance of investments in the economic corridors by maintaining and improving the flow of ecosystem goods and services. Emphasis will be on developing gender and ethnic minority friendly livelihoods, and establishing enabling policies to secure sustainable financing for the effective management of these landscapes. In Cambodia, Lao PDR and Viet Nam, Component 2 will support and be implemented in close collaboration with the recently approved ADB funded GMS Biodiversity Conservation Corridors (BCC) Project. Linkage will also be made to national projects supported by ADB and the World Bank under the program. With the addition of GEF resources, the regional project work to strengthen biodiversity conservation and ecosystem management in transboundary landscapes, through support to implement SFM/REDD+ pilots and good practice, as well as the development of joint management protocols, operational plans, coordinated monitoring and enforcement systems, and support for improved compliance with international protocols in wildlife, timber and natural resources trade. Furthermore, with SCCF resources, small scale pilot support will be provided to integrate ecosystem based adaptation approaches and measures to strengthen community resilience and livelihood in the face of climate change.

Component 3: Climate resilient and low carbon strategies developed: This component will will promote integration of climate change considerations into the planning and implementation activities of key development sectors in order to strengthen climate change risk and vulnerability assessment capacity, and reduce CO2 emissions from sector activities and land use changes. Component 3 will strengthen adaptation capacities at the national and corridor levels to better manage climate change-related impacts on infrastructure development (energy, tourism and transport sectors). Activities at the local level under this component will mitigate impacts on natural ecosystems, local livelihoods and food production systems through the promotion of gender sensitive adaptation and disaster preparedness strategies inclusive of ethnic minorities. Activities to be undertaken under Component 3 are: i) supporting climate resilience including ecosystem based adaptation in the agriculture and tourism sectors; ii) encouraging low carbon transport and energy development; and iii) supporting country REDD+ readiness and implementation. With the addition of SCCF funds, this component will undertake a comprehensive regional assessment of climate change impact and vulnerabilities related to priority conservation landscapes, including impacts to biodiversity and ecosystem services and vulnerable communities. Furthermore, through SFM/REDD+ funding, the project will build on planned work on national and sub-national MRV systems for REDD+, with additional support for country dialogues on needs, opportunities costs and benefits of establishing a harmonized regional MRV system.

Component 4: Strengthened institutions and financing for sustainable environment management: This component will support country specific institutional capacity development activities to strengthen regional cooperation and collaboration on environmental management within the overall framework of the GMS Economic Cooperation Program. Measures to promote financial sustainability and up-scale investments to maintain ecosystem services and improve environmental quality in the GMS (by mobilizing public and private financial resources) will also be undertaken. The project will establish a GMS Business Forum and other private sector associations to mobilize funding for high-value, low impact, value-added investments designed to reduce poverty and sustain environmental values. Measures to incentivize conservation landscape management via PES systems (e.g. hydropower, tourism, urban water supply) and GMS country capture of global carbon finances will also be supported. 48. Key activities under Component 4 are: i) strengthening subregional, national and sub-national level capacity for environmental management and monitoring, including monitoring and reporting framework on

biodiversity and ecosystem services as a basis for establishing pilot green accounting systems; ii) providing policy support to catalyze sustainable financing; and iii) facilitating public-private-partnerships for conservation and ecosystem management. With the addition of SFM/REDD+ resources the project will increase its support on the development of REDD+ and PES pilots in conservation landscapes, which will then be used as a basis for informing national policy development. The sharing of information and lessons from the GMS FBP will also be a key feature of the component, with a focus on disseminating good practice information on SFM/REDD+ and the preparation of a knowledge product on climate change assessment and ecosystem based adaptation strategies and climate resilient livelihood opportunities. This will build on lessons from the program and also link with information from other SCCF/LDCF funded projects in the region.

D. Discuss the added value of the program vis-à-vis a project approach (including [cost effectiveness](#)):

54. The added value of the program over a series of separate national GEF projects is based on:

- (a) Efficiencies gained from delivering common capacity development services from a regional, multi-country approach, including CBD enabling activities under GEF-5;
- (b) Efficiencies gained from delivering support for global conservation financing models from a regional, multi-country approach;
- (c) Increased cost-effectiveness of collaborative, trans-boundary conservation planning and partnerships development through a regional mechanism, versus bi-lateral negotiation and ad hoc individual country responses to conservation issues;
- (d) Incremental costs of building upon the biodiversity landscapes identification and corridors conservation pilot models of EOC-BCI to extend the landscape conservation approach to PAs, buffer zones and other biodiversity issues;
- (e) Added capacity development provided by GEF funding that will enhance sustainability and dissemination and strengthen the impact of biodiversity technical assistance and investment programs being supported by ADB and other donors in the region; and
- (f) The synergies, cross-fertilization and momentum from international cooperation, exchange of experiences and transfer of best practices and tested models across GMS countries

E. Describe the baseline program and the problem that it seeks to address:

55. Forests and biodiversity in the GMS are under enormous pressure from rapid economic development, which is dramatically changing the character of forest landscapes, resulting in loss of forest cover and the fragmentation of habitats. These issues are further compounded by poor forest management practices, overexploitation of resources and climate change stress, which are adding further stresses on ecosystems and species, including impacts to endangered species such as the Indochinese Tiger. To address these issues each of the GMS countries have already taken important steps to address forest loss and degradation through the implementation of CBD NBSAPs and other national strategies (see **Section B2**). In support of these, a broad range on national projects has been undertaken with support from the GEF and other agencies (see **Table A-5 in Annex 1**). Typically however, these projects operate mostly independently and with focus on certain sectors and thematic areas, with separate biodiversity, climate change, land management and other objectives, and without strong linkages to national or sector development programs. As a result, conservation programs seldom address landscapes as a whole. At the regional level, the fragmentation of conservation efforts is further compounded due to the trans-boundary nature of a number of important biodiversity hotspots and corridors (See **Figure 2**) and there may be missed opportunities to enhance the technical foundations and mechanisms for effective partnerships and trans-boundary cooperation, while increasing exchange and mutual learning.

56. To address these issues and the opportunities for greater collaboration, the GMS FBP will build on and link a core set of baseline projects at national and regional levels supported by ADB, World Bank and other partners. As indicated in **Table 2** the baseline projects will focus on a range of issues at regional and national levels including but not limited to:

(a) *Overview of regional baseline activities:*

- (i) assessment and prioritization of conservation landscapes and biodiversity at the regional level;
- (ii) the management of transboundary biodiversity conservation landscapes and local livelihood enhancements;
- (iii) building capacity, institutions, knowledge and incentives to collaborate in tackling illegal wildlife trade and other conservation threats to habitats in border areas, with a particular focus on the Global Tiger Initiative partnerships;

(b) *Overview of national baseline activities:*

- (i) enhancing community forest management;
- (ii) restore habitat on degraded forest lands with habitat restoration and diversified natural forest tree planting;
- (iii) improve livelihoods and generating labour employment for forest dependent communities
- (iv) strengthening the terrestrial protected area (PA) networks
- (v) demonstrating and disseminating replicable innovative working models for sustainable natural resource use, ecotourism-based livelihoods and sustainable PA financing.
- (vi) developing REDD+ strategies, monitoring systems and REDD national management arrangements, forest carbon stock conservation, sustainable management of forests and enhancement of forest carbon stocks.
- (vii) providing analysis on ecosystem values to inform decision makers in national planning and natural resource management, for improved national ‘green accounting’;
- (viii) investing in on-the-ground environmental improvement activities;
- (ix) strengthening the resilience of critical aquatic and forest ecosystems and dependant communities in to the impacts of climate change, through the development of ecosystem based strategies.

57. The program baseline indicators are linked to (a) weaknesses in the current level of landscape and species information that constrain landscape conservation (strategic gaps); (b) the lack of effective mechanisms to provide for spatially and thematically integrated conservation efforts across landscapes (linking protected areas, buffer zones and ‘production’ landscapes), (c) weak institutional capacities and resources to implement conservation within PAs and priority landscapes, (d) the limited knowledge-sharing and capacity development between countries, and (e) uncertainties about appropriate financing options for conservation programs. Baseline conditions (without the GEF Program) are described in the barriers discussed above and can be generally summarized as follows:

- Weak policy and inadequate resources and capacity to monitor and enforce protected area laws and regulations;
- Lack of structures and processes for regional and trans-boundary partnerships, experiences-sharing and

program/project collaboration on landscape and species conservation;

- Insufficient regional and cross-border strategies and capacity to combat illegal trade in biodiversity, including mechanisms to facilitate trans-boundary cooperation; and
- Lack of standardized and accessible methods and processes for valuing biodiversity and recovering the costs of conserving and sustaining biodiversity;
- Need for harmonization of economic development, such as e.g. economic land concessions with biodiversity conservation and integrated landscape management.

Table 2: Core Baseline Projects and Proposed GMS-FBP Projects

Core Baseline Projects	Strategic gaps, needs and opportunities	Proposed Projects and GEF Increment
Regional		
<p>ADB Core Environment Program – Biodiversity Conservation Initiative (CEP-BCI) (proposed 2012-2016) <i>Objectives:</i> 1. Environmental planning systems, methods and safeguards improved; 2. Management of transboundary biodiversity conservation landscapes and local livelihoods improved; 3. Climate resilient investments and low carbon strategies developed; 4. Institutions and financing for sustainable environmental management strengthened.</p> <p>WB- Adaptive Program Lending for Strengthening regional cooperation for wildlife protection in Asia (proposed 2012) <i>Objective:</i> to assist the participating governments to build or enhance shared capacity, institutions, knowledge and incentives to collaborate in tackling illegal wildlife trade and other select regional conservation threats to habitats in border areas, with a particular focus on the Global Tiger Initiative partnerships</p> <p>GEF/others - Critical Ecosystems Partnership Fund – Indo Burma Hotspot (under implementation) Program in China, Vietnam, Thailand, Laos and Cambodia focusing on the Northern Highlands Limestone and the Mekong River and Major Tributaries corridors, 28 key biodiversity areas, 67 animal species and 248 globally threatened plant species.</p>	<ul style="list-style-type: none"> ▪ <i>Effective processes for implementation of trans-boundary cooperation and harmonization of programs</i> ▪ <i>Standardization of methods and procedures for valuation of biodiversity and ecosystem services</i> ▪ <i>Coordination of national and donor programs for identification and designation of priority conservation landscapes and development of conservation strategies</i> ▪ <i>Increased national capacity to design and apply ecosystem-based climate change adaptation measures and to implement various mitigation strategies associated with SFM/REDD, PES and other measures to protect and restore forest ecosystems and associated livelihoods</i> ▪ <i>Regional cooperation on implementation of the Global Tiger Recovery Plan (GTRP), including protection of core breeding populations, tiger and prey surveys and protected are/landscape management</i> ▪ <i>Forums and opportunities for mutual learning and extracting lessons learned for the development of best practices</i> ▪ <i>Programmatic approach in responding to GMS ministers’ commitment to a long term</i> 	<p>GMS Forests and Biodiversity Regional Support Project (ADB/WB/WWF)</p> <p><i>Objective:</i> To facilitate enhanced regional cooperation and coordinated national actions for the sustainable management and climate resilience of a network of priority conservation landscapes in the Greater Mekong Subregion (GMS), and effective and efficient program management for the GMS Forests and Biodiversity Program.</p> <p><i>GEF Increment:</i> There are significant gaps at the regional level in trans-boundary cooperation, illegal trade controls, biodiversity recognition and valuation and related conservation methodologies and best practices that require larger scale interventions. Further analysis of climate change risks and vulnerabilities are also needed so that climate change resilience strategies, including ecosystem based approaches can be integrated into GMS regional planning processes. Furthermore these assessments will be used to plan the protection of natural resources that are key to the livelihoods of the people living within the conservation landscapes. The project will link the CEP-BCI</p>

	<p><i>regional plan for biodiversity conservation</i></p> <ul style="list-style-type: none"> ▪ <i>Analysis of climate change impacts and vulnerabilities of key biodiversity areas and opportunities for integrating ecosystem based adaptation approaches into regional strategies and planning processes</i> 	<p>technical support with national projects to generate targeted synergies aimed at the regional vision of a network of sustainable conservation landscapes, and provide important exchanges and learning between GEF projects that would otherwise not occur at a national level.</p>
Cambodia		
<p>ADB Biodiversity Corridors Conservation Project in Mondulkiri and Koh Kong Provinces (under implementation)</p> <p><i>Objectives:</i> (i) provide forest tenurial security to poor households and indigenous groups for collective management of forest resources; (ii) restore habitat on degraded forest lands with tree planting; (iii) improve livelihoods and income-enhancing small scale infrastructure; and (iv) generate labour employment.</p>	<ul style="list-style-type: none"> ▪ <i>Greatly enhanced national political support, investments, and management capacity in PAS</i> ▪ <i>A national and unified vision, coordinated institutional platform, and agreed national PAS plan.</i> ▪ <i>On the ground investments in PA management effectiveness that engages communities and government authorities in conservation</i> ▪ <i>Landscape wide conservation strategies that link PAs, buffer zones and livelihoods</i> ▪ <i>Recognition of biodiversity and conservation landscape values in subnational development processes, such as Economic Land Concessions</i> ▪ <i>Biodiversity and law enforcement monitoring and reporting systems</i> ▪ <i>Development of financing mechanisms for PAs and conservation landscapes</i> ▪ <i>Demonstration of ecosystem services valuation and conservation payment schemes</i> 	<p>ADB - Watershed management and ecosystem services in the Cardamom Mountains uplands of Prek Thnot River</p> <p><i>Objective:</i> to restore and maintain forest cover and watershed stability and functions while providing for sustainable livelihoods development, biodiversity conservation, climate change adaptation and ecosystem services in the upper section of the Prek Thnot watershed.</p> <p><i>GEF Increment:</i> The project will expand the forest cover and landscape connectivity in southern Cardamoms, demonstrate integrated focal area objectives through watershed rehabilitation, scaling up BCC activities, and providing greater opportunities to apply ecosystem based climate change adaptation and ecosystem services valuation.</p>
PRC		
<p>ADB Core Environment Program – Biodiversity Conservation Initiative (proposed 2012-2016)</p> <p>Objectives: The Xishuangbanna Tropical Rainforest landscape in South Yunnan and stretching down to the borders of the Lao PDR has been the focus of a biodiversity corridor conservation pilot under the CEP-BCI. Under the program support has been</p>	<ul style="list-style-type: none"> ▪ <i>Strengthening PA management, particularly for the newly created Bulong Nature Reserve</i> ▪ <i>Consolidating cross-border conservation management arrangements with Lao PDR and Viet Nam</i> 	<p>Support for Phase 2 of the CEP-BCI is planned by ADB and the PRC Government.</p> <p><i>GEF Increment:</i> The GMS FBP, through Component 1 of the Regional Support Project – Facilitating Transboundary Cooperation on Landscape</p>

<p>provided to link and strengthen protection for 8 biodiversity conservation corridors with a total forest area of estimated to be about 247,800 ha, as well as support for transboundary biodiversity management between the PRC and Lao PDR. Under the next phase of the CEP-BCI it is proposed to upscale existing BCI pilots to broaden scope and scale of activities and undertake additional pilots in the remaining corridors to connect protected areas. Other activities include conducting additional BCI baseline data collection in Yunnan in existing corridors in Xishuangbanna and integrating BCI corridor data with provincial biodiversity databases.</p>		<p><i>Conservation</i> – can assist in consolidating cross-border conservation management arrangements between the Xishuangbanna Tropical Rainforest landscape in South Yunnan with the Shangyong Nature Reserve in the south bordering with the Lao PDR and the Nam Ha and Phou Dene Din National Biodiversity Conservation Areas (NBCA) in the Lao PDR and Muong Nhe Nature Reserve in Viet Nam.</p>
<p>Lao PDR</p>		
<p>WB/WCS - Protected Area Management Models for Lao PDR: Learning and Disseminating Lessons from Nam Et-Phou Louey Objective: Strengthen the terrestrial protected area (PA) network of Lao PDR by demonstrating and disseminating replicable innovative working models for sustainable natural resource use, ecotourism-based livelihoods and sustainable PA financing.</p> <p>WB - Forest Carbon Partnership Facility Laos (proposed) Objectives: Reference scenarios, REDD+ strategy, monitoring systems and REDD national management arrangements for reducing emissions from deforestation and forest degradation, forest carbon stock conservation, sustainable management of forests and enhancement of forest carbon stocks.</p> <p>WB, ADB, IFC - Forest Investment Program Laos Objectives: (i) build institutional capacity, support forest governance and information dissemination; mitigate greenhouse gas (GHG) emissions from the forest sector, including through supporting forest ecosystem services; and (ii) support necessary measures outside of the forest sector to reduce pressure on forests.</p> <p>WB – BNPP/WWF for Ecosystem Based Approach to Climate Change Adaptation and Valuing Ecosystem Services in the Economy of Laos Objectives: (1) provide analysis on ecosystem values to inform decision makers in national planning and natural resource management, for improved national ‘green</p>	<ul style="list-style-type: none"> ▪ <i>PA management effectiveness that engages communities and government authorities in conservation</i> ▪ <i>Enforcement of PA and wildlife trade laws and regulations</i> ▪ <i>Capacity development to address illegal trade and the role of PAs, border zones in control of illegal trade</i> ▪ <i>Biodiversity monitoring and reporting systems</i> ▪ <i>Forest management and operations that provide for effective protection of priority conservation landscapes and species</i> ▪ <i>Development of financing mechanisms for PAs and conservation landscapes</i> ▪ <i>Application and expanding the use of payments for ecosystem services</i> 	<p>WB - Strengthening Protection and Management Effectiveness for Wildlife and Protected Areas in Laos (Note: for inclusion in the program subject to final confirmation by the Lao Government).</p> <p><i>Objective:</i> to increase capacity for effective protected area management, wildlife conservation and control of illegal wildlife trade.</p> <p>Includes Component 1 (DFRC led): Supporting protected area management and wildlife conservation; REDD+, and Component 2 (DoFI led): Capacity building for addressing the illegal national and regional trade in protected species management</p> <p><i>GEF Increment:</i> There are significant gaps in the capacity of Lao institutions that constrain the implementation of forest conservation. The project will provide for PA capacity development which is not currently being addressed, facilitate a more comprehensive approach to landscape conservation in the forest sector, and improve controls on illegal trade.</p>

<p>accounting' and (2) strengthen the resilience of critical aquatic and forest ecosystems and dependant communities in Lao PDR to the impacts of climate change, through the development of ecosystem based strategies</p> <p>WB - Lao Environment and Social Project (under implementation) Objectives: (1) Strengthen institutions and instruments for assessment, monitoring and compliance for environmental and social sustainability, and broaden the constituency for environmental change. (2) Invest in on-the-ground environmental improvement activities. (3) Operationalize the EPF to become a permanent entity that is eligible to use NT2 revenues for priority environmental protection activities in the country.</p>		
Thailand		
<p>WB - Forest Carbon Partnership Facility Thailand Objectives: Reference scenarios, REDD+ strategy, monitoring systems and REDD national management arrangements for reducing emissions from deforestation and forest degradation, forest carbon stock conservation, sustainable management of forests and enhancement of forest carbon stocks.</p>	<ul style="list-style-type: none"> ▪ <i>PA management effectiveness that engages communities and government authorities in conservation</i> ▪ <i>Recognition of conservation landscape values in subnational development processes</i> ▪ <i>Development of financing mechanisms for PAs and conservation landscapes</i> ▪ <i>Demonstration of ecosystem services valuation and conservation payment schemes</i> ▪ <i>Implementation of tiger recovery plan for Thailand</i> 	<p>WB - Strengthening Capacity and Incentives for Wildlife Conservation in the Western Forest Complex.</p> <p><i>Objective:</i> to improve management effectiveness and sustainable financing for Huay Kha Khaeng-Thung Yai World Heritage site and incentivise local community stewardship. Component 1 - Strengthening On-ground Conservation Actions and Wildlife Protection, activities work towards best practice protected area management, including wildlife protection and monitoring, recovery of tiger and tiger prey populations; Component 2 - Developing and Promoting Incentives and Sustainable Financing for Wildlife Conservation.</p> <p><i>GEF Increment:</i> The project will address key gaps in the national PA system and develop the community stewardship model that is currently missing.</p>
Vietnam		
<p>ADB Core Environment Program – Biodiversity Conservation Initiative (current phase, 2005-2011 and phase 2 proposed 2012-2016)</p> <p>See above under regional</p>	<ul style="list-style-type: none"> ▪ <i>Need for improved capacity and program effectiveness to address the pressures and risks related to climate change including temperature and precipitation changes to ecosystems that affect species and rural livelihood</i> 	<p>ADB - Integrating Conservation, Climate Change And Sustainable Forest Management In The Central Annamites Landscape Of Vietnam</p>

<p>ADB Biodiversity Corridors Conservation Project in Quang Nam, Quang Tri and Thien Hue Provinces (under implementation)</p> <p>Objectives: (i) provide forest tenurial security to poor households and indigenous groups for collective management of forest resources; (ii) restore habitat on degraded forest lands with tree planting; (iii) improve livelihoods and income-enhancing small scale infrastructure; and (iv) generate labour employment.</p> <p>WB - Adaptive Program Lending for Strengthening regional cooperation for wildlife protection in Asia, Vietnam</p> <p>Objectives: to assist the participating governments to build or enhance shared capacity, institutions, knowledge and incentives to collaborate in tackling illegal wildlife trade and other select regional conservation threats to habitats in border areas.</p> <p>KfW/WWF/CarBi Project: “Avoidance of deforestation and forest degradation in the border area of southern Laos and central Vietnam for the long term preservation of carbon sinks” (under implementation).</p>	<p><i>systems in Vietnam uplands.</i></p> <ul style="list-style-type: none"> ▪ <i>Landscape wide conservation strategies that link PAs, buffer zones and livelihoods</i> ▪ <i>Recognition of conservation landscape values in subnational development processes</i> ▪ <i>Integrated watershed management and forest biodiversity conservation</i> ▪ <i>Biodiversity monitoring and reporting systems</i> ▪ <i>Development of financing mechanisms for conservation landscapes</i> <p><i>Seeks to (i) better protect and develop the interconnected conservation areas in Vietnam and Laos; (ii) rehabilitate neighbouring forest corridors; (iii) introduce systems which make the timber trade in Vietnam and Laos more transparent; and (iv) train the local administration in REDD mechanisms, project design and assessing forests’ carbon reserves.</i></p>	<p><i>Objective:</i> to maintain and restore forest biodiversity, ecosystems and related watershed processes and to strengthen climate resilience at a landscape scale in the Central Annamites of Vietnam. In addition, the project will establish the principles and mechanisms for the application of a ‘no net loss’ policy in forest protection and management in Vietnam.</p> <p><i>GEF Increment:</i> The project will fill strategic spatial gaps in the Central Annamites landscape, facilitate BCC and other programmatic impacts on the larger landscape, and strengthen trans-boundary cooperation processes between Vietnam and Laos. At national and provincial levels the project will expand the no net loss and biodiversity offsets concept to the forest sector, and thereby contribute to conservation financing models.</p> <p>The GMS FBP and Regional Support Project will fill a strategic geographic gap at wider landscape level in the Central Annamites and Southern Laos landscapes, and will provide a more comprehensive landscape-wide approach that will link PAs, buffer zones and biodiversity conservation corridors in a joint effort to address priority conservation issues and climate change risks, including policy and institutional development for landscape conservation and climate resilience.</p>
<p>Other related projects (for coordination and additionality)</p>		
<p>Cambodia – UNDP, UNEP and FAO, Forest Carbon Partnership Facility Cambodia Readiness Preparation Proposal and UNREDD+ Roadmap</p> <p>Cambodia - UNDP/FAO, Strengthening Sustainable Forest Management and the Development of Bio-energy Markets</p>	<ul style="list-style-type: none"> ▪ <i>Landscape wide conservation strategies that link PAs, buffer zones and livelihoods</i> ▪ <i>Models for valuation of ecosystem services</i> ▪ <i>Recognition of conservation landscape values in sub-national</i> 	<p><i>GEF Increment:</i> The above projects will draw out the experiences and lessons in GMS countries and create synergies with current GEF projects dealing with PA financing and management, carbon mitigation and adaptation in the forest</p>

<p>Thailand – UNDP, Integrated Community-based Forest and Catchment Management through an Ecosystem Service Approach (CBFCM)</p> <p>Vietnam – UNDP, Removing Barriers Hindering PA Management in Vietnam (GEF-4)</p> <p>WB - Wildlife consumption in Vietnam: reforming policies and practices to strengthen biodiversity conservation (GEF-4)</p>	<p><i>development processes</i></p> <ul style="list-style-type: none"> ▪ <i>Biodiversity monitoring and reporting systems</i> ▪ <i>Development of financing mechanisms for conservation landscapes</i> 	<p>sector, ecosystem services valuation and illegal wildlife trade.</p>
<p>WWF-GMPO FY11-15 Strategic Framework.</p>	<p><i>Focuses on Species and Landscape Goals, including:</i> <i>By 2015, (i) Population of Global Flagship and Eco-region Priority Species in the Mekong river and Priority landscapes are restored, maintained, and increased, and (ii) the ecological integrity and ecosystem services of 200,000 km² of the Mekong River and Priority Landscape are protected, maintained and restored.</i></p>	<p>The GMS FBP and Regional Support Project offers a unique opportunity for GEF to play a leading role in (i) securing landscape integrity and climate resilience through integrated conservation-economic development planning and implementation; (ii) strengthening law enforcement and protected area management to secure priority species and landscape; and (iii) securing sufficient sustainable and leveraged financing for conservation.</p>
<p>BMU/WWF/Thailand Forest Carbon Project: “Thailand Forest Carbon Basemap Development, Monitoring, and REDD Capacity Building”</p>	<p><i>Seeking to (i) establish a high-resolution (e.g. IPCC Tier 3) nationwide forest carbon basemap, a permanent forest carbon monitoring system, and associated web-based, user-friendly tools (ii) produce a comprehensive Project Design Document for a sub-national REDD project (iii) develop the capacity of multiple stakeholders to effectively utilize and benefit from Components 1 and 2; and (iv) transfer knowledge, skills, experiences, and lessons learned to other countries.</i></p>	<p>This project will utilize GEF networks and the Program to effectively disseminate lessons learnt from the project and access regional capacity building, particularly in the monitoring of biodiversity and forest carbon stocks.</p>
<p>WWF/OBf/Xe Pian Protected Area “Reducing Emissions from Deforestation and Degradation (REDD+) in Xe Pian National Protected Area, Lao PDR”</p>	<p><i>Seeking to (i) improve NPA management, including developing infrastructure for law enforcement activities; (ii) test forest restoration in the National Protected Area; (iii) facilitate land use planning and demarcation at the village level (iv) build capacity of community members to allow them to effectively participate in REDD+ ; and (v) develop a Project Design Document to take to the Voluntary Carbon Market.</i></p>	<p>Access regional capacity building, particularly in the monitoring of biodiversity and forest carbon stocks. Coordination with the ADB-BCI / BCC to develop effective biodiversity corridors in Southern Laos.</p>

SCCF/LDCF Projects		
<ul style="list-style-type: none"> • Lao: Improving the Resilience of the Agriculture Sector in Lao PDR to Climate Change Impacts 	<p><i>Objective: Food insecurity resulting from climate change in Lao PDR minimized and vulnerability of farmers to extreme flooding and drought events reduced as part of an applied ecosystem approach</i></p>	<p>Review and assess approaches and methods and any initial lessons from existing SCCF/LDCF projects related to ecosystem based adaptation and resilience strengthening; and use these as inputs to support design of resilience strengthening measures in high priority biodiversity conservation landscapes. Assess if opportunities exist to link to planning and policy interventions in order to strengthen overall outcomes of GEF interventions in Cambodia, Lao PDR and Viet Nam. Assess opportunities to use, update or build on existing vulnerability assessments.</p>
<ul style="list-style-type: none"> • Lao: Effective Governance for Small Scale Rural Infrastructure and Disaster Preparedness in a Changing Climate 	<p><i>Objective: Local administrative systems affecting the provision and maintenance of small scale rural infrastructure (including water and disaster preparedness) will be improved through participatory decision making that reflects the genuine needs of communities and natural systems vulnerable to climate risk.</i></p>	
<ul style="list-style-type: none"> • Cambodia: Vulnerability Assessment and Adaptation Programme for Climate Change in the Coastal Zone of Cambodia Considering Livelihood Improvement and Ecosystems 	<p><i>Objective: To reduce the vulnerability of coastal communities to the impacts of climate change by strengthening policy and science, and demonstrating targeted local interventions to increase ecosystem resilience.</i></p>	
<ul style="list-style-type: none"> • Cambodia: Strengthening the adaptive capacity and resilience of rural communities using micro watershed approaches to climate change and variability to attain sustainable food security 	<p><i>Objective: To build adaptive capacity of rural communities and reduce their vulnerability to climate change and variability through integrated micro watershed management and climate resilient agriculture practices to ensure food security in Cambodia.</i></p>	
<ul style="list-style-type: none"> • Vietnam: Climate Resilient Infrastructure Planning in the Northern Mountains of Vietnam 	<p><i>Objective: To increase the resilience and reduce vulnerability of local, critical economic infrastructure in the northern mountains areas of Vietnam to the adverse impacts of climate change and to support a policy framework conducive to promoting resilient northern mountains zone development</i></p>	

F. [Incremental /Additional cost reasoning](#): describe the incremental (GEF Trust Fund) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF financing and the associated [global environmental benefits](#) (GEF Trust Fund) or [associated adaptation benefits \(LDCF/SCCF\)](#) to be delivered by the project:

58. The GEF incremental support is based primarily on three aspects – (i) the benefits of regional technical and financial assistance on significant common issues affecting global biodiversity and ecosystem services in GMS forests particularly related to the necessary capacity development to address PA/biodiversity conservation and climate change risks, (ii) the increased impact that can be generated from coordinated multi-focal and multi-partner

approaches within priority conservation landscapes which link activities thematically and spatially particularly in critical trans-boundary landscapes, and (iii) the opportunities for learning from each other and thereby increasing the application of best practices and regional standards in managing forest biodiversity. The GEF increment will strengthen regional and trans-boundary conservation functions that are not addressed by national PA projects, provide collaboration on overcoming similar institutional capacity and PA management and governance weaknesses that exist in Laos, Cambodia and Vietnam, fill gaps between PA and non-PA conservation activities in support of greater landscape connectivity, and providing a means for development and standardization of methodologies and protocols particularly related to biodiversity monitoring, law enforcement, application of SFM/REDD and PES procedures to address the regional pressures from the combined effects of development and climate change.

59. The proposed regional SFM increment will specifically target the gaps in identifying climate change risks to priority conservation landscapes, and in applying ecosystem-based approaches to adaptation and valuation and financing strategies measures to address climate change impacts on forest ecosystems. With respect to monitoring, reporting and verification (MRV) systems, there has been some progress on relating to data collection and management relating to carbon stocks and reference emissions levels, however relatively little attention given accounting and governance systems, financial flows (tied to benefit sharing) and other non-tangible aspects of MRV. There is also little evidence that third party verification has been explored much in the region, apart from several pilot projects that have applied for certification under voluntary carbon markets. In linkage with other SFM/REDD+ initiatives such as the UNREDD, the FIP and the FCPF, the program will assess and support gap filling in national MRV systems. In addition, taking advantage of the regional program framework, the program will undertake a feasibility analysis of and participatory stakeholder dialogues regarding the possible development of harmonized regional MRV systems.

60. The request for GEF and LDCF/SCCF funding for incremental/additional costs is based on the following reasoning:

- a) There are significant risks from the joint pressures of development and climate change that require additional support not available to national governments. A broad scale regional assessment of climate change vulnerabilities was undertaken for South-East Asia in 2009, by Arief Anshory Yusuf & Herminia Francisco. The assessment constructed an index of the climate change vulnerability of subnational administrative areas in seven countries including four of the six GMS countries (Vietnam, Lao PDR, Cambodia, and Thailand). In addition to the human aspect of vulnerability, the assessment included ecological sensitivity of the region using biodiversity information, which indicated that the region would be highly vulnerable to climate change. The assessment concluded that some of the most vulnerable areas in the region were the Mekong River Delta region of Vietnam; almost all the regions of Cambodia; North and East Lao PDR; and the Bangkok region of Thailand. Although most regions in Cambodia were relatively not highly exposed to climate hazards, except those sharing borders with the Mekong River Delta in northern Vietnam (which is susceptible to flooding and sea level rise), almost all the provinces in Cambodia are vulnerable due to their low adaptive capacity.
- b) There is however a need for greater analysis and recognition of the values of and risks to regionally significant conservation landscapes (especially trans-boundary) and the related opportunities for mitigation and adaptation; secondly, the potential for integrated approaches that combine multi-focal global environmental objectives within national development processes that are often sectoral in nature, and thirdly, the need for accelerated development and standardization of the necessary tools for landscape conservation and climate change mitigation and adaptation across GMS countries.
- c) The incremental reasoning for the baseline projects is therefore primarily based on: i) the technical support

that will be given to larger scale landscape and regional and trans-boundary issues not currently addressed in national programs, ii) the gaps (thematic and spatial) in the integrated landscape approach and linkages between projects that will be filled by the program including harmonization of national programs across borders (in priority conservation landscapes), and iii) the synergies that will be created by sharing experiences between countries and improving best practices.

- d) Furthermore, the GMS FBP program will bring a new perspective to issues such as wide ranging species which cross borders and illegal trade that cannot be readily addressed at a national level. GMS country landscape and biodiversity conservation programs are constrained by a focus on national territory rather than landscape and species life cycle scale interests. Managing for species that depend upon international cooperation is generally over and above the budgets and resources available to the individual national institutions. Some of the species that have trans-boundary and regional management implications, such as tiger, elephant and rhino, are also keystone species of global significance for biodiversity.
- e) The market forces that drive illegal trade in biodiversity often originate outside of the boundaries and authority of individual countries and regional are necessary to combat illegal international trade in wildlife, timber and other natural resources.
- f) The baseline projects are mostly focused on single thematic areas. The GMS-FBP will demonstrate more integrated strategies that combine the GEF focal area objectives (BD, CCA, LD, SFM) within a landscape approach (including trans-boundary), and that address globally significant biodiversity within national programs. It will provide increased technical support for regionally-significant priority conservation landscapes.
- g) Biodiversity and natural resources productivity in GMS countries are under considerable risk from climate change which is largely imposed by global development processes in industrialized countries. The case for GEF additionality is based on the occurrence of globally significant biodiversity and carbon stocks at risk, and the relatively modest marginal costs of maintaining or restoring forest cover, biodiversity and ecosystems to generate global benefits. Furthermore, intact or restored natural ecosystem can play an important role in maintaining climate resilience at landscape and local levels, though the provision of ecosystem services such as clean water and flood protection.
- h) The program will focus on policy and institutional models and reforms that lead to systemic changes in how landscape scale and trans-boundary issues are addressed through partnerships between programs and between countries; reducing the spatial and thematic systemic barriers to landscape conservation will have long lasting effects on biodiversity conservation and climate change mitigation and adaptation.

61. The overall **global environmental benefits** are briefly listed below:

a) Conservation and improved management effectiveness of priority conservation landscapes including protected areas, key biodiversity conservation areas, and corridors, by integrating landscape conservation approaches in development planning, and through the site level measures that (i) avoid deforestation and forest degradation; (ii) improve sustainable forest management and forest restoration; (iii) improve wetland protection and management, and (iv) enhance watershed stability and aquifer recharge.

b) Conservation of globally significant species and the landscape habitat connectivity and conditions that support their survival;

c) Conservation of species included on the IUCN Red List of Threatened Species, such as the Indochinese Tiger and Asian Elephant, which by their very status are globally significant;

d) Conservation of endemic species that maintain national and global biological diversity at local and landscape scales;

e) Carbon sequestration and avoided GHG releases from the conservation and rehabilitation of vegetated landscapes;

f). Mainstreaming ecosystem-based approaches to climate change adaptation, assessing climate change impacts on conservation landscapes and ecosystem services, and promoting climate change mitigation measures related to sustainable forest management.

62. The trans-boundary cooperation component of the Regional Support Project will result in a model strategy and process for coordinating and harmonizing biodiversity conservation programs and PA management plans between the countries in priority trans-boundary conservation landscapes. This will include inputs into the development of a GMS Regional Economic Development Plan. The management and financing tools in Component 3 will provide improved quality and consistency in landscape assessment, valuation, monitoring, management and financing developed and institutionalized in GMS countries. The knowledge management component will increase capacity of national institutions and staff to implement and finance landscape conservation and ecosystem-based climate change adaptation strategies, drawing upon experiences-sharing between GMS countries.

63. The illegal trade control component of the Regional Support Project will leverage the national and bilateral activities on wildlife trade control and law enforcement monitoring under the National Projects (as outlined within the individual PIFs and project concept notes provided in **Annex 1**). To complement the national and bilateral activities, it will focus on broad-scale disruption to illegal wildlife¹ trade chains. The strategy will entail exposing illicit trans-boundary source to end-sale commerce in key protected species within the GMS. With this information in hand, viable intervention points in illicit trade chains and black market outlets will then be ascertained in consultation with relevant government agencies. Multilateral systems to interdict and dismantle those chains with the greatest impacts on regional biodiversity will then be developed and piloted.

64. **Incremental financing under the GEF Trust Fund** will be used to increase investments in sustainable forest management and to address a number of capacity and institutional barriers including (a) weaknesses in management capacities within national PA systems, (b) insufficient monitoring and enforcement of PAs and biodiversity, (c) limited recognition of priority conservation landscapes outside of PAs, including biodiversity corridors, and national processes for valuing and protecting biodiversity in conjunction with development decision making, (d) the lack of effective mechanisms to provide for spatially and thematically integrated conservation efforts across landscapes (linking protected areas, buffer zones, ‘production’ landscapes and opportunities to avoid/reduce habitat fragmentation through maintaining/ restoring biodiversity corridors), (e) weak institutional capacities and resources to implement conservation within PAs and priority landscapes, (f) the limited knowledge-sharing and capacity development between countries, and (g) uncertainties about appropriate financing options for conservation programs and processes for payment of ecosystem services. Further information on how such efforts will be additional to existing or proposed projects in the region is provided in **Table A-4 in Annex 1**.

65. The **Climate Change Adaptation and Additional Cost Reasoning under SCCF**: Healthy, well-functioning ecosystems enhance natural resilience to the adverse impacts of climate change and reduce the vulnerability of people, by providing important services such as food and fibre resource, carbon storage, water resources and flood protection. According to the International Panel on Climate Change, however “for increases in global average temperature exceeding 1.5-2.5°C and in concomitant atmospheric carbon dioxide concentrations, there are projected to be major changes in ecosystem structure and function, species’ ecological interactions, and species’ geographical ranges, with predominantly negative consequences for biodiversity and ecosystem goods and services.” In particular climate change effects on forests are likely to include changes in forest health and productivity and changes in the

geographic range of certain species. These effects can in turn affect timber production, outdoor recreational activities, water quality, wildlife and rates of carbon storage (US EPA, 2011).

66. Available scientific evidence also indicates that the resilience of a forest ecosystem to changing environmental conditions will be determined by its biological and ecological resources, in particular (i) the diversity of species, including micro-organisms, (ii) the genetic variability within species (i.e., the diversity of genetic traits within populations of species), and (iii) the regional pool of species and ecosystems. Resilience is also influenced by the size of forest ecosystems (generally, the larger and less fragmented, the better), and by the condition and character of the surrounding landscape. Primary forests are also known to be generally more resilient (and stable, resistant, and adaptive) than modified natural forests or plantations.

67. In the GMS context, the current scale and rate of forest degradation and forest cover loss will have a major influence on their ability to withstand the impacts of climate change. In turn, the ability of forest ecosystem to continue to provide important goods and services such as carbon sequestration and resilience to floods will be affected, creating a vicious cycle of climate related impacts and declining community benefits. Indeed recent analysis in the GMS (Murdoch University, 2009) suggests that climate change may pose a greater threat of species extinction than deforestation or habitat destruction, and additional stress imposed by climate change, particularly due to natural hazards (floods and droughts), could threaten goals of poverty alleviation. As a result, mainstreaming approaches, combined with on the ground interventions, are urgently needed to ensure that both local and global environmental benefits from ecosystems can be maintained and enhanced.

68. The additional costs of addressing such impacts on natural ecosystems and in building climate resilience at national or regional scales cannot however be covered through existing national budgets, which are already insufficient to cover the costs of managing existing protected areas. To address these issues, ecosystem-based approaches to strengthening the resilience of forest ecosystems in the GMS are needed. Furthermore, interventions to address specific climate related impacts need to be integrated with other measures to improve the management of ecosystems (such as sustainable forest management/REDD+) in order to ensure targeted and cost effective use of resources.

69. The GMS-FBP therefore represents a unique opportunity to mainstream efforts to promote climate resilience within a programmatic approach that aims to protect, maintain and enhance ecosystem services. In the baseline case however, measures supported by the GMS-FBP will be limited in their ability to integrate climate resilience at a landscape level, due to limited information on site and landscape specific impacts of climate change on biodiversity and ecosystem services. Furthermore, prioritization of interventions to promote sustainable forest management within national and regional policies, plans and development strategies, as well as within the targeting of specific sites for on the ground interventions, will not maximize opportunities to synergize economic development with both forest conservation and climate change mitigation and adaptation objectives. The proposed SCCF funding will provide for technical support at a regional and targeted trans-boundary and national level to assess climate change impacts and to propose and test mitigation and adaptation measures which can be shared across the region.

70. With SCCF resources, the GMS-FBP through its Regional Support Project, will be able to undertake a regional assessment of projected climate change impacts on biodiversity and ecosystem services. This will then be combined with updated profiling and assessment of priority conservation landscapes – including the identification of key biodiversity areas and corridors; an assessment of carbon stocks; an assessment of forest related watershed services; and an assessment of existing and projected threats associated with economic development and resource exploitation. When combined, the overall assessment will support improved strategic planning at national and regional levels regarding the integration of ecosystem protection and climate change resilience within sector development programs and conservation programs. In addition, SCCF resources channeled through the Regional Support Project will support more detailed site level assessments for selected national projects supported by the

program, which will in turn be used to support (i) climate-resilient forest-based livelihoods; (ii) introducing a range of conservation strategies and ecosystem based adaptation and resilience strengthening measures at site levels (for example, targeting forest restoration programs in degraded areas vulnerable to erosion and landslide or prioritizing investments in the management forests areas with downstream flooding and sedimentation issues); and (iii) strengthening awareness of and capacity of forest management authorities to assess climate change risks and apply ecosystem based adaptation measures and management systems at landscape and site levels; and (iv) strengthening monitoring systems related to climate related impacts on forests and ecosystems; and management interventions including MRV processes. It is expected that SCCF resources will only be used to incrementally support actions undertaken through GEF Trust Fund resources (BD, LD, CCM and SFM/REDD) and partner co-finance.

G. Describe the socioeconomic benefits to be delivered by the Program 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) or adaptation benefits (LD/SCCF).

71. Natural resources including forest biodiversity are important sources of economic and social well-being in the GMS. The program seeks to protect and enhance this economic base and to establish controls on development impacts that diminish these resources. Improved forest and watershed management contributes to more stable ecosystems and hydrologic systems that support agriculture and forestry sectors, food security, basic human needs, livelihoods and employment. The socioeconomic benefits include systemic improvements in the financial sustainability of PAs and the related productive stewardship of biodiversity and natural resources that will be promoted. The conservation-oriented, climate-resilient livelihoods development that will be supported in priority landscapes are key elements in poverty reduction strategies. Ecotourism benefits will also be incorporated into the sub-project activities. The anticipated socio-economic benefits from the national projects are summarized in the available draft project PIFs and will be documented in other projects under the program, meeting all social, resettlement and environmental safeguards. The benefits include equitable community benefit sharing from investments in protected area management and buffer zone livelihood programs, and climate change mitigation and adaptation for vulnerable communities, increased natural resource assets from forest and watershed rehabilitation, and participatory processes for involvement of all sectors of the communities within the national projects. Sustainable livelihood programs will particularly target poor households and women, who are often most vulnerable to the effects of ecosystem degradation on resource availability (water, NTFPs, sustainable wood supplies, etc).

72. Opportunities to promote gender equality will be pro-actively pursued through the terms of reference for field-related projects which will include the gender dimension in the design of activity programs and selection of beneficiaries. These could include gender equity provisions within recruitment processes, disaggregation of program outputs and impacts on men and women, and targeted focus on addressing issues facing women and children in the development of sustainable livelihoods that are conservation-oriented and climate resilient.

73. GMS-FBP will conform with GEF gender and safeguard policies which are consistent with commitments of ADB and The World Bank. Opportunities for enhancing gender and social benefits within each of the projects will be assessed further during details project preparation, when further details regarding sites and communities have been assessed.

H. Justify the type of financing support provided with the GEF/LDCF/SCCF resources:

74. The financial support is justified in terms of a significant and timely contribution toward (a) establishing regional models of trans-boundary cooperation on landscape conservation, (b) demonstrating integrated landscape approaches that link PA and non-PA conservation and livelihoods, (c) the leveraging of the results of the GEF projects and ADB BCI/BCC technical assistance and site-based activities for larger scale effects on landscapes, and

(d) filling key gaps in national and international programs that are cost-effectively addressed through a regional program, as identified in Section F. The anticipated GEF focal area set aside funding that will provide much of the regional funding will produce programmatic benefits that take advantage of the synergies and cooperation between countries.

75. The proposed focus on globally and regionally significant biodiversity under high levels of risk from rapid economic development and areas of high ecosystem and human vulnerability to climate change is consistent with GEF and LDCE/SCCF objectives as described in Section B above. There are distinct global environmental benefits from program coordination within these key landscapes. The GEF/LDCE/SCCF resources will leverage additional support from co-financiers and where appropriate, synchronize activities with national and regional programs of The World Bank (see Table 2), and ADB’s *Biodiversity Corridors Initiative (BCI)* and *Biodiversity Conservation Corridors (BCC)* program.

76. GMS-FBP has the potential to make an important, lasting and cost effective contribution toward landscape conservation processes in the countries and across the region. By establishing models of cooperative trans-boundary conservation management and linking protected and production landscape strategies along with greater momentum to secure appropriate sustainable financing, a new set of standards will be promoted for national conservation programs. The program aims to add value and cooperation dividends to the many dispersed conservation programs, and to use the regional interventions to leverage greater national action on multi-focal biodiversity conservation and climate change objectives.

77. GMS-FBP is cost-effective because it builds upon ADB and World Bank programs already in place or proposed in GMS countries, offers a means of facilitating trans-boundary cooperation that has been difficult to provide a country level, and delivers capacity development services across countries that have similar GEF project objectives.

78. GMS-FBP provides a timely investment in responding to the recent commitment by GMS environment ministers to promote a pro-active approach to conserving ecosystems and associated biodiversity within the context of the GMS Economic Cooperation Program. The socio-economic impact of the investment is linked to the mainstreaming forest conservation, and particularly, high priority conservation landscapes, into national sustainable development policies, programs and agendas through regional cooperation. The program collaboration between ADB, and World Bank in conjunction with national governments and international NGOs is key to strategically integrating conservation into GMS development. GMS-FBI will provide the framework for these synergies and it will link specifically to existing cooperation mechanisms between the GMS countries the GMS Economic Cooperation Program Strategic Framework.

I. Indicate risks, including climate change risks that might prevent the program objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the program design:

79. The risks are complex due to the collaborative and programmatic nature of the program and the implementation arrangements, and the rapid pressures of development and climate change which create a very dynamic environment for program implementation. The risks are summarized in **Table 3** below.

Table 3: Risk Management		
Risks	Rating	Risk Management
Inability of the regional program framework and management structures to guide and influence the timely and effective	Moderate – High	The program includes a set of aligned national projects with incremental regional support and funding and ADB technical support (CEP-BCI) that depends upon continuous collaboration during the design and implementation of project activities. Program partners are expecting leveraged benefits from participation within a regional

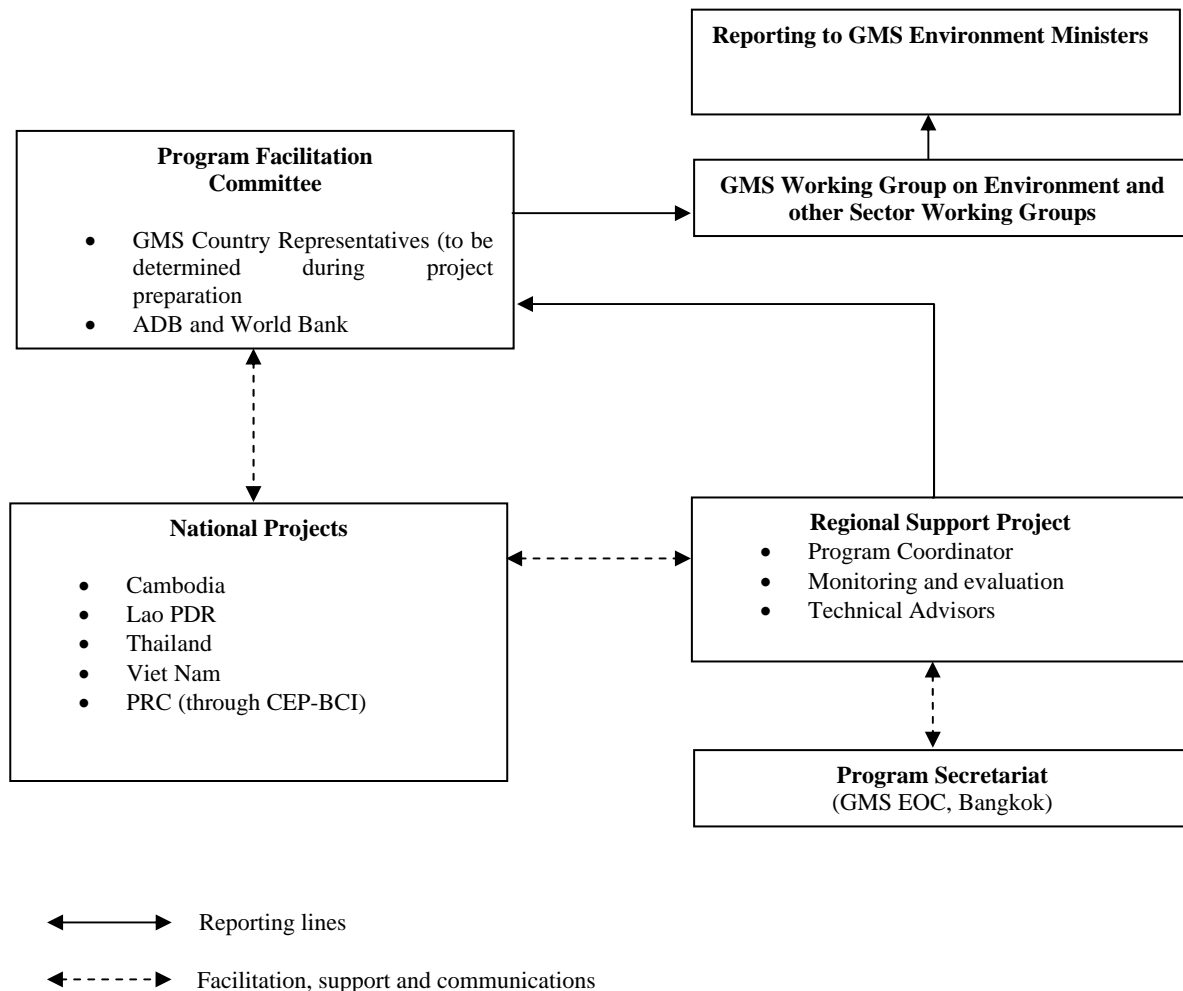
implementation of national project activities.		<p>program.</p> <p>This will require good communication and cooperative relations in achieving expected program level results. The program will include a strong communication strategy and M&E plan. Reporting procedures will be carefully coordinated that maximize the use of monitoring outputs from participating projects for program level reporting.</p>
Political commitment to regional cooperation on trans-boundary landscape conservation and illegal trade is not maintained.	Moderate	<p>The program activities will be designed to harmonize conservation programs across borders to the extent possible, without creating new requirements or systems that are difficult to integrate with individual national land use policies and regulations. The trans-boundary project designs should emphasize participatory methods and country ownership of joint activities that are fully endorsed and aligned with national systems.</p> <p>The program orientation, awareness-building and training activities will engage a wide range of stakeholders in order to maximize the mainstreaming of biodiversity and landscape conservation into various development sectors and natural resources management fields.</p>
Coordination challenges between ministries and different programs affecting biodiversity, forestry, agriculture and other sectors.	Moderate	<p>A landscape perspective to biodiversity conservation requires linkages between protected areas, buffer zones and adjoining lands that depend on cross collaboration amongst different institutions. This challenge of spatial and thematic coordination of biodiversity and environmental interests or objectives is a recognized issue in GMS countries.</p> <p>The program will pursue cooperative environmental mainstreaming within development sectors, and policy development that recognizes the importance of an effective enabling environment to implement conservation objectives.</p>
Increased national economic and land concessions granted within and near protected areas and other related conservation designations which could compromise the site specific program conservation activities.	Moderate	<p>This is a routine risk that is faced by many conservation designations in GMS countries.</p> <p>The project activities, including those related to PA policy and regulatory development will (i) advocate and provide the benefits of science-based decision support methods to balance development and conservation objectives; (ii) negotiate the conditions for policy and regulatory change that focus on well-documented biodiversity values and core conservation priorities; and (iii) encourage decision making about economic concessions to be informed by technical inputs on ecosystem valuation, potential biodiversity impacts and rigorous mitigation and compensation criteria and processes.</p>
Climate change risks that may not be anticipated in terms of extreme weather events and flooding and drought occurrence.	Low	<p>The program is intended to explicitly consider climate change impacts and strategies to mitigate and adapt. (Thus low probability) Nevertheless, contingency measures and targeted mitigation measures to manage the potential adverse effects of unanticipated events will be included in project designs.</p>

J. Outline the institutional structure of the program including coordination and monitoring & evaluation:

80. **Figure 3** outlines a preliminary institutional structure for the program, which will be further reviewed and agreed with the GMS countries during the project preparation phase. This structure will provide coordination and facilitation support for the implementation of the program in accordance with agreements between the participating

countries, GEF Agencies and the national executing and implementing agencies and partners that will be responsible for individual projects.

Figure 3: Preliminary organizational/coordination arrangements



81. The proposed *GMS-FBP Program Facilitation Committee*, comprising the participating country representatives, and ADB and the World Bank, will provide guidance on program implementation issues and support for ensuring effective collaboration and coordination between national and regional projects. The committee will meet 1-2 time per year, with meetings scheduled where possible around other common events. The committee will not have a management function in terms of approving work plans or budgets. This committee will be assisted by a small Program Secretariat Unit (PSU) led by a *Program Coordinator* located within the GMS Environment Operations Centre (EOC) in Bangkok.

A *Program Coordinator* will work through the Regional Support Project and facilitate coordination between national projects. This will include facilitating dialogue and information sharing between national and regional activities and projects and disseminating information to other partners.

82. The responsibilities and ownership of each of the National Projects will remain with the respective implementing agencies in each country. This includes all aspects of project delivery, management and administration.

83. Monitoring and reporting on projects to the GEF will be part of the duties of individual projects. Support will however be provided for a *Monitoring and Evaluation Officer* hired by the PSU, who will synthesize monitoring reports prepared by each national project into periodic Program M&E reports. At the program level, a set of core program indicators will also be developed and agreed for use to assess overall progress on regional level issues.

84. Knowledge management is central to the purpose of a regional program. Extracting and transposing key experiences and best practices into effective knowledge products that are accessible to and useful for decision makers and conservation planning processes in all of the countries is an important objective. Opportunities for program-wide dialogue on the larger scale regional and landscape level conservation issues facing GMS should be part of a knowledge management module that is overseen by the Regional Support Project in close coordination with other partners.

85. The above institutional arrangements will be further reviewed and agreed by partners during the detailed design phase for the program.

K. Identify key stakeholders involved in the program including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

86. At the regional level, the program will be executed through the GMS Core Environment Program and Biodiversity Corridors Initiative, which will be implemented by the relevant government agencies and other implementing partners, and steered and coordinated by GMS Working Group on Environment (WGE) with support from the GMS Environment Operations Center. The program is closely aligned with the draft GMS Economic Cooperation Program (ECP) Strategic Framework (2012-22), and it will liaise closely with national GMS Secretariats and ECP focal point agencies to foster multi-sectoral integration and coordination. The World Bank will also support implementation through linkage with the Wealth Accounting and Valuation of Ecosystem Services (WAVES) project which was launched at the CBD COP10 Nagoya in 2010). During program preparation focal point agencies for the regional project will be identified through consultation with each country. To ensure linkages with economic sector development in the region, linkages are also expected to be formed with the Working Group on Agriculture (WGA), the Regional Power Trade Coordinating Committee, GMS Energy Forum, Mekong, Tourism Coordinating Office, and the Subregional Transport Forum. At the regional level the program is also expected to coordinate closely with a broad range of development partners, CSOs, networks and initiative including, but not limited to GIZ, USAID, FAO, UNDP, UNEP, UNREDD, the ASEAN Center for Biodiversity, the ASEAN Wildlife Enforcement Network, TRAFFIC, Interpol, Conservation International, IUCN, WCS, and WWF. During full project preparation further stakeholder consultation will be undertaken to identify more specifically key partnerships and coordination arrangements, and to assess opportunities for bringing new partners to support the program and arrangements for synergizing the effort of the GMS FBP with other initiatives in the region.

In Cambodia the national project will be executed through the Ministry of Agriculture, Forests and Fisheries. At the provincial level the project will work with provincial authorities and 10 communes in Koh Kong province, between the Central and Southern Cardamom Protected Forests, linking Botum Sakor National Park, the Peam Kasop Wildlife Sanctuary and the Dong Peng multiple use area. During implementation it is also expected that links and synergies with various NGO programs with activities in the area will be made (such as Conservation and International and WCS - TBC). Linking to the UNCCD agenda the project will work closely with the Global Mechanism.

In Lao PDR, key stakeholders in government will be the lead agency, the Division of Forest Resource Conservation, under the Department of Forestry, mandated with protected area and wildlife conservation; the other project technical agency, the Department of Forest Inspection; mandated with law enforcement related to forest and wildlife protection; NPA Management Units at project sites, who will lead activities and coordination at each project site; and the REDD Taskforce and others involved in implementation of FCPF. The key community stakeholder will be

the enclave and surrounding villages at project sites, and these communities will have a role in engaging in forest and wildlife protection, linked with livelihood development and revenue generation from REDD+ NTFP marketing, ecotourism, and other ecosystem services. Non-government organizations will be involved, in providing training and technical assistance at central level and at the project sites. Key NGOs in Laos, all likely to be involved in the project, are IUCN, WCS, and WWF.

In Thailand, key stakeholders are the Department of National Parks, Wildlife and Plant Conservation, who play a leading role in the implementation of wildlife conservation programs and actions to address the trade in illegal wildlife products, such as the establishment of patrols, public awareness programs, and monitoring of wildlife prey and populations. International civil society organisation, the Wildlife Conservation Society-Thailand, has been contributing to conservation efforts at the WHS and will be supporting this project. Local communities, inside Thung Yai E and Thung Yai W and at the edge of the buffer zone of Huay Kha Kaeng will be key stakeholders, as will local government agencies in the three provinces in which the WHS is located. Other stakeholders which have been identified in the NTRP include the Smithsonian Conservation Biology Institute, which will be a key player in the capacity building aspects of the project, the German Technical Cooperation (GTZ), the UNDP, and the private sector (zoos, media, and conservation foundations).

In Viet Nam, the Ministry of Agriculture and Rural Development (MARD) and the Ministry of Natural Resources and Environment (MONRE) will be the executing agency. MARD has overall responsibility for managing the system of Special-use Forests, reviews budget allocations for Special-use Forest management boards, oversees implementation of the 5 Million Hectares Reforestation Programme (661 Programme), which supports Special-use Forest management through protection contracts and reforestation activities. It carries out surveys, plans and develops investment projects for establishing Special-use Forests. Ministry of Natural Resources and Environment (MONRE) is responsible for the Ramsar Convention, the Convention on Biological Diversity and co-ordinating the implementation of Viet Nam's Biodiversity Action Plan (refer to Decree 109/2003 and Circular 18/2004 guiding the implementation of Decree 109). In addition to MARD and MONRE, the Ministry of Planning and Investment (MPI), and Ministry of Culture, Sports and Tourism, and the Provincial People's Committees, will be involved as each play important roles in forestry sector and natural resource and environmental management. The MPI, through the annual budgeting process, is responsible for setting funding levels and negotiating budget allocations with sectoral ministries and the provinces, including budget for protected areas. The Ministry of Culture, Sport and Tourism (MOCST) together with MARD has the responsibility for managing "cultural-historic-environmental sites", one of Viet Nam's categories of Special-use Forests. The Viet Nam National Administration of Tourism (VNAT) within MOCST is responsible for developing the country's tourism strategy and promoting tourism in national parks and cultural-historic-environmental sites. At the local level, the project will work closely with the protected areas management boards including the Dakrong and Phong Dien Nature Reserve and Bach Ma National Park, as well as local communities, including various ethnic minority groups, farmer's unions and women's unions. Coordination with existing programs of NGOs is also anticipated including WWF who is implementing the CarBi project in trans-boundary areas of the Central Annamites on the border with Lao PDR.

In the PRC, it is anticipated to be executed through the Ministry of Environment Protection and the Yunnan Environmental Protection Bureau. Further details will be confirmed during full project preparation.

Myanmar: No on-the-ground activities or investments are planned in Myanmar. Myanmar will however be invited to travel to other countries in the region through the regional support project to participate in regional assessments, data sharing, planning, capacity development and knowledge sharing activities.

GEF agencies involved in the program will be the Asian Development Bank and the World Bank. It also anticipated that the programs implementation may involve collaboration with other organizations including UNEP, UNDP, WWF Greater Mekong Regional Programme, Wildlife Conservation Society, Conservation International, TRAFFIC and Forest Trends, as well as the various subnational and community organizations at the project level (to be confirmed through consultations during project preparation). The project designs and implementation will adopt participatory approaches especially during the Preparatory Preparation phase and the Inception Phase to maximize national and community ownership of the project, local socio-economic benefits and project sustainability and mainstreaming of the project activities within subnational and local institutions.

L. Indicate the co-financing amount the GEF agency is bringing to the project:

87. Total co-financing for the program is currently estimated at 137,189,100.

The ADB program contribution is estimated at \$61 M, including \$ 26.5 M for regional technical support (all countries) through CEP-BCI; and \$34.5 M in co-financing from ADB BCC investment program (in Cambodia and Viet Nam).

The World Bank co-financing is estimated at \$33.6 M for various regional and national programs related to Adaptive Program Lending for Strengthening regional cooperation for wildlife protection in Asia, Forest Carbon Partnership Facility, BNPP/WWF for Ecosystem Based Approach to Climate Change Adaptation and Valuing Ecosystem Services in the Economy of Laos. In addition WB and ADB will collaborate in Lao PDR to process \$26 million in resources from the Forest Investment Program. Currently only \$1 million in FIP resources is counted as co-financing to the WB Lao PDR national project. This will be further reviewed during project preparation with a view to creating greater synergies with the GEF supported GMS FBP.

M. How does the program fit into the GEF Agency's program (reflected in documents such as UNDAF, CAS, etc.) and the Agency staff capacity in the country to follow up program implementation:

88. The **Asian Development Bank** has been implementing the Greater Mekong Subregion Biodiversity Conservation Corridors Initiative since 2005. It supports the program of the Working Group of Environment Ministers of the GMS countries as well as the Environment Operations Centre in Bangkok and therefore is strategically positioned to deliver regional support services related to forests and biodiversity. The regional program complements the GMS Economic Cooperation Program, including the implementation of the *Vientiane Plan of Action for GMS Development 2008-2012* which includes a commitment to environmental protection and management. The program is also endorsed by the recent Joint Statement of GMS Ministers (July 2011) supporting increased regional cooperation on biodiversity conservation, climate change, poverty reduction, and sustainable finance. In the region ADB is supporting a range of climate change adaptation projects and activities including a GEF-SCCF project on Climate proofing rural infrastructure in the northern mountains, which will use a range of measures including ecosystem based approaches. At the regional level, ADB also support the Asia Pacific Adaptation Network, which will be used as a network for information and knowledge dissemination through the program.

89. The **World Bank** has been an important financier of GEF projects, with more than \$3 billion in co-financing for GEF projects since the inception of the GEF. The World Bank has partnered previously with the Vietnam and Lao PDR governments on GEF funded projects on biodiversity and forest management. WB has a strong portfolio in forest management and environmental management in Laos and Vietnam, and in climate change and CDM in Thailand, Laos and Vietnam. The Bank has been an important player in efforts to combat the illegal trade in wildlife parts and timber. World Bank, both at headquarters and in the country offices in the GMS, has been a leader in the Global Tiger Initiative process, which contributes to the conceptual framework of this project. World

Bank will be the lead agency of the Lao PDR Forest Investment Program, in Laos, and is the key agency for FCPF in Laos, Thailand and Vietnam. The Regional Support Project and Program on Biodiversity and Forests fits well to the country partnership strategies of the countries. World Bank can draw on its operational experience in Thailand, Laos and Vietnam, and will be able to mobilize the technical knowledge and leverage relevant partnerships for implementing this project.

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

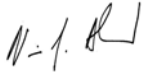
A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

(Please attach the [Operational Focal Point endorsement letter \(for Qualifying GEF Agency\)](#) and [Operational Focal Point Endorsement letter \(for Program Coordination Agency\)](#) with this template.

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for project identification and preparation. Following the new project cycle, ADB and WB will submit all PIFs under the program within 6 months after Council approval of the PFD.

Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Nessim Ahmad Director, Environment and Safeguards concurrently Practice Leader (Environment) Asian Development Bank		09/26/2011	Sanath Ranawana, Senior Natural Resources Specialist	+855 265 341	sranawana@adb.org
Karin Shepardson, GEF Executive Coordinator The World Bank		09/26/2011	Christophe Crepin, The World Bank		ccrepin@worldbank.org

LIST OF PROJECTS UNDER THE PROGRAM FRAMEWORK

Projects Submitted for Council approval in this work program + Future submissions:						
<u>Project Title</u>	<u>GEF Amount (\$)</u>			<u>Agency Fee (\$)</u>	<u>Total (\$)</u>	<u>Expected Submission Date</u>
	<u>Focal Area 1</u>	<u>Focal Area 2</u>	<u>TOTAL</u>			
	<u>Project</u>	<u>Project</u>	<u>Project</u>			
<u>FSP submitted with PFD in the work program</u>						
1.Thailand: Strengthening Capacity And Incentives For Wildlife Conservation In The Western Forest Complex. - Tbc (Wb)	7,339,450		7,339,450	660,550	8,000,000	Same as program framework document
2.Laos Strengthening Protection And Management Effectiveness For Wildlife And Protected Areas (Wb)	6,825,688		6,825,688	614312	7,440,000	
3.			0		0	
4.			0		0	
<u>Total</u>	14,165,138	0	14,165,138	1,274,862	15,440,000	
<u>MSPs Submitted for CEO approval</u>						
1.Gms Forests And Biodiversity Regional Support Project (Adb)	917,431		917,431	82,569	1,000,000	2011-09-23
2.			0		0	
3.			0		0	
<u>Total</u>	917,431	0	917,431	82,569	1,000,000	
<u>FSP Projects to be submitted in future work programs:</u>						
1.Integrating Conservation, Climate Change And Sustainable Forest Management In The Central Annamites Landscape Of Vietnam (Adb)	3,960,526		3,960,526	339,474	4,300,000	2012-05-01

2.Cambodia: Watershed Management And Ecosystem Services In The Cardamom Mountains Upland Of Prek Thnot River (Adb)	1,109,244		1,109,244	90,756	1,200,000	2012-05-01
3.			0		0	2012-05-01
4.			0		0	
Total FSPs	5,069,770	0	5,069,770	430,230	5,500,000	
MSP Projects to be submitted for CEO Approval						
1.			0		0	
2.			0		0	
3.			0		0	
4.			0		0	
Total	0	0	0	0	0	

Note: Qualifying GEF Agencies submitting the PFD do not need to fill this table. For all other GEF Agencies, fill in the focal area split, if any. If more than two focal areas involved, add columns as necessary.

ⁱ ‘Wildlife’ in this context includes wild terrestrial animals, fisheries species, timber and non-timber plants. It refers to species not cultivated or husbanded. Correspondingly, ‘illegal wildlife trade’ is commerce in these species in contravention of local, national or international laws.