



PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission Date: 10 October 2008

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PART I: PROJECT IDENTIFICATION

GEF PROJECT ID¹: PROJECT DURATION: 4 years

GEF AGENCY PROJECT ID: 606414

COUNTRIES: Fiji, Samoa, Vanuatu and Niue

PROJECT TITLE: Forestry and Protected Area Management in Fiji, Samoa, Vanuatu and Niue

GEF AGENCY: FAO

OTHER EXECUTING PARTNERS: Ministry of Local Government, Urban Development, Housing and Environment (Fiji), Ministry of Natural Resources and Environment (Samoa), Ministry of Lands and Natural Resources (Vanuatu), Department of Environment (Niue) and other appropriate government departments and NGOs in these four countries.

GEF FOCAL AREA: Biodiversity

GEF-4 STRATEGIC PROGRAMS: BD SP-1, BD SP-2, BD SP-3, BD SP-4, BD SP-5

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: Pacific Alliance for Sustainability

PROJECT PROMOTES SOUND CHEMICAL MANAGEMENT (if applicable): yes no

INDICATIVE CALENDAR*	
Milestones	Expected Dates
Work Program (for FSP)	12-2008
CEO Endorsement/Approval	06-2009
Agency Approval Date	07-2009
Implementation Start	07-2009
Mid-term Evaluation	07-2011
Project Closing Date	07-2013

A. PROJECT FRAMEWORK

Project Objective: To conserve biodiversity in Fiji, Samoa, Vanuatu and Niue by expanding and consolidating their networks of PAs, building capacity for conservation management and sustainable use of biodiversity and reducing forest and land degradation.

Project Components	Investment TA, or STA	Expected Outcomes	Expected Outputs	Indicative GEF Financing		Indicative Co-financing		Total (\$ mill)
				(\$ mill)	%	(\$ mill)	%	
1. Improving the policy and legal framework for PAs and biodiversity conservation in the production landscape.	5% Inv. 90%TA 5% STA	1. An enabling policy and legal environment for sustaining PA systems in <u>Fiji</u> . 2. Governance systems supporting community-based biodiversity conservation in <u>Samoa</u> and <u>Vanuatu</u> . 3. Legal and policy framework for sustainable forest management in <u>Niue</u> .	<u>Fiji</u> : National system of locally-managed PAs formalized, with appropriate policies and laws in place and model community-based management plans developed and implemented for existing and new PAs. <u>Samoa</u> : National legislation supporting community-based management of protected forests agreed and adopted and community-based management implemented in 15 villages. <u>Vanuatu</u> : Biodiversity conservation policies and legislation reviewed and amended and reflected in new national land-use plans; and local by-laws for natural resource management adopted in targeted communities. <u>Niue</u> : Sustainable forest management legislation, policy and strategy developed and priority actions implemented.	0.710	38.2	1.150	61.8	1.860

¹ Project ID number will be assigned initially by GEFSEC.

Project Components	Investment TA, or STA	Expected Outcomes	Expected Outputs	Indicative GEF Financing		Indicative Co-financing		Total
				(\$ mill)	%	(\$ mill)	%	(\$ mill)
2. Extending and consolidating the Protected Area Network.	30% Inv. 60% TA 10% STA	1. Effective and sustainable <i>in situ</i> biodiversity conservation areas established or strengthened.	<p><u>Fiji</u>: Existing proposals for the PA system reviewed, revised and agreed by all stakeholders and appropriate number of new PAs created and operational.</p> <p><u>Samoa</u>: Baseline studies completed for new protected forest, conservation management plans developed and priority actions implemented.</p> <p><u>Vanuatu</u>: Baseline studies completed for Homo Bay, Ranwas and Lake Letes areas and Conservation Area Management Plans developed and adopted by stakeholders in all three areas.</p> <p><u>Niue</u>: Baseline studies completed for two new terrestrial PAs and community-based management plans developed for the new PAs and Huvalu Forest Conservation Area with implementation of priority conservation actions.</p>	2.126	44.7	2.635	55.3	4.761
3. Strengthening capacity for community-based conservation management (including monitoring and awareness raising activities).	10% Inv. 80% TA 10% STA	<p>1. Strengthened capacity of national stakeholders (government, communities and NGOs) to plan, organize and implement community-based conservation management.</p> <p>2. Reliable information on trends and status of PAs available and used for future planning and policy-making.</p>	<p><u>All countries</u>: Relevant government staff, NGOs and community members trained in community-based conservation management and best-practices in sustainable forest and land management. Government staff also trained in biodiversity assessment, biological monitoring, threat identification and PA management methods.</p> <p><u>Fiji</u>: Institutional arrangements for PA management developed and implemented. M&E system developed and producing annual reports on PAs.</p> <p><u>Samoa</u>: Land-use planning and mapping capacity improved.</p> <p><u>Samoa, Vanuatu and Niue</u>: Program of awareness-raising and education implemented, targeting community leaders and schools.</p>	1.290	51.2	1.230	48.8	2.520

Project Components	Investment TA, or STA	Expected Outcomes	Expected Outputs	Indicative GEF Financing		Indicative Co-financing		Total (\$ mill)
				(\$ mill)	%	(\$ mill)	%	
4. Mechanisms for sustainable PA financing (Fiji and Vanuatu).	80% Inv. 20% TA	1. Sustainable financing of PAs in place through a mixture of local income-generation, government finance and innovative measures.	<u>Fiji</u> : National and local level financing schemes developed, agreed and implemented by all relevant stakeholders and PA management plans (including financial agreements) prepared and implemented for all new and existing PAs. <u>Vanuatu</u> : Funding mechanisms studied and agreed.	0.565	17.2	2.720	82.8	3.285
5. Sustainable use of biodiversity (Samoa and Vanuatu).	30% Inv. 70% TA	1. Improved livelihoods of local communities from sustainable use of natural resources. 2. Sustainable harvesting and management of natural resources	<u>Samoa</u> : Biodiversity conservation mainstreamed into wood production; market opportunities and complementary forestry activities (e.g. eco-tourism, bee-keeping, harvesting of non-wood forest products) assessed and implemented in all 15 villages. <u>Vanuatu</u> : Feasibility studies for potential income-generating activities completed for Homo Bay, Ranwas and Lake Letes areas and feasible activities initiated in targeted communities.	0.310	43.7	0.400	56.3	0.710
6. Sustainable land management in forest margins (Samoa).	50% Inv. 50% TA	1. Forest fragmentation, degradation and deforestation reduced.	<u>Samoa</u> : National capacity to support sustainable farming systems improved and local community members trained in sustainable farming systems in all 15 villages.	0.500	42.4	0.680	57.6	1.180
7. Safeguarding endangered endemic species at the landscape level (Niue).	20% Inv. 70% TA 10% STA	1. Viable endemic species populations are maintained in the PAs.	<u>Niue</u> : Threats to endemic terrestrial biodiversity identified and measures to support protection of priority species (such as: <i>Peka</i> ; <i>Lupe</i> ; <i>Hega</i> ; <i>Coconut crab</i> ; and <i>Pekapeka</i>) developed and implemented.	0.180	66.7	0.090	33.3	0.270
8. Project Management				0.605	38.3	0.975	61.7	1.580
Total project costs				6.286	38.9	9.880	61.1	16.166

B. INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Project Preparation		Project	Total	Agency Fee
	PDF-A/B	PPG			
GEF	0		6,286,000	6,286,000	628,600
Co-financing	0		9,880,000	9,880,000	
Total	0		16,166,000	16,166,000	628,600

C. INDICATIVE CO-FINANCING FOR THE PROJECT PREPARATION AND FOR PROJECT BY SOURCE AND BY NAME(\$)

Sources of Co-financing	Type of Co-financing	Project Preparation	Project	Total
Project Government Contribution	Cash and in-kind		1,220,000	1,220,000
GEF Agency(ies): FAO	Cash and in-kind		1,090,000	1,090,000
Bilateral Aid Agency(ies)	Cash and in-kind		1,600,000	1,600,000
Multilateral Agency(ies)	Cash and in-kind		450,000	450,000
Private Sector	Cash and in-kind		3,500,000	3,500,000
NGO	Cash and in-kind		2,020,000	2,020,000
Others	Cash and in-kind		0	0
Total co-financing			9,880,000	9,880,000

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

GEF Agency	Focal Area	Country Name/ Global	(in \$)			
			PPG	Project	Agency Fee	Total
FAO	Biodiversity	Fiji		3,706,000	370,600	4,076,600
FAO	Biodiversity	Samoa		1,260,000	126,000	1,386,000
FAO	Biodiversity	Vanuatu		670,000	67,000	737,000
FAO	Biodiversity	Niue		650,000	65,000	715,000
Total GEF Resources				6,286,000	628,600	6,914,600

PART II: PROJECT JUSTIFICATION

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

These four islands (Fiji, Samoa, Vanuatu and Niue) account for about 70 percent of the land area of the Polynesia-Micronesia biodiversity hotspot, where species endemism is particularly high (ranging from about 50 - 60 percent for plants, birds and reptiles to 75 percent for mammals and 100 percent for amphibians) and where one-third to one-half of species are currently threatened with extinction. However, in spite of this globally significant biodiversity, biodiversity conservation - whether in formally protected areas (PAs) or the wider production landscape - is extremely weak for several reasons:

1. Very few PAs have been identified, formally recognised and managed. For example, although there is a quite significant water area protected around these islands, the land area covered by terrestrial PAs amounts to only 0.3% in Fiji, 1.8% in Samoa and 0.2% in Vanuatu and a number of priority ecosystems (e.g. tropical rainforests, mangroves and coastal wetlands) are under-represented or not represented in existing PA networks. Similarly, in the production landscapes around PAs, agriculture and natural resource extraction activities pay little attention to biodiversity conservation or long-term sustainability, due to a lack of education and appropriate technologies and limited income to invest in more sustainable practices.
2. The establishment of PAs and other conservation measures are complicated by customary land ownership arrangements, which require that local communities are consulted and agree to any such changes. Furthermore, because agriculture and natural resource extraction is a crucial part of local livelihoods, communities need incentives to agree to restrictions on their activities in PAs and to change their forest and land management practices to ones that enhance biodiversity protection and are generally more sustainable. Progress in this respect also requires training and capacity building within communities and broader programmes of awareness raising and environmental education.
3. Most of the agencies responsible for conservation on these islands suffer from a lack of technical capacity and resources at all levels and a lack of up-to-date data and information on biodiversity needed for national-level planning purposes. In particular, improvements in biodiversity conservation will require the development and implementation of community-based management techniques and the use of traditional mechanisms (such as *tabu*) and modern ones that are locally accepted and appropriate. There are a few successful examples of where such techniques have been used (e.g. some pilot areas for marine protection in Fiji), but these need to be up-scaled and expanded to include other sites, especially terrestrial habitats.
4. On some of the islands (e.g. Fiji) responsibilities for conservation are spread across several agencies and are supported by numerous small projects of NGOs, donors and regional organisations. However, there is often little co-ordination between these initiatives, little or no overall strategy for conservation and, sometimes, a lack of local ownership and capacity (in government and communities) to sustain successes beyond the duration of each project.
5. A broader problem underlying all of the above is the lack of a policy or legal framework that allows innovative, community-based management of PAs and empowers local people to participate and benefit from PA management.

This project would seek to overcome the problems highlighted above through the following activities:

1. **Improving the policy and legal framework for PAs and biodiversity conservation in the production landscape:** In Fiji, this component will create a policy and legal framework to formalise the relationship between government and local communities with respect to the creation and management of PAs. It will also include legal and policy reform to support innovative financing mechanisms in Fiji (and possibly Vanuatu). At the field level, it will include the development of model agreements and similar mechanisms to support conservation in all four countries. These local agreements will be tested and developed in three PAs in Vanuatu, three PAs in Niue, one upland forest

conservation area (15 target villages) on Savai'i Island in Samoa and at an appropriate number of PAs in Fiji.

In production landscapes, it will include appropriate policy and legal reforms to strengthen biodiversity conservation in forest and land management activities in Samoa, Vanuatu and Niue. In Samoa and Niue, a major emphasis of this will be policy and legal reform to support sustainable forest management using community-based approaches. In Vanuatu, this will also include the mainstreaming of biodiversity conservation into all sector-policies and plans

2. Extending and consolidating the Protected Area Network: In Fiji, this will review and update existing proposals for the PA system (as noted in the NBSAP) and consult with stakeholders on a final PA system that ensures adequate representation of priority ecosystems and is agreed with local landowners. It will then invest in the creation of high-priority PAs, to be managed under the arrangements developed above. In Samoa, it will collect baseline biodiversity data for the proposed 1,500 ha protected forest on Savai'i Island and develop and implement community-based management plans covering the customary land of the 15 affected villages. In Vanuatu, it will expand the PA network by adding two new areas (Homo Bay and Ranwas) and consolidating existing efforts in one other area (Lake Letes). This will include the collection of baseline data in all three areas and implementation of the community-based conservation management agreements developed above. In Niue, it will add two new PAs (mostly forest) and consolidate existing efforts in the Huvalu Forest Conservation Area. It will include expansion of the community-based approaches already used in Huvalu (to the two new PAs) and implementation of high priority conservation activities.

3. Strengthening capacity for community-based conservation management (including monitoring and awareness raising activities): This component will provide training to all relevant government staff, NGOs and community members. This will cover all of the necessary skills required to implement and sustain the activities under Components 1 and 2 above with, in particular, an emphasis on community-based approaches to conservation and sustainable forest and land management techniques. In Fiji, this component will also establish co-ordination mechanisms for consultation and collaboration of all stakeholders involved in PAs and activities to develop and implement a monitoring and evaluation system for PAs. In Samoa, it will also include activities to strengthen land use planning and mapping capabilities.

To gain wider public support for environmental protection and reduce local pressures on biodiversity, this component will raise awareness and educate the public about the multiple functions and benefits of conservation in areas such as: protection of water resources; support to other economic activities (e.g. recreation and ecotourism); and the long-term benefits of reducing land degradation. These awareness raising activities (e.g. workshops and dissemination of materials) will target local community members and schools in Samoa, Vanuatu and Niue.

4. Mechanisms for sustainable PA financing (Fiji and Vanuatu): In Fiji, this component will review the expected costs of managing the proposed PA system and the opportunities for income generation from a wide range of sources (e.g. local conservation-based activities, development of Payments for Environmental Services, government finances, international financing and other innovative financial arrangements). In consultation with stakeholders, it will then prepare and implement a national PA financing strategy, to include individual management plans for each PA and mechanisms for distributing nationally/internationally generated revenues amongst each PA. In Vanuatu, it will include a preliminary assessment of possible ways to raise funding for future conservation activities.

5. Sustainable use of biodiversity (Samoa and Vanuatu): In Samoa, some wood production is likely to continue in the near-term in the protected forest, so this component will explore the opportunities to enhance biodiversity conservation in the area through market mechanisms such as certification, market development and local value-addition. Forest protection may also be assisted by other alternative low-impact income generating activities (based on forest biodiversity) and these will be explored and implemented (where feasible). Similar activities will also be explored and implemented in the three PAs in Vanuatu.

6. Sustainable land management in forest margins (Samoa): In Samoa, the main tool to reduce pressures on the margin of the protected forest will be the integrated management of forests, trees and agricultural crops in more sustainable farming systems such as agroforestry. This will include some investments in forest rehabilitation using native species to increase biodiversity in the agricultural landscape and, eventually, reduce the pressure on native forests for timber. It will also include the testing and implementation of appropriate improved farming methods to maintain and improve soil productivity.

7. Safeguarding endangered endemic species at the landscape level (Niue): In Niue, forests and other production landscapes provide important habitat for several endangered endemic species. These species are threatened by several activities such as hunting, land clearing (using fire) and unsustainable farming techniques. The project will examine how these threats can be reduced and may even improve local livelihoods, through measures such as improved land management techniques, better control and organisation of hunting, organic farming and development of alternative,

more sustainable livelihood activities. As well as reducing land degradation, the aim of this component will be to provide additional support to the conservation of these species in the PAs that will be established.

Global environmental benefits: The global environmental benefits of the proposed project consist of:

- The preservation of particularly significant island biodiversity in the Indo-Pacific realm, through the creation of appropriate PAs and enhanced management of both existing and new PAs, as well as changes in forest and land management practices in production landscapes.
- The maintenance of carbon-sequestration capacity by reducing deforestation, forest fragmentation and forest degradation, as well as improved land management practices outside forest areas.
- The development and implementation of innovative methods and models for community-based conservation and PA financing. The experiences gained in this project could be replicated in other small-island developing states with similarly complicated land ownership arrangements or with potential for innovative financing arrangements.
- The long-term sustainability of global biodiversity and climate change benefits through the careful balancing of conservation objectives with the needs of local people to generate income from forest and land-based activities.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL PRIORITIES/PLANS:

Fiji: The expansion and strengthened management of PAs proposed here is consistent with the vision outlined in Fiji's Strategic Development Plan for 2003-2005 (A Peaceful and Prosperous Fiji) and, in particular, the guiding principles of environmental sustainability set-out in Fiji's National Assessment Report (2006). It will also meet several high-priority objectives set-out in Fiji's National Biodiversity Strategy and Action Plan (NBSAP) prepared for the CBD. The proposal is also consistent with Fiji's MDG aim (Fiji National MDG Report, 2004) to increase the proportion of land in terrestrial PAs in order to maintain adequate biodiversity in ecologically sensitive areas.

Samoa: This project is consistent with Samoa's priorities for forest management outlined in its Strategy for the Development of Samoa (2005-2007 & 2008-2012). It is consistent with a number of national plans developed with support from GEF including the National Biodiversity and Action Plan (NBSAP), the National Action Plan (NAP) and the National Adaptation Programme of Action (NAPA); the approved national policies on Forestry for Sustainable Development, Conservation of Biodiversity, Water Resources, Sustainable Land-use, and Combating Climate Change; as well as the drafting of new legislation for the Sustainable Management of Forests.

Vanuatu: This Project is consistent with Vanuatu's priorities for biodiversity conservation given in its 1999 National Biodiversity and Action Plan (NBSAP). This identified as a priority the forest areas of Homo Bay and Ranwas in South Pentecost and Lake Letes and its surrounding forest ecosystems on the island of Gaua. This project aims to add both the South Pentecost forest areas to Vanuatu's growing PA system. Preliminary conservation activities in Lake Letes will be implemented as part of the LCIP (see below) and the present project will consolidate these and advance the legal and policy framework to ensure that all new PAs will have adequate legal status. Consultations for this proposal also strongly endorsed the need to gather biodiversity data to support the planning and management of PAs.

Niue: This Project is consistent with Niue's Integrated Strategic Plan as well as priorities identified in: the National Report to WSSD; Niue's country report to CBD; and, to a large extent, its report to the UNCCD. It is also consistent with the priorities and approaches to biodiversity conservation recommended in Niue's National Biodiversity Strategy and Action Plan (NBSAP). Representatives of civil-society and Government were intensively consulted as part of the design of this project and their suggestions for specific activities and conservation areas have been included.

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

The project will contribute to BD SO-1, BD SO-2 and LD SO-2. Given the currently very small area of PAs in these islands, expanding the area of PAs (through appropriate selection of new areas) will meet the objective to ensure that the PA system includes coverage of ecologically viable representative samples of ecosystems (BD SO-1). In addition, with the emphasis on local capacity building, community-based approaches and the development of financing arrangements (in Fiji), it will meet the objective of ensuring that adequate local capacity and predictable revenue streams are in place to ensure the long-term sustainability of the system. This is particularly important given the land ownership situation present in many areas of high conservation value.

The introduction of sustainable forest management and measures to protect important species in the production landscape (in Samoa and Niue) will overcome current barriers to mainstreaming biodiversity, such as the lack of an appropriate regulatory framework and local capacity to pursue sustainable livelihood activities (BD SO-2). These efforts will be further reinforced by the development of alternative income-generating activities (in all four countries), which matches the strategic objective set-out by GEF with respect to land degradation (LD SO-2).

Components 1 and 2 will improve the effectiveness of PA management (BD SP-1) by strengthening institutions, governance and the enabling environment to support PA management (especially through the capacity building and promotion of participation by local communities and indigenous groups). Along with Component 7 (in Niue), they will also strengthen the policy and regulatory framework for mainstreaming biodiversity in production landscapes (BD SP-4). Component 3 of the project will increase representative ecosystem coverage. It will focus mainly on forests, but will also cover some marine and coastal areas, so it will contribute to both BD SP-2 and SP-3.

Component 4 (in Fiji and, possibly, Vanuatu) will seek to achieve financial sustainability for PA management by diversifying and increasing revenue to support PA management costs (BD SP-1). Component 5 (in Samoa and Vanuatu) will include the creation of new markets for ecosystem goods and services as well as the diversification of local livelihoods into new activities that are consistent with conservation objectives (BD SP-5). This, along with Component 6, also matches LD SP-2 (and LD SP-1 to some extent), which emphasizes the reorientation of productive activities in forests and agriculture towards more sustainable management practices.

D. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The project will complement and collaborate with the following national and regional projects:

Fiji: Sustainable Land Management (SLM MSP) - Fiji is proposing a medium-size project to develop capacity to combat land degradation. In particular the SLM project will focus on improved land management practices in agricultural and forest areas adjacent to PAs, to reinforce the effectiveness of PA management and reduce any threats to their long-term sustainability. The National Capacity Self-Assessment for global environmental management (NCSA EA) will assess Fiji's capacities to plan and oversee actions to address the provisions of the three global environmental conventions (CBD, UNFCCC, UNCCD) and will directly relate to and inform capacity building activities on this project. Small Grants Program (GEF SGP) - GEF SGP activities will be linked to this project, where appropriate, through various small, site-based projects, as well as local capacity building and monitoring activities. In addition, in recognition of the significant capacity already developed by NGOs in Fiji, partnership with various existing NGO projects and programmes in Fiji is expected to be a major means of project implementation. This will bring together the best minds, local experiences and lessons already learned through past and present projects to enhance the creation of the new PA system for Fiji.

Samoa: Other related initiatives include the current JICA project on the sustainable management of national parks; the approved GEF/UNDP Programme of Work on Protected Areas (PoWPA) project; and the proposed AusAID project on agroforestry. There are also on-going national programs to expand national parks and reserves on public lands and promote community forests among individual farmers. This project and all of the above initiatives will be coordinated by the Ministry of Natural Resources and Environment (MNRE) and managed as together under the guidance of a multi-stakeholder Project Steering Committee.

Vanuatu: The project will incorporate lessons learned and best practices from the GEF-funded Vanuatu Local Conservation Initiatives Project (LCIP), which is currently working with local communities and traditional authorities to establish and manage *tabu* areas wherein biodiversity is fully protected and/or managed for sustainable use. Using this approach, the project intends to build on the lessons learned from the LCIP and to extend this approach to new areas of high biodiversity value. The project will also build on the results of the GEF-funded Vanuatu Building Resilience Communities Project and the South Pacific Biodiversity Conservation Program (SPBCP), as well as interventions supported by the GEF SGP. All of these projects have had major local community participation and development components and their results will be used to help with developing similar aspects of this project.

Niue: The project will build upon the results of the South Pacific Biodiversity Conservation Program (SPBCP).

Papua New Guinea: This project represents almost one-half of the forestry and protected area management activities anticipated under the GEF Pacific Alliance for Sustainability. The other half of these activities will occur in Papua New Guinea (in a GEF Project led by UNDP). Although the focus of the two projects are quite different, this project will collaborate and share information and experiences with the project in Papua New Guinea through regular exchanges of project reports and materials and periodic joint meetings and workshops supported by GEF, FAO, UNDP and others.

E. DESCRIBE PROJECT-RELATED ACTIVITIES ADDRESSING THE SOUND MANAGEMENT OF CHEMICALS; OR ADDITIONAL ACTIVITIES THAT COULD BE PURSUED IF FINANCIAL SUPPORT WAS AVAILABLE:

Not applicable.

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

Fiji: Currently in Fiji, a very small area of important ecosystems is protected (to varying degrees) and responsibility within government is divided between various agencies, most of which report limited funding for conservation activities (Fiji's Second National Report to CBD). NGOs are quite active in promoting conservation at local sites (e.g. in marine ecosystems) and are relatively well funded, but there is little overall strategy or co-ordination of activities at the national level and insufficient investment to scale-up successful pilot projects or sustain activities in the long-term. Local communities in Fiji have a strong attachment to the land and derive much of their livelihoods from activities based on natural resources. They recognize the importance of conservation, but have not so far been involved in conservation at a significant scale and do not have the capacity to develop and participate in conservation-based activities. This lack of capacity to involve and engage with communities is mirrored in government agencies.

Without the project, it is likely that current conservation efforts (led by NGOs) will continue with little long-term sustainability and no formal backing of policy and legislation. As noted in Fiji's First National Report to the CBD, very little expansion of PAs can be expected and any expansion will be based on land that has little or no economic value rather than ecological values. Apart from pilot areas, local communities will continue to be excluded from decision-making about conservation and financing of PA management will remain haphazard and insecure.

With the project, it is anticipated that Government, NGOs and community representatives will agree on priority areas for conservation, best-practices for management (including community participation) and cost-effective approaches to establish PAs. Financial mechanisms will be developed and implemented to ensure predictable revenue streams for long-term PA management from a range of sources including, where appropriate, local income generating activities or benefit sharing mechanisms to compensate landowners for economic losses associated with protection. Government commitment will be demonstrated by the provision of appropriate policies and legislation that will formalize the agreements made above.

Samoa, Vanuatu and Niue: These three countries also have a very small area under formal protection and suffer from a serious lack of funding to implement conservation activities. However, they propose to take a slightly different approach to Fiji, by both increasing the area of PAs and also addressing some critical concerns with respect to biodiversity conservation in surrounding production landscapes.

Without the project, current government budgetary allocations will be insufficient to expand the PA network in any meaningful way and the lack of capacity to involve local communities in conservation management will result in continued gradual degradation of these areas through encroachment and unsustainable land-use practices. Furthermore, local communities will continue to be excluded from decision-making about conservation, their awareness of biodiversity conservation issues will remain low and financing of PA management will remain haphazard and insecure.

With the project, the expected funding and technical assistance will be used to build capacity and strengthen the policy and regulatory framework required to sustain conservation activities in these countries (both inside and outside PAs) through the meaningful involvement and engagement of local communities. The improvements in biodiversity conservation started by the project will be sustained in the long-run through the income-generating activities that will occur as a result of the project and the management agreements that will be developed. The end result will be an expansion of formally protected areas and, more importantly, greatly reduced threats to biodiversity (in PAs and the production landscape) through changes in local forest and land management practices.

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

The potential risks to project implementation and mitigation measures that will be taken are as follows:

Risk	Mitigation
Limited support from government agencies and lack of capacity to participate in the project.	All of the countries have presented this activity as a high priority to the GEF, so the risk of limited support is viewed as low. Government capacity is a problem and this will be mitigated by mobilizing the capacity of NGOs and others to work intensively with government and gradually transfer skills to government counterparts.
Slowness of the stakeholders to agree on national priorities and the overall framework that will form the core of the GEF proposal.	Major stakeholders (government, NGOs and communities) have diverse objectives and any discussions concerning land use are likely to arouse a lot of concern. This will be mitigated by an emphasis on local ownership of the process as well as capacity building and GEF Agency assistance with conflict resolution. Wider public awareness will also be raised to generate support for rapid action, capitalizing on the

	strong attachment to the land of many citizens. In addition, achievements on the ground that bring benefits to local people will be demonstrated during the project to overcome scepticism.
Reluctance of landowners and their representatives and organizations to endorse and participate in conservation activities (especially due to their concerns about the impact of conservation on local livelihoods).	These concerns will be addressed by strong local participation in both project formulation and implementation. Furthermore, the strong emphasis on PA financing and local livelihoods will stress the opportunities for income generation from conservation activities and, where necessary, compensation. In particular, existing areas where income has been generated from conservation activities will be demonstrated to other landowners and replicated where possible.
Limited potential to raise new sources of funding for conservation.	A significant proportion of the economy in these countries is dependent on the maintenance of a healthy environment (e.g. forestry, fisheries, agriculture and tourism). Given this, current investment in conservation is particularly low. It is believed that this risk is low, but to mitigate any risk, the project will promote widespread public awareness of these linkages and campaign intensively for innovative financial arrangements to attract funding for conservation from major local beneficiaries.
Currently uncontrolled clearance of lands for subsistence farming continues in the future and can not be stopped.	Land clearing for agriculture threatens the loss of forests and the degradation of other terrestrial ecosystems through the continuing fragmentation of ecosystems, and the destruction of critical species-habitats. The risk is high but the project will support alternative, sustainable income generating activities in order to improve farmers' livelihoods and reduce this risk.
Insufficient development resources within rural villages.	Many rural families live under the poverty line and can not afford to invest in more sustainable activities where these do not offer immediate returns. The risk is rated medium to high. The project aims to overcome this by providing some funding for initial investments in sustainable income generating activities.
Families do not want to give up their lands for protected areas.	For various reasons, families may not want to give up lands for Protected Areas or may demand unrealistic compensation for setting-aside land for conservation. This risk is medium to high. The project will promote public awareness so as to improve community understanding of the need to protect forests and will, by implementing community-based management, ensure that land-ownership remains with the traditional owners.
Intra-village and inter-village land disputes	Disputes over land can potentially undermine the effectiveness of collective community conservation actions and experience throughout the Pacific shows that such disputes are often used as an excuse to ignore conservation bylaws or other traditional mechanisms. This risk is medium to high. The project will address this by emphasizing conflict resolution skills as part of capacity building activities.
Climate change risks.	These include: (i) the impacts of tropical cyclones destroying forests and plantations; (ii) forest fires due to prolonged dry periods, and (iii) increased CO2 emissions due to deforestation and forest degradation. The risks are high and the project will promote public awareness and capacity-building to strengthen appropriate community responses to climate changes that might affect land-use, forests, and agriculture.

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

Fiji: A preliminary analysis of cost-effectiveness is currently only available for Fiji. In Fiji, current government funding of conservation may be in the order of USD 600,000 per year and NGO funding - mostly directed at marine areas - may be an order of magnitude greater than this (Austral Foundation Report, 2007). However, these amounts cover a wide range of activities and the amount actually spent on PA management is probably very low. Furthermore, little is known about what it would actually cost to properly manage the existing PAs or an expanded PA system.

Any attempt to calculate the cost-effectiveness of this project will necessarily be speculative at the moment. However, Components 1-3 of this proposal represent the expected investment required to develop the framework for PA management in the Fiji and Component 4 is expected to create the necessary long-term financing from government and the private-sector (including local income generating activities). The target implicit in Component 4 is that the project will result in new and sustainable financing of USD 1 million per year for long-term support to the PA network (i.e. USD 1 million over years 2-4 of the project and continuing thereafter). Thus, if this target is met, the investment of USD 8.2 million (GEF Project funds and co-financing excluding Component 4) will result in funding of USD 1 million per year, to give a rate of return on the investment of a little over 10 percent. Although the precise size

of the PA system has yet to be defined and agreed, long-term funding of USD 1 million per year is likely to be at least an order of magnitude above current investment and should be adequate for long-term financial sustainability.

Another dimension of cost-effectiveness is the potential impact the project will have on reducing the costs of PA management in general. Currently, NGOs invest significant resources in conservation, but the benefits of these investments are limited due to the lack of sustainability and replication. This project aims to use the experiences and lessons learned from past and existing NGO projects and transfer this knowledge and skills to local counterparts so that they can be replicated and implemented across multiple ecosystems and beyond the life of the project.

Samoa, Vanuatu and Niue: Based on the experience of previous GEF funded projects (such as the South Pacific Biodiversity Conservation Program), the proposed project design - focusing heavily on community involvement - is expected to be the most cost-effective approach. In particular, the project will draw on the lessons learned and best practices developed in previous projects implemented in these countries that have used community-based approaches to conservation. Furthermore, operational efficiency will be maximized by avoiding duplication and by collaborating with other line ministries (forestry, fisheries, agriculture, land management), including using their technical experts in planning, training, monitoring and in networking with local communities. Similar collaboration is envisaged with NGOs working in these countries.

During project preparation, a fuller cost-effectiveness analysis will be undertaken that will explore the costs and benefits of the proposed activities in greater detail and the possibility of reducing costs or increasing outputs/outcomes through a more cost-effective project design. This will include identifying the most effective approaches to mobilize resources from government, local communities and the private-sector to support long-term conservation activities in different situations.

I. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY:

The proposed GEF Agency for this project is the Food and Agriculture Organization of the United Nations. FAO has considerable technical expertise and experience in a number of areas under this project (e.g. community-based forest and fisheries management, development of natural resource and environmental policies and laws, conflict resolution, development of community-based enterprises). FAO's experience with the development of national financing strategies for national forest programmes is also pertinent to Component 4 of the project. More generally, FAO will bring to this project its considerable experience in providing countries with technical assistance in sustainable forest management and global knowledge on best practices in forest management gained through its Committee on Forestry, Regional Forestry Commissions and the work of its Sub-Regional Office for the Pacific (based in Samoa).

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

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

(Please attach the country endorsement letter(s) or regional endorsement letter(s) with this template).

Mr. Epeli Nasome, Director, Department of Environment, Ministry of Local Government, Urban Development, Housing and Environment, FIJI Email: ENasome@govnet.gov.fj ENasome2@environment.gov.fj	Date: 8 October 2008
Tu'u'u Dr. Taule'alo, Chief Executive Officer, Ministry of Natural Resources and Environment, PO Private Bag, Apia, SAMOA Email: tuuu.ietj@samoa.ws	Date: 6 October 2008
Mr. Russell Nari, Director General, Ministry of Lands, Environment and Natural Resources, PMB 9051, Port Vila, VANUATU Email: rnari@vanuatu.gov.vu	Date: 9 October 2008
Mr. Sauni Tongatule, Director, Department of Environment, Alofi, NIUE Email: environment.ca@mail.gov.nu tagaloo@mail.nu	Date: 8 October 2008

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.	
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Date: October 24, 2008	Tel: +3906 5705 5055 Fax: +3906 5705 3945 E-mail: adrian.whiteman@fao.org