



REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission Date September 21, 2010
Resubmission Date February 8, 2011

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 3450

GEF AGENCY PROJECT ID: 610364

COUNTRY(IES): Islamic Republic of Iran

PROJECT TITLE: Rehabilitation of Forest Landscapes and Degraded Land with Particular Attention to Saline Soils and Areas Prone to Wind Erosion

GEF AGENCY(IES): FAO

OTHER EXECUTING PARTNER(S): Forest Rangeland and Watershed Management Organization (FRWO) and Agriculture and Natural Resource Research Centers

GEF FOCAL AREA(S): Land Degradation and Biodiversity

GEF-4 STRATEGIC PROGRAM(S): LD-SP-2-Forestry; LD-SP1-Agriculture; BD-SP4-Policy

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: SUSTAINABLE FOREST MANAGEMENT

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSPs only)	Nov 2007
Agency Approval date	Nov 2010
Implementation Start	April 2011
Mid-term Evaluation (if planned)	June 2013
Project Closing Date	March 2016

A. PROJECT FRAMEWORK (Expand table as necessary)

Project Objective: To remove barriers to participatory integrated SLFM by: (i) strengthening capacity of local communities, provincial and local institutions to plan, implement and evaluate participatory and integrated SLFM initiatives at the village and watershed scales (ii) adoption and implementation of the defined plans including sustainable alternative livelihood options with socio-economic and environmental benefits sustaining ecosystem services and (iii) enhancing capacity at local and national levels to mainstream these approaches into national plans, policies and processes

Project Components	Indicate whether Investment, TA, or STA ²	Expected Outcomes	Expected Outputs	GEF Financing ¹		Co-Financing ¹		Total (\$) c=a+ b
				(\$ a)	%	(\$ b)	%	
1. Participatory integrated SLFM capacity development	TA	1. Strengthened capacity of local communities in 45 pilot villages, provincial and local institutions to plan, implement and evaluate participatory and integrated SLFM initiatives	1.1. At least 200 people of the population in each of two watersheds and 70% of the provincial staff including men and women trained on SLFM 1.2. Six (6) Participatory Village Resource Management Councils established 1.3 Forty five (45) village level	581,870	37	970,842	63	1,552,712

			plans and 2 watershed level plans formulated 1.4. Rural Development Funds established for at least 30 pilot villages (1 rural development fund per pilot village)					
2. Implementation of participatory integrated watershed and village level plans in selected pilot sites	TA INV	2. Status of forests and range improved, severity of wind erosion decreased and natural resources managed sustainably on 75,000 ha of land	2.1. At least 30 pilot villages (20 in Rigan and 10 in Se Galeh) implementing the village level and watershed level plans 2.2. 30% decrease in erosion in pilot villages (baseline to be established in year 1) 2.3. 75% of rangelands rehabilitated of projected 19,100 ha in pilot sites; 2.4. 2,250 hectares of farm and rangeland in selected villages restored with drought and salinity resistant plants 2.5. 25% recovery in globally important wild species and species of importance/used as Non Wood Forest Products (baseline to be established in year 1) 2.6. At least 5 sustainable	1,006,910	14	6,007,042	86	7,013,952

			alternative livelihood initiatives are developed with demonstrated benefits to environmental services					
3. Improving the policy and institutional environment for participatory integrated SLFM approach	TA	3. Enhanced capacity at local and national levels to integrate SLFM across different institutions and sectors	<p>3.1. One SLFM platform/inter-sectoral coordination mechanism established and operational at national level.</p> <p>3.2. At least 5 policies revised to mainstream participatory SLFM</p> <p>3.3. At least 5 departments in NRM ministry working with inter- and intra-departmental linkages and at least two linkages established between 2 ministries (Department of Environment (DOE) and Forest, Rangeland and Watershed Management Organisation (FRWO) at provincial levels; at least one such linkage at the national level</p>	440,995	55	362,364	45	803,359

4a. Awareness raising and dissemination of best practices and lessons learnt	TA	4a. Project monitored and evaluated effectively and best practices and lessons learnt disseminated widely with a view to their replication in other areas	<p>4.a.1. Project data collection and Monitoring and Evaluation system established</p> <p>4a.2. Project progress and monitoring reports prepared and mid-term and final evaluations conducted in a timely manner</p> <p>4a.3. Lessons learnt, publications and documentaries prepared and widely distributed</p> <p>4a.4. Stakeholders beyond residents of the 45 pilot villages familiar with project approach and results</p> <p>4a.5. Decision makers and ministry professionals aware of project results</p>	393,225	44	498,588	56	891,813
4b. Project management		4b. Project managed effectively	<p>4b.1. Project management Unit established</p> <p>4b.2. Project Steering Committee and Technical</p>	245,300	33	499,999	67	745,299

			Committee established at the national level					
			4b.3. Two Project Planning Committees and two project offices are established at provincial level (one in each province).					
Total Project Costs				2,668,300		8,338,834		11,007,134

¹ List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

² TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT (expand the table line items as necessary)

<i>Name of Co-financier (source)</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%*</i>
Islamic Republic of Iran	National Govt	Grant	5,003,280	60
Islamic Republic of Iran	National Govt	Guarantee	3,335,554	40
Beneficiaries	Beneficiaries			
Total Co-financing			8,338,834	100%

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

C. FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	<i>Project Preparation a</i>	<i>Project b</i>	<i>Total c = a + b</i>	<i>Agency Fee</i>	<i>For comparison: GEF and Co-financing at PIF</i>
GEF financing	200,000	2,668,300	2,868,300	286,830	2,668,300
Co-financing	200,000	8,338,834	8,538,834		4,600,000
Total	400,000	11,007,134	11,407,134	286,830	7,268,300

D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

<i>GEF Agency</i>	<i>Focal Area</i>	<i>Country Name/ Global</i>	<i>(in \$)</i>		
			<i>Project (a)</i>	<i>Agency Fee (b)²</i>	<i>Total c=a+b</i>
FAO	Biodiversity	Iran	1,107,617	110,762	1,218,379
FAO	Land Degradation	Iran	1,760,683	176,068	1,936,751
Total GEF Resources			2,868,300	286,830	3,155,130

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

² Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person weeks</i>	<i>GEF amount(\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	678	698,580	373,700	1,072,280
International consultants*	197	506,680	0	506,680
Total	869	1,205,260	373,700	1,578,960

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Total Estimated person weeks</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	643	196,300	191,500	387,800
International consultants*	13	39,000	0	39,000
Office facilities, equipment, vehicles and communications*		10,000	258,499	268,499
Travel*		0	50,000	50,000
Others **		0	0	0
Total	656	245,300	499,999	745,299

* Details to be provided in Annex C. ** For others, it has to clearly specify what type of expenses here in a footnote.

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? yes ☐ no ☒

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your agency and to the GEF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN: Monitoring and evaluation of progress in achieving project results and objectives will be done based on the targets and indicators established in the project Logical Framework (Annex A) and in accordance with FAO and GEF policies and procedures. The Project Logical Framework Matrix (Annex A), which provides progress and performance/impact indicators for project implementation along with their corresponding means of verification, will form the basis on which the project's performance and impacts will be monitored and evaluated. Systematic collection of these indicators, their analysis and comparison with the baseline data is the building block of the projects participatory M&E plan. These indicators are selected from a set of potential indicators agreed upon by all stakeholders in a participatory basis based on their importance, ease of obtaining data and cost during the PPG. These will be revisited once again and reviewed during the first two months of the project implementation phase during the inception workshop/ mission. A costed M&E plan for the project is presented in Table 1 attached.

Table 1: Summary monitoring and evaluation plan and budget

M&E Activity	Responsible parties	Tentative time frame	Budget in USD	Financing Source
Inception Workshop (IW)	National Project Manager (NPM) with support from National Project Director (NDP), Project Provincial Managers (PPMs), Chief Technical Advisor, FAO Forest Management Division (FOM Conservation Team), FAO-Iran	Within two months of project commencement	25 000	GEF
Inception Report	NPM with support from NPD, PPMs, FOMC	Immediately after IW	None	

M&E Activity	Responsible parties	Tentative time frame	Budget in USD	Financing Source
M&E Initial Assessment Report	NPM with the support of , PPMs, CTA, FAO and M&E expert will oversee the hiring of sub-contractors to collect baseline information for the performance and impact indicators as stated in the project logframe	Immediately after IW	50 000	GEF/GIRI (USD 25 000 each)
Regular collection of data related to the performance and impact indicators (annually where applicable, mid-term and end of the project	NPM with support of PPMs and M&E expert will oversee the hiring of sub-contractors to collect the performance and impact indicators as highlighted in the project	Continuous monitoring of performance indicators; annual or six-monthly monitoring of impact indicators	140 000	GIRI
Establishment of Wind Erosion Monitoring Station in Rigan District	NPM with support of NPD, PPM	Immediately after the IW	30 000	GIRI
Quarterly Project Implementation Reports (QPIRs)	Budget holder (FAO-Iran) based on inputs from the CTA and FRWO	Quarterly	None	
Quarterly Project Progress Reports	NPM with support of NPD, CTA, FAO	Quarterly	None	
Project Implementation Review (PIR)	NPM with support of NPD, CTA, FAO	Annually	None	
Project Steering Committee meetings	NPD, NPM, PPMs, CTA, FAO	Immediately after IW and six monthly	20 000	GEF/GIRI
Thematic reports	NPM through hiring of sub-contractors, consultants and to be cleared by FAO, CTA	As required	60 000	GEF/GIRI (USD 20,000 GEF and USD 40 000 GIRI)
Independent Mid-term Review	NPD, FOMC, FAO Iran, FAO Forestry Department, Evaluation Office, GEF Unit, CTA	At the mid-point of project implementation	30 000	GEF and fee
Final Independent Project Evaluation	FAO-IR will hire an international consultant evaluator.	At the end of the project implementation	50 000	GEF and fee
Project publications/lessons learned	NPD, NPM, PPMs with technical support from CTA and FOMC	At the completion of each phase of project implementation.	10 000	GEF
Total M&E budget (excluding salary of M&E expert)			415 000	

Project oversight will be carried out in a balance between periodic validation by the Project Steering Committee and FAO. Project oversight will be facilitated by: (i) establishing appropriate levels of management authority to provide timely direction, coordination, control and review; (ii) ensuring project management accountability; (iii) documenting project transactions and results through traceability of related documents throughout the implementation of the project; (iv) ensuring that project is implemented within the planned activities applying established standards and guidelines; (v) continuously identification and monitoring of project risks and risk mitigation strategies; and (vi) ensure all project outputs are produced in accordance with the Project Document and Log Frame.

Project oversight will take into account: (i) schedule; (ii) planned versus budgeted expenses; (iii) actual versus planned expenses; (iv) cost projections; (v) timely delivery of inputs; (vi) timely achievement of outputs and outcomes; (vii) review of risks and assessment of risk mitigation strategies; and (viii) stakeholder feedback. At any time during project execution, underperforming subcomponents may be required to undergo additional assessments, implement changes to improve performance or be halted until remedies have been identified and implemented. Additionally, oversight activities provide information, judgments, and recommendations to the project management team during project reviews and in support of project decision milestones.

FAO will provide oversight and monitor project progress largely through the recording and verification of inputs, including financial disbursements and technical levels-of-effort, and the quarterly project implementation reports (QPIRs), quarterly project progress reports (PPRs) and periodic supervision and backstopping missions. Financial inputs (disbursements) will be largely drawn from FAO's financial management system, while technical inputs will be drawn from QPIRs, PPRs, and reports produced by the project team (National Project Manager (NPM) and Provincial Project Managers (PPMs)) with support from the Chief Technical Advisor (CTA). The project's M&E system will monitor project based on the outcome and output indicators and timeframe for delivery as stated in the project logframe and agreed project work plan. The system will compare financial disbursements to technical activities programmed in the project work plan and identify and assess any significant discrepancies between the two.

A detailed schedule of project reviews will be developed by the project team under the guidance of the National Project Manager, in consultation with FAO (LTU and BH) and other project implementation partners, during the early stages of project initiation, and incorporated in the Project Inception Report. Such a schedule will include methodologies and tentative time frames for project progress, reviews and ev Systematic and day-to-day monitoring will be undertaken by the National Project Manager (NPM) who will, with support from the Provincial Project Managers (PPMs) and the CTA and, in close consultation with the National Project Director, establish project monitoring and evaluation procedures acceptable to FAO and consistent with GEF monitoring and evaluation policies and practices. The NPM will prepare quarterly project progress reports, together with annual work plans and budgets, and inputs for the annual Project Implementation Review (PIR) with support from the project team.

The NPM, NPD, FAOR/Iran and LTU will monitor the implementation progress of project supported activities as well as measure their impact. Project progress will be monitored based on the outcome and output indicators and timeframe for delivery as stated in the Project logframe (Annex 10). Considering that the main focus of the project is promoting and implementing SLFM by building the technical and operative capacities at national, provincial and village levels, the indicators are mainly process, institutional and on the ground impact indicators Information generated through the M&E system developed under project component 4a. will be made available for real time project management, project external evaluations (mid-term review and final evaluation) as well as for use by stakeholders and decision makers.

The Annual Work Plan and detailed budget, based on the project logframe, are the central tools for guiding the work of the project and ensuring compliance of project activities. They will be prepared by the project team, reviewed by the LTU and the BH and submitted to the Project Steering Committee for endorsement within two months of the commencement of each calendar year.

Following the GEF orientation and procedures, the tracking tool for biodiversity and land degradation focal areas will be submitted at three moments: (i) with the project document at CEO endorsement; (ii) at the project's mid-term evaluation; and (iii) with the project's terminal evaluation or final completion report.

PART II: PROJECT JUSTIFICATION: In addition to the following questions, please ensure that the project design incorporates key GEF operational principles, including sustainability of global environmental benefits,

institutional continuity and replicability, keeping in mind that these principles will be monitored rigorously in the annual Project Implementation Review and other Review stages.

A. DESCRIBE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED: Approximately 85% of Iran has an arid, semi-arid or hyper arid environment and is home to 35 million people (43% of the country's population). It is also home to a unique biodiversity which has successfully adapted to surviving in these harsh conditions. Drylands of Iran along with its neighbouring countries of the near East is an area of megadiversity for wild relatives and landraces of important food crops, fruit trees and pasture species, such as dates, almond, olive, pistachio, wheat, fig, lentil, pea, vetch, sorghum and barley, which originated 10,000 years ago. Iran is also one of the main countries where natural stands of walnut trees (*Juglans regia*) still exist, mainly in the north and western forests of the country. Both natural stands and plantations manifest a high genetic variability. Iran is one of the 70 developing countries in the world characterized by a low forest cover (with a forest cover of less than 10% of the country total land area). Forests play a recognizable role in contributing to food security and to the protection of watersheds and eco-systems. Yet, in Iran as is the case also in the Near East Region, forests are disappearing faster than in most parts of the world. This is caused by a number of inter-related factors among which are the inability and failure of most national forest and land use policies to effectively address the pressing and competing demand on forests and tree resources as well as lack of technical capacity and long term and harmonized investments in sustainable forest management. Iran's forests include Hyrcanian or Caspian broadleaved forests in the North (1,905,000 ha), Arasbaran forests [150,000 ha] of North West; Irano-Touranian arid forests [2,895,000 ha] in the Central Plateau Region; Zagrosian forests [5 050 000 ha] and Persian Gulf and Sea of Oman tropical arid forests [2,400, 000 ha].

Soil erosion including wind and water erosion is considered as one of the most important elements of land degradation in Iran. Of the total land area in Iran, approximately 75 million ha are exposed to water erosion, 20 million ha to wind erosion, and the remaining five to other types of chemical and physical degradation. This has resulted in endangering two million hectares to infertility, two million ha exposed to salinity and one million ha threatened by other types of degradation. The main threats to land and forest resources in Iran identified in the project preparation phase are summarized in Table 2 below. Overexploitation of pastures, forests, biodiversity and soils are caused by inappropriate policies and management responses to the increasing pressure on natural resources caused by a combination of natural and human factors, such as increasing population pressure and climate change impacts. See Table 2 on threats and root causes to land and forest resources in Islamic Republic of Iran.

The barriers to the removal of the above mentioned threats are:

- **Weak participation of local communities in government led initiatives and limited collaboration between sectoral agencies:** An underlying reason for unsuccessful rangeland and forest management, increasing biodiversity loss and accelerated land degradation is the lack of participatory and coordinated approaches between local resource users and different sectors and ministries involved in forest and land management resulting in lack of consideration of socio- economic needs in planning and an overlap between goals and activities of the departments and ministries ultimately leading to unsustainable results. Because of continuing "top-down" approaches, there continues to be a lack of integration of scientific and indigenous knowledge systems, for the development of successful and sustainable models of local level natural resource management. Resource managers and planners lack access to relevant knowledge and skills in participatory integrated approaches to SLFM. Provincial agencies act alone to achieve their own goals, which may often conflict or not fully correspond to the goals of other agencies and provinces. Similarly national policies focus on large-scale engineering solutions to water management and do not sufficiently consider local needs and demand side management or catchment protection. Biodiversity, which is low on the agenda of most government agencies, also suffers from incoherent management and conflicting interests. There is also a lack of linkages and avenues for transfer of knowledge between research institutions, policy making bodies and extension departments. Sectors, institutions and ministries work in parallel on problems that need harmonized and holistic approach to arrive at effective SLFM solutions.
- **Unsustainable agricultural practices:** The increasing demand for high productive crops has pushed local populations to abandon the cultivation of native species, thus leading to a gradual depauperation of the original agrobiodiversity. Native species of wheat, fodder, and fruit trees have been abandoned for highly productive hybrids that require higher quantities of water. The replacement of native species is most often driven by market prices and demands, rather than by the assessment of the best suited varieties for the available environmental₉

conditions. While the government has recently capped the number of wells that can be newly dug, there is no limit on increasing the depth of older wells. This leads to salinization of soils. The incorrect management of water has led to a general degradation of the range and agricultural lands and the rarefaction of native species. Small holdings of agricultural lands, an average of 2 ha per family, lack of technical skills to maintain water sources such as qanats and other water harvesting and storing mechanisms, lack of access to sustainable alternative crops add to increasing use of unsustainable agricultural and water use practices.

- **Unsustainable use of rangelands:** After the passing of the Nationalization Law in 1962 traditional livestock-raising has changed in favour of more settled livestock production and farming. Range management plans by FRWO with 30 year lease agreements for rangeland use ensued in competition among herders who sped up to maximize the utilization of rangelands. This was abetted by increasing settlement of nomadic pastoralists by the government. As a result, former pastures in the plains and midlands have been either over-grazed or ploughed up, the water table is showing signs of long-term depletion, land is increasingly degraded, habitats for wildlife are being destroyed, and the equilibrium sustained over thousands of years is at risk.
- **Lack of sustainable alternatives to resource use:** Forests and rangelands are marked by increasing unsustainable use of wood and non-wood forest products mainly used for fuelwood, for construction material, medicine, pasture and food purposes. PPG studies indicated a lack of sustainable fuelwood options although there is high degree of awareness of use of solar energy for cooking. Lack of capital to invest and lack of technical skills to maintain such sustainable options deter its use. Similarly, harvesting wood for construction is cheaper and more easily accessed especially in remote areas. PPG studies indicate high interest among people to change, if provided with necessary economic and technical support.

The dramatic land degradation and loss of biodiversity in Se Ghale and Rigan project areas are primarily driven by overgrazing of rangelands (overstocking), overharvest of forest resources, poor agricultural practices and deforestation leading to increased wind erosion, moving sands and decreased watershed ecosystem services. These are in turn driven by the negative interrelationship of high dependence on natural resources coupled with poor resource management, poverty, ineffective policy implementation, and poor economic development, and more recently, climate change.

At the time the project was conceived, government policy was highly focused on irrigated and mechanized rain fed cultivation. Little practically applicable provision had been made in either the national strategy, or in government policy and plans to develop and support smallholder production systems other than the policy which allowed for small farmers to plant the same crop together treating the small plots as part of a big plot. There are incentives to use this policy, but they are not widely used due to socio-economic challenges and needs. At the same time, the PPG studies indicate that the contribution of smallholder production systems were considered to be important for maintaining local employment and in contributing to national economic output and various plans had been put in place for food security. Yet, apart from government approval of some multilateral pastoral development projects, there was no national coordinated strategy to rehabilitate and preserve smallholder agro-ecosystems. Switching from unsustainable agriculture practices to sustainable ones by adopting appropriate changes in cultivation practices, irrigation and cropping pattern is critical to address SLFM challenges.

The project objective is to remove barriers to participatory integrated SLFM by: (i) strengthening capacity of local communities, provincial and local institutions to plan, implement and evaluate participatory and integrated SLFM initiatives at the village and watershed scales (ii) adoption and implementation of the defined plans including sustainable alternative livelihood options with socio-economic and environmental benefits sustaining ecosystem services and (iii) enhancing capacity at local and national levels to mainstream these approaches into national plans, policies and processes. The project has 4 main components:

- (i) Participatory integrated SLFM capacity development.
- (ii) Implementation of participatory integrated watershed and village level plans in selected pilot sites.
- (iii) Improving the policy and institutional environment for participatory integrated SLFM approach.
- (iv) Awareness raising and dissemination of best practices and lessons learnt
- (ivb) Project management. .

The components/outcomes will target the barriers to SLFM and threats to land and forest resources mentioned above.

Global Environmental Benefits to be generated by the project include: (i) rehabilitation of rangelands and forests that provide habitats for globally significant biodiversity; and (ii) restoration of ecosystem integrity and recovery of critical functions and services, such as water regulation and retention, soil retention, provision of food, water and other ecosystem services critical to human well-being. In addition, global benefits will accrue indirectly through: (iv) demonstrating cross-area synergies associated with the development and implementation of site-specific SLFM plans; (v) developing experiences and “lessons-learned” that could prove to be catalytic in shaping the efforts of the Government of the Islamic Republic of Iran to address SLFM practices; and (vi) dissemination of information useful to promote the regulation and provisioning of ecological services in key ecosystems of global importance elsewhere in the region.

Threats	Root causes
High grazing pressure around villages and settlements in the rangelands and forests	Lack of effective management controls at local level; Higher AU per unit of range than marked for sustainability; Reduced mobility of pastoralists and lack of adequate water points.
Uncontrolled over-exploitation of biodiversity	Breakdown/loss of traditional management systems and inadequate land tenure policies
Deforestation for fuel wood	Shortage of energy supplies, lack of sustainable energy options, use of wood for construction
Advancing degradation (desertification) of vegetation and soils	Lack of appropriate management of vegetation (forest and range); Overexploitation of resources; Lack of soil rehabilitation technologies and practices for large scale rehabilitation, Increased salinity due to deep water irrigation
Unsustainable agro pastoral practices	Inadequate alternative livelihood options, lack of economic incentives for conservation, and inadequate access to markets and lack of marketing policies to support alternative products.
Inappropriate and destructive sustainable use models	Lack of integration of scientific and indigenous knowledge; Unavailability of and lack of access to relevant data; Lack of <u>participatory integrated approach in natural resource management</u> ; Lack in skills in planning implementing sustainable use of resources

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

The project is aligned with the National Desertification Plan, the main objective of which is to combat land degradation and mitigate the effects of drought through the promotion of sustainable development in order to improve the living conditions of the affected people and strengthen capacities in all levels for combating desertification. The project is also consistent with the National Strategy for the Mitigation of Climate Change in (i) mitigating potential of the forest ecosystems and other activities connected to land use, putting special emphasis on those rural projects that involve the carbon storage and/or sequestration, and connect natural resources and energy sectors, in particular those that protect forest ecosystems in watersheds and support its ecosystem services; (ii) evaluation of technological options and changes in behaviour of relevant actors to obtain the same end; and (iii) analysis of the vulnerabilities and opportunities that the different regional circumstances present; design, formalization and operation of mechanisms that permit the orientation, implementation and evaluation of the formulated strategies. The project is consistent with the National Strategy on Biodiversity specifically relating to (i) political-institutional structure- by establishment of cross linkages in inter-jurisdictional institutional mechanisms for coordinating policies, norms and actions of conservation and sustainable use of the biological diversity; (ii) sustainable use of biological diversity- in terms of generating, disseminating and encouraging experiences of sustainable management with a focus on ecosystems and populations; (iii) biodiversity conservation by establishment of planning mechanisms at the level of eco-regions; and (iv) national capacities relative to the biodiversity - in terms of the development and application of economic instruments.

The proposed project envisages co-operation between FRWO of Ministry of Agriculture Jihad (MoAJ) in charge of the management of natural resources including forests, rangelands, watersheds and deserts which is the National Coordinating Body for UNCCD, and UNCCD's National Action Plan (NAP) to combat desertification and mitigate the effects of drought, and the Department of Environment (DOE) which has overall responsibility for nature and biodiversity conservation, for implementing the NBSAP and for meeting Iran's commitments to¹¹

the CBD including the responsibility of managing and implementing most of the Protected Area Network (PAN). MoUs for co-operation between FRWO and DOE at the provincial levels are attached in Annex 6 of the project document.

- C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:** Iran has ratified the Convention to Combat Desertification (UNCCD) in 1997, the Convention on Biological Diversity in 1996 and the UN Framework Convention on Climate Change in 2005. I.R. Iran is therefore an eligible recipient of GEF funding. The project was endorsed by the GEF Operational Focal Point on September 30, 2007.

The project addresses both Strategic Objectives (SO) for the Land Degradation focal area of (1) developing an enabling environment that will place SLM in mainstream of development policy and practices; and (2) upscaling SLM investment that generate mutual benefits for the global environment and local livelihoods. The project will contribute directly to Strategic Programmes 1 (SP1) on supporting sustainable agriculture and rangeland management and SP2 on Sustainable Forest Management by: (a) promoting a combination of policies to mainstream SLM measures and on the ground implementation and replication of good dryland management practices for sustainable management of land, forest and water resources; (b) balancing the overuse and conflicting uses of land and forest resources in arid and semiarid regions by working in communities with demonstration activities to address socio-economic needs and benefits derived from participatory integrated SLFM activities in selected villages and watersheds of the two project areas. Moreover, the project is offering to local communities alternatives (using solar energy and gaz ovens) to reduce overexploitation of forests for fuel wood (a main threat for biodiversity loss and land degradation). It also looks at developing capacity of local communities for the use of good practices on water use and management as well as the use of agro-biodiversity species resistant to drought and salinity, thus addressing climate change risks and impacts (biodiversity loss, water and wind erosion and land degradation in the two watersheds).

The project is also consistent with the Biodiversity Strategic Objective on, 'mainstreaming biodiversity into production landscapes and sectors' and will contribute to the long term objectives for Biodiversity SP2 on 'Strengthening the policy and regulatory framework for mainstreaming biodiversity'. This supports the removal of critical knowledge barriers, development of institutional capacities and establishment of policies and regulatory frameworks required to integrate biodiversity conservation and sustainable use objectives into the activities of the production sectors. Through its focus on rehabilitation of forest landscapes, the project will also contribute to GEF's cross-cutting program on Sustainable Forest Management (SFM)

- D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES.** The GEF resources will be used to provide technical assistance to substantial field interventions working with communities in the two project watersheds. Support will be provided to capacity development at all levels using participatory and integrated approaches to SLFM. Funds will be also provided to support the development and promotion of alternative options to reduce threats to biodiversity (overexploitation of forest resources for fuel wood) and reduce land degradation while addressing climate change risks and impacts (i.e. gaz ovens, soil energy, appropriate water use systems).

- E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:** Potential linkages between this project (RFLDL) and on-going projects addressing SLFM issues in Rigan and Se Ghale (Annex 5 of project document) beyond the RFLDL project sites will be elicited during the inception mission of project by drawing together details on project goals and lessons from implemented activities. RFLDL will benefit from the findings of on-going research conducted by the Research Institute for Forest and Rangelands (RIFR) and the Gene Bank (Annex 2 of project document) and provide opportunities for university researchers and students to participate in research through RFLDL project activities. A list of potential research interests are provided in Annex 7 of project document based on PPG studies and workshops.

The project can draw lessons on participatory and integrated ecosystem approaches from GEF projects, such as UNDP's Zagros, Iranian Cheetah and Wetlands projects implemented by the DoE. Lessons on local participation and efforts on establishing linkages with other departments and sectors, for example the effort in UNDP Zagros project to establish linkages between FRWO and DoE to achieve project goals will be especially relevant. This project has a direct linkage to the UNDP's Carbon Sequestration project in the desertified rangelands of

Hossein Abad, now in its second phase not only because the project was implemented by FRWO and its project site is geographically in close proximity to the Sa Ghale site in South Khorasan Province, but also because it the Carbon project adopted a participatory approach in its activities.

The project also has linkages with the ongoing Sustainable Management of Land & Water Resources Hableh Roud Basin (phase 2, UNDAF 2010); Integrated Management of Sistan Water Resources (Holland DLFT Institute & Iran Institute for Water Research), the project on Integrated management of water resources in Urmieh watershed (through bilateral agreement with Holland Natural Resources, DELFT Holland Institute & Iran Institute for Water Research). These projects can provide valuable lessons on integrated management of water resources. Other project executed by FRWO in partnership with other agencies such as the Project on Benchmark & indicators of desertification in the I. R. Iran (FRWO, 2007), the Study on Application of Water Absorbents FRWO and UNCCD and the Study on Range Management in Shahmirzad-Semnan Iran by FRWO and UNCCD can provide lessons on rangeland management, desertification indicators and new techniques to increase water use efficiency, all of which are relevant to RFLDL.

FRWO's Desert Affairs Bureau and the Land Capability Mapping and Utilization Affairs Office are responsible for implementing the RFLDL and UNDP's project on 'Institutional Strengthening and Coherence for Integrated Natural Resources Management (INRM) that is funded under the MENARID Programme. The projects are implemented in arid and semi arid provinces addressing similar land degradation challenges and barriers to SLFM and integrated natural resource management (INRM): lack of participatory approaches, lack of knowledge and technical barriers to integrated approach and to alternative livelihoods. Generating and sharing lessons that emerge simultaneously from the different provinces tackled by each of the projects will provide opportunities for mutual learning between the projects and for creating a stronger enabling policy and institutional environment in Iran for INRM and SLFM. In a step toward enhancing institutional linkages within FRWO, the PSC (Project Steering Committee) of RFLDL will include a representative from the MENARID project's PMU (Project Management Unit) to enable and provide opportunities to share lessons and national and regional experiences. Both projects are unique in being the very first to introduce the concept of PES in Iran. The MENARID project addresses PES issues in the context of tourism and soil conservation and the RFLDL approaches PES in the context of alternative livelihoods and participatory sustainable land and forest management. This provides opportunities for mutual learning between the projects. Moreover, FRWO is managing the two projects under the same national programme, which facilitates collaboration across the two projects.

GEF-SGP in I.R Iran has addressed participatory biodiversity conservation and adopted integrated management approaches drawing in successful participation of local stakeholders and sustainable results after LOP. GEF-SGP has adopted the Farmer Field School Methodology and explored ways to integrate cross cutting issues of land degradation and biodiversity conservation. RFLDL can draw hands-on lessons from these projects. Field visits to select GEF-SGP sites (Annex 7 of project document) are envisaged during the implementation phase of the project.

UNIDO in I.R. Iran has conducted extensive market chain analysis for its "Date cluster project". Lessons generated in this market chain analysis have direct relevance to the market analysis envisaged prior to the development of alternative livelihood plans in RFLDL. Linkages established early in the project phase with UNIDO will provide innovative ideas on alternative livelihoods in the project areas to address issues with date cultivation and marketing.

- F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :** The Baseline Scenario is one of partial, but continuing, land degradation, deforestation and loss of biodiversity in the absence of participatory integrated SLFM interventions. Without GEF support, there will not be any integrated and participatory support to reverse the negative impacts of unsustainable land and forest resource use including overgrazing, overharvest of forest and range resources and unsustainable agriculture. These factors exacerbate land degradation and biodiversity loss resulting in decreasing critical arid semi-arid ecosystem services, such as decreased water, nutrient and soil retention, increased erosion, loss of biodiversity, as well as loss of natural resource based livelihoods. The baseline scenario will hence have negative impacts on forest cover, global biodiversity as well as land degradation with negative impacts on land and water resources, particularly by accelerating erosion, salinization, sand encroachment, siltation, sedimentation and reducing hydrological functioning of the watersheds.

Under the GEF Alternative, land degradation and loss of biodiversity ensuing from unsustainable use of rangelands and forests will be addressed by removing barriers to participatory integrated initiatives in rangeland and forest management by strengthening capacity at local, provincial and national level to develop and implement participatory integrated SLFM plans at village and watershed levels and ensuring sustainable alternative livelihood opportunities to meet the immediate and long term socio-economic needs. The Alternative, with GEF support, will help overcome these barriers through trust building, capacity building and establishing linkages through a common SLFM platform to address diverse interconnected threats with practical, ecosystem and economic need based solutions. The Alternative will also cover the gaps and missed opportunities in the baseline strategy, notably opportunities for PES and establish linkages between PES, alternative livelihoods and adoption of sustainable solutions to address the current problems on a common SLFM platform for a sustainable future. The Alternative project will ensure a shift to environmentally sustainable development of arid and semi-arid areas of I.R. Iran's through participatory integrated SLFM initiatives.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES: Significant risks and mitigation measures are described in the following table:

Risks	Rating	Risk Mitigation Strategy
Slow uptake of participatory integrated SLFM approach and policy recommendations	Low	The risk will be mitigated through awareness raising and capacity building activities planned from the project start, to enhance opportunities to look and learn beyond the 'artificial fences' between different stakeholders, ministries and other actors. Formal meetings, workshops or site visits will be organized during the project inception phase and workshop as well as throughout the lifecycle of the project to ensure interaction and exchange of information to assure that the relevant lessons between village clusters and provincial and national representatives and key decision makers. Moreover, the project through its component 3 will address also the needed policy reforms into national sectoral and provincial policy formulation frameworks to ensure sustainable results.
The risk of not having alternatives to unsustainable livelihoods	High	To mitigate this risk, the project plans to conduct socio-economic surveys, evaluate local skills, needs and resources from which alternative livelihood opportunities can be drawn out and conduct market analysis for proposed alternative livelihood products. Moreover, at a demonstration level, fair and equitable benefit sharing mechanisms will be explored and instituted as PES scheme to be replicated in the future. The project will ensure that decisions about access rights to resources and attendant impact on livelihoods will be made at the level of the community, rather than by government officials. Reduced dependency on common lands and other natural resources will be offset by alternative income-generating activities

		based on sustainable resource use.cts.
Project coordination	Medium	During the PPG, evidence for the project coordination and cooperation among institutions appeared promising : MOUs were signed at provincial level between FRWO and DoE. During implementation, it will be the task of FRWO as the project's national executing agency to ensure continued support from all stakeholders and to identify and resolve any potential issues early in the project cycle before they begin to affect implementation activities and their success. To facilitate such cooperation and mitigate this risk, the project planned the establishment of stakeholder participation and collaboration mechanisms at national, provincial/ watershed levels and village levels (SLFM platform, project steering committee, technical committee, project planning committees, village councils, etc).
Village/Village clusters selection and participation	Low	This risk is addressed by the rapid assessment of the project area (to select village clusters) and baseline assessment (to select pilot villages from clusters) envisaged to be completed in the early part of the LOP. The assessments will have several ecological, socio-economic and institutional indicators to ensure an adequate and transparent selection process..Moreover, one of indicators for site selection includes the willingness to participate in the project activities.
Difficulties in transferring project resources to Iran may be experienced which could affect the smooth and effective implementation of the project	Moderate to high	FAO will monitor the issue carefully, inform GEF and FRWO accordingly and identify possible solutions.
CTA recruitment is dependent on acceptance by FRWO/ Iran Government	Medium	FAO technical lead unit will work closely with FAO Iran and FRWO to identify and gather CVs for potential international experts (to be accepted by Government) to take into consideration during the selection process.
This project relies heavily on the provision of co-financing from the Government of Iran which should be provided in a timely manner in accordance with the project work plan	Medium	Government committed co-financing and a the co-financing letter was submitted to GEF by the GEF focal point of I.R. Iran. The National Project Manager (NPM) and National Project Director (NPD) will, on a quarterly basis, prepare a financing plan and disbursement schedule based on the project work plan and activities to be financed by the Government of Iran and ensure that funds are

		<p>committed to cover the relevant project activities/project staff</p> <p>FAO will monitor the project financing (GEF and co-financing) through the PPRs, PIR and frequent contact with the National Project Manager.</p>
The risk related to prolonged drought and potential impact of climate change	High	<p>Whereas such risks cannot be totally avoided, the emphasis placed on providing sustainable livelihood opportunities and increased adoption of sustainable agriculture practices by the project is expected to empower rural households by building their capacity to plan for the sustainable management of their local ecosystem resources, on which their livelihoods depend and enable them to respond and cope with prolonged drought and climate change events. The project would build on existing traditional coping strategies, and assist communities to identify and adopt locally appropriate water harvesting, soil moisture, restoration practices based on use of adapted local plant species and nutrient conservation practices with potential to mitigate the effects of low rainfall and drought.</p> <p>Further, the drought assessment methods of the National Centre for Agricultural Drought Management will be integrated with the monitoring and information system for land use change. Research inputs from Provincial Agriculture and Natural Resource Research Centres, the Research Institute for Forest and Rangelands (RIFR), the Gene Bank, agricultural universities and agriculture extension department of MoAJ will share information on crop and rangeland species to be used in planting to rehabilitate degraded rangelands, saline soils and rainfed lands. All demonstration interventions and practices to be inventoried will be assessed for their contribution to participatory integrated adaptive management of the watershed</p>

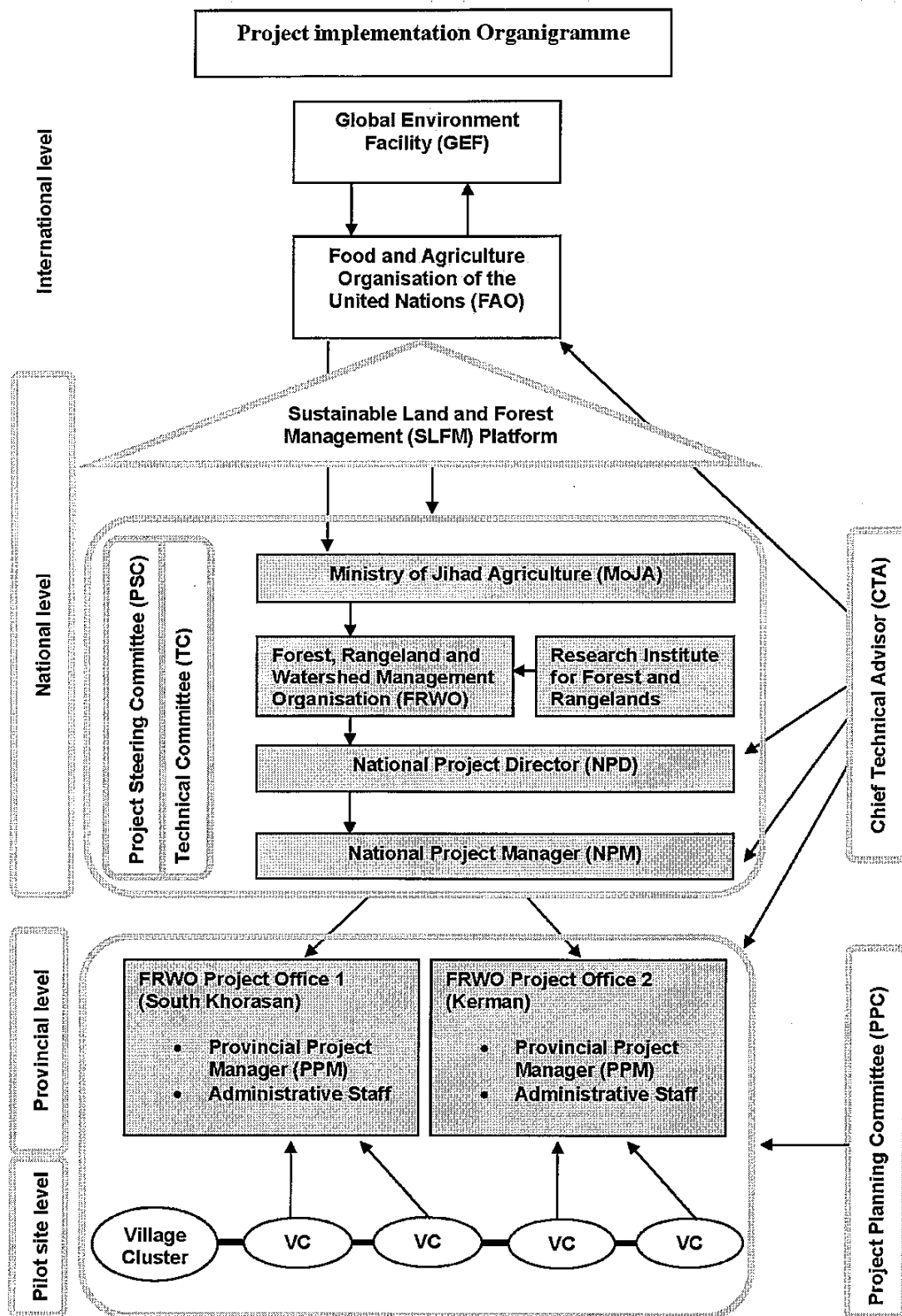
EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN: Cost effectiveness measures have been closely integrated throughout the project design. FRWO, as the implementing partner has strong and stable presence from the national, provincial levels to the districts where the project activities will be implemented. The project will benefit immensely from the existing capabilities and experiences within the FRWO establishment and separate investment in creating the delivery channel from the national level to the districts where the project sites are located will be avoided. FRWO's current presence close to the project sites will benefit the project through sharing of resources and efforts, through common administrative and operations guidelines and through shared procurement procedures and operations, all of which will result in greater levels of cost effectiveness.

The establishment of the SLFM mainstreaming committee at the national level will contribute to cost effectiveness of the project. The efforts of this committee, coupled with the project initiatives on information dissemination will

assist in greater levels of coordination and harmonization between different agencies and their SLFM efforts. This eventually will enable future investments to draw lessons from and build on past experiences instead of repeating past failures. The promotion of community based participatory approach and the sustainable alternative livelihood options to wean away local population from unsustainable use of natural resources are the key pillars of the project design. Greater levels of community participation will result in increased community ownership of the project interventions and adoption of sustainable alternative livelihoods further leading to greater levels of community willingness to invest in the project initiatives. Such cash or in-kind community contribution in the project interventions will further contribute to cost effectiveness.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

The project partnership arrangements and execution structure described here in Section A and B and shown in the chart below, were designed to ensure effective implementation of the project, facilitate stakeholder participation, and promote the use and adoption of project results in policy development and decision making, especially forest and land use policies. The partnership arrangements comprise different levels of participation in the project, and include the establishment of committees. At national level, a Project Steering Committee and a Technical Committee will be established. At the provincial/watershed level, two project planning committees and two project offices will be set up.



A. INSTITUTIONAL ARRANGEMENTS:

In the section below, the description and the role of each of the main collaborating institutions is provided.

The **Forests, Rangelands and Watershed Organization (FRWO)** will be the primary technical executing partner. The FRWO of the Ministry of Agriculture Jihad (MoAJ) is the only agency in charge of the management of natural resources including forests, rangelands, watersheds and deserts. Its main objectives are the protection, conservation, reclamation, development and utilization of forests, rangelands, forested lands, natural woods and coastal lands, as well as soil conservation throughout the country. FRWO is also responsible for protecting forests on the large areas of nationally owned forest land, and is responsible for the management of protected areas, an area where its responsibilities overlap with that of the DoE. FRWO has a very wide network of provincial and district offices called the Natural Resource Offices (NRO) which works in close contact with headquarters in Tehran.

FRWO, in collaboration with DOE and the Agriculture and Natural Resource Research Centres will technically execute the project with administrative and technical support from FAO. This will be done through Letters of Agreement between FAO and FRWO. FRWO will be responsible of the implementation of the main components of the project on the ground, from the planning and execution of inception workshop through the formulation and implementation of participatory integrated Village Level Plans (VLPs) and Watershed Level Plans (WLPs), strengthening institutional cross linkages and policies, monitoring project progress, disseminating results and replication. FRWO will hence be responsible for the core of the project activities, outcomes, and outreach across all levels.

The **Provincial Research Centers for Agriculture and Natural Resources** are departments under the MoAJ involved in research based on provincial needs and relevant national priorities. They are provincial based and work with provincial extension departments, universities and directly with the farmers in farmer field demonstration sites. Research is needs based and could address issues such as multi-use of rangeland species, appropriate agricultural practices, evaluation of irrigation practices etc. FRWO will draw inputs from the Provincial Agriculture and Natural Resource Center located in each province in planning and executing activities especially the ones related to Farmer Field Stations. These activities will be research oriented and will involve participation of researchers from two Provincial Agriculture and Natural Resource Centers in the two provinces of South Khorasan and Kerman. It may also include inputs from provincial level university students and faculty apart from Agriculture Extension Department of Ministry of Agriculture Jihad based on relevance.

The **Research Institute for Forest and Rangelands (RIFR)** is the research entity at the national level under the MoJA. Ongoing research includes and is not limited to: Rangeland monitoring and evaluation; introduction of the high production plants for improving rangeland capacity; updating the vegetation maps and producing integrated map of density, vegetation type, climate and land capability; maintaining database of the rangelands vegetation; determining the forage production in rangelands; evaluate preference value of the rangeland species and livestock behavior; determine the allowable use factor in rangeland species, forage consumption in the months of the grazing season; optimum time for entry and exit of the livestock; Forage quality in key species; study and evolve methods for determining the range condition. Unlike the provincial level research institutions mentioned above, the RIFR will not have a 'direct' involvement in project execution. RIFR will be a member of the Technical Committee and will be consulted for advice and inputs during the life cycle of the project for technical and research issues arising during the formulation and implementation of VLP and WLPs.

The **Department of Environment (DoE)** is responsible for managing and implementing most of the Protected Areas Network (PAN) in I.R. Iran. DoE has been the implementing agency for several conservation efforts in Iran including UNDP's Zagros, Iranian Cheetah and Wetlands projects. DoE will be a member of the Project Steering Committee (PSC). Through its participation to the PSC, the DoE will contribute lessons learnt in local participation and efforts in establishing linkages with other departments and sectors to the RFLDL. The role of DoE is critical in sharing lessons in participatory approaches adopted to establish and manage the Lashkargah No Hunt Area (NHA) in Se Ghale. DoE's role in RFLDL project activities will include real-time co-operation between FRWO and DoE in transferring lessons from Se Ghale to the Rigan site, where DoE has not yet established a NHA, but has indicated the significance of biodiversity (e.g. presence of Persian leopard, mountain goat, brown bear, red deer, sand fox etc) in the Jebalbarez Mountains of Rigan site uplands. DoE in Rigan has expressed interest in establishing a NHA and its willingness to

participate in project activities. Although there has been no financial commitment by the DoE at this time, their willingness to work with the project, provide technical support and share existing manpower support for relevant activities in RFLDL is a significant step toward co-operation between FRWO and DoE, and an opportunity for the project to approach the land degradation and biodiversity issues in a holistic way. Further, the NHA in Se Ghale could become a PA by the end of project and therefore transfer important lessons of participatory integrated management plans to Rigan site to pave way to participatory establishment of NHA in Rigan. As a result of meetings held with the DoE during the PPG missions, MoUs between provincial FRWO and DoE were prepared and signed, signaling the interests in co-operation between the two departments that are historically known to work in parallel.

The Food and Agriculture Organization of the United Nations (FAO) is the GEF Agency of the project and will provide administrative, operational and technical support. FAO will provide the project with its considerable experience in providing countries with technical assistance in sustainable land and 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 Offices. Specific areas of comparative advantage most relevant to the project include, inter alia: i) sustainable management of natural and planted forests, including forest health and wildfire prevention and control; ii) sustainable land management and the promotion of sustainable agricultural practices; iii) climate change mitigation in forestry through carbon sequestration, substitution and conservation; iv) conservation and sustainable use of plant and forest genetic resources; and v) conservation and sustainable use of biodiversity important to agriculture; vi) non wood forest products; vii) arid zone forestry including rehabilitation of degraded lands and dune fixation; viii) biodiversity conservation, wildlife and protected areas management. In the specific case of Iran, FAO provides technical assistance for policy making and capacity building in the forestry sector and has provided technical support for capacity building in sustainable land management. The FAO Office in the Islamic Republic of Iran works in the following priority areas which have been identified through consultation with various government departments: i) food and livelihood security; ii) diversification, competitiveness and markets of agricultural products; iii) sustainable management and development of natural resources and environmental protection; iv) strengthening of human resources, policies, institutions and support-services in agriculture and food security; and v) development of agriculture and rural development knowledge management.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

The Forests, Rangelands and Watershed Organization (FRWO), Executing partner:

Letters of Agreement will be concluded between FAO the FRWO, the national implementing partner responsible for the day-to-day management of the project, including supervision of the national consultants, supervision of field work, workshops, etc. FRWO will be operationally and administratively supported by FAO, and technically by the Chief Technical Adviser and FAO. During the first year of the project, FAO will assess the fiduciary standards and capacities of FRWO.

In collaboration with DOE and the Agriculture and Natural Resource Research Centres and in consultation with FAO, FRWO will be responsible for the planning and execution of project activities, formulation and implementation of participatory integrated Village Level Plans (VLP) and Watershed Level Plans (WLP), strengthening institutional cross linkages and mainstreaming, monitoring of project results, dissemination of best practices and lessons learnt and replication. To achieve implementation of the activities and project objectives, FRWO will count on a team comprised of a National Project Director (NPD), a National Project Manager (NPM) based in Teheran FRWO premises and two Provincial Project Managers (PPM). Project offices will be established in the two FRWO provincial offices.

National Project Director (NPD): A senior officer in FRWO will be designated officially by the Head of FRWO as the National Project Director. This responsibility entails ensuring effective communications between the partners and monitoring of progress towards expected results. The NPD will have a broad understanding of sustainable land and forest management and related national policy and institutional issues. The NPD will also be a strong team player endowed with capacities to reach out to experts in different departments and ministries and bring them along with the local stakeholders to a single platform. The NPD will be responsible for mobilizing the national co-financing committed to the project in a timely manner and providing quarterly co-financing reports, ensuring collaboration of the lead ministry and other partners and stakeholders, providing policy support and overall effective management of the project, and liaising with FAO and the Project Steering Committee.

National Project Manager (NPM): NPM will be selected jointly by FRWO and FAO through a transparent and open selection process. This position is paid fully by GEF funds and will be based at FRWO. He/she will have a balanced background in biological and social sciences, as well as extensive experience in project management and SLFM related field experience. The NPM will be responsible for the day-to-day management of the project, including communication with provincial authorities in the two project sites, implementation of the project activities, ensuring regular communications and coordinating activities with partner institutions and stakeholder at both the national and provincial levels, disseminating best practices and lessons learned, and guiding and providing advice to the Provincial Project Managers (PPMs). The NPM will report directly and be accountable to the NPD and will be directly supported by the CTA. The NPM will prepare the quarterly project progress reports and financial statements.

Chief Technical Advisor (CTA) will be appointed by FAO in close consultation with FRWO. The CTA will be supported by the Lead Technical Unit (FAO Forestry Department (FOMC)) and the multidisciplinary Project Task Force which will be constituted within FAO. The CTA will report directly to the National Project Manager (NPM), and to FAO. The CTA will provide technical guidance to the project and support the NPM in ensuring project activities are technically sound.

The CTA will provide technical assistance and capacity building to the NPM, the Project Steering Committee (PSC), the two Project offices (PO) and the Project Planning Committees (PPC). The CTA will be hired for a total duration of 36 months distributed during the 5 years as the following: 12 months for the first year, 9 months for the second year, 6 months for the third, 4 months for the fourth year and 5 months for the 5th year. The capacities of the NPM, the NPD and the PSC will be strengthened with a view to their taking over increasing responsibility for the technical soundness of project activities. The CTA will have broad technical expertise in the area of SLFM with extensive field experience in land degradation and biodiversity conservation in semi-arid and arid regions. The CTA will also have strong project coordination, motivational and interpersonal skills and be a team player.

Project Offices (PO) and provincial project managers (PPM): PPMs will be responsible for the day-to-day management of project activities at the provincial level, monitoring and reporting on project progress and impact. He/she will chair the Project Planning Committee (PPC) that will be set up in each province and will be responsible for coordinating collaboration with the Provincial Research Centers for Agriculture and Natural Resources, the Department of Environment and other stakeholders at the provincial level. Project Offices (PO) will be established at FRWO in each of the two provinces. In addition to the PPM, project staff will be comprised of eight senior experts on community participation and gender development with background and experience in fields related to alternative livelihoods, land degradation, rangeland and forest management/restoration, sustainable agriculture, biodiversity conservation, and monitoring and evaluation. The PO will also include administrative staff and assistants, translators and maintenance staff including drivers and guards which will be financed by the Government of Iran as part of their co-financing. The POs will adequately furnish to enable the staff and experts to deliver according to the project needs. The PPM and eight technical experts will be recruited in a transparent, competitive manner. The PPM will liaise with the NPM directly and with the CTA and provide information, as requested, to the TC, and NPD regarding technical issues and provide the provincial FRWO with administrative reports which will be shared with relevant ministries/sectors involved in the project to ensure enhanced cross sectoral linkages).

Research Institute for Forest and Rangelands (RIFR). RIFR will be a member of the Technical Committee and will be consulted for advice and inputs during the life cycle of the project for technical and research issues arising during the formulation and implementation of VLP and WLPs.

Department of Environment (DoE). The role of DoE is critical in sharing lessons in participatory approaches adopted to establish and manage the Lashkargah No Hunt Area (NHA) in Se Ghale. DoE's role in RFLDL project activities will include cooperation between FRWO and DoE in transferring lessons from Se Ghale to the Rigan site, where DoE has not yet established a NHA, but has indicated the significance of biodiversity (e.g. presence of Persian leopard, mountain goat, brown bear, red deer, sand fox etc) in the Jebalbarez Mountains of Rigan site uplands. DoE in Rigan has expressed interest to establish a NHA and its willingness to participate in project activities. As a result of meetings held with the DoE during the PPG missions, MoUs between provincial FRWO and DoE were prepared and signed, signalling the interests in co-operation between the two departments that are historically known to work in parallel.

Food and Agriculture Organization of the United Nations (FAO). As the GEF Agency for the project, FAO will be responsible for managing the GEF component of the project and ensuring adherence to GEF and FAO policies and procedures and that the project meets its objectives and expected outcomes and outputs as established in the Project Document, Work Plan and budget in an efficient and effective manner. FAO will report on project progress to the GEF Secretariat and provide financial reporting to the GEF Trustee. FAO will closely monitor the project, provide technical support, carry out supervision missions, and organize the independent mid-term and final evaluations.

As the executing agency of the project, at least in project year 1 during which an assessment of the fiduciary standards and capacities of FRWO will be conducted, FAO will provide administrative and operational support to FRWO, the primary national executing partner, and ensure the timely delivery of project inputs and outputs. Administration of the GEF Grant will be in compliance with the rules and procedures of FAO, and in accordance with the Financial Procedures Agreement (FPA) between FAO and the GEF Trustee. Monitoring and Evaluation will be carried out in accordance with FAO and GEF Evaluation Office policies. Specifically, FAO will: (a) manage and disburse funds from GEF in accordance with the rules and procedures of FAO; (b) enter into Letters of Agreement with the Forest Rangeland and Watershed Management Organization (FRWO) and other executing partners, as appropriate; (c) oversee project implementation in accordance with the project document, work plans, budgets, agreements with co-financiers and the rules and procedures of FAO; (d) provide technical guidance and backstopping to ensure the appropriate technical quality is applied to all activities concerned integrating biodiversity and land degradation issues into SLFM; (e) monitor project progress and impact and organize the mid-term review and terminal evaluation; (f) report annually on project implementation to the GEF Secretariat and GEF Evaluation Office; and (g) ensure timely financial reporting to the GEF Trustee. In addition, FAO will be responsible for hiring the international consultants required for the effective implementation of the project. The tasks of FAO Units and offices involved in the project are described below.

The Forest Conservation Team (FOMC) of the Forest Assessment, Management and Conservation Division at FAO Forestry Department will be the FAO Lead Technical Unit (LTU) for the project and provide technical backstopping together with concerned officers and units in FAO Regional Office for the Near East (FAORNE). In close collaboration with FAORNE and other concerned units, the LTU will follow-up closely on implementation progress and ensure delivery of technical outputs and outcomes, and undertake regular backstopping missions. It will review and provide clearance to: i) the Terms of Reference of consultancies, letters of agreement and contracts; ii) the selection of the consultants and firms to be hired with GEF funding; iii) all technical reports, as established in the project Results Framework; iv) project progress reports, implementation reviews and financial reports. The LTU will review and clear the quarterly project progress reports prepared by the NPM. The six-monthly reports will serve as the main input to the annual Project Implementation Review (PIR) to be prepared by the LTU with inputs from Chief technical Advisor (CTA) and to be reviewed and cleared by the GEF Coordination in the Investment Center Division. TCI will submit the final PIR to the GEF Secretariat and GEF Evaluation Office.

The GEF Coordination Unit in the Investment Centre Division (TCI) will review and approve project progress reports, implementation reviews and financial reports and budget revisions. The GEF Coordination will review and clear the annual PIR and undertake supervision missions if considered necessary. The PIRs will be included in the FAO GEF Annual Monitoring Review submitted to GEF by the GEF Coordination in TCI. The GEF Coordination Unit will also participate in the organization of the midterm review and final evaluation and in trouble-shooting and the development of any corrective actions that may be required to ensure timely and effective implementation of the project. The GEF Coordination, will, in collaboration with the FAO Finance Division, request transfer of project funds from the GEF Trustee based on six-monthly projections.

The FAO Finance Division will clear budget revisions, provide annual Financial Reports to the GEF Trustee and, in collaboration with the GEF Coordination Unit, call for project funds on a six-monthly basis from the GEF Trustee.

The FAO Representative (FAOR) in Iran, who will be designated as the **Budget Holder** of the GEF component of the project and will be responsible for timely operational, administrative and financial management of the project. In this capacity, the FAOR will authorize the disbursement of GEF project funds. The BH will establish a multi-disciplinary Project Task Force to support the project. The FAO Representative in Iran will work in close consultation with the LTU and the Chief Technical Advisor for the management of the GEF resources. Financial reporting and operations, procurement of goods and contracting of services for the GEF component of the project will be undertaken in accordance with FAO rules and procedures. Final approval of procurement, letters of agreement, and financial transactions rests with the Budget Holder. The Budget Holder will prepare Quarterly Project

Implementation Reviews (QPIRs) for submission to the LTU and GEF Coordination Unit, and annual/six-monthly budget revisions.

Project Steering Committee (PSC). The PSC is the broad policy review and advisory body. The PSC will be composed of representatives from FRWO, FAO, and Provincial Research Centers for Agriculture and Natural Resources, representatives from the provincial level, the CTA and the NPM. The NPD will be the Chair of the PSC which will meet twice a year and as required. The PSC will provide overall advice to the project; promote linkages between different governmental bodies particularly with Ministry of Energy, Ministry of Foreign Affairs, Ministry of Interior, Ministry of Industry & Mines, Ministry of Road and Transportation, Management & Plan Organization, non-governmental actors, universities and research agencies. The PSC reviews and approves the annual work plans and budget. It evaluates project progress and impact and ensures the integration of project outputs into sectoral and provincial policies and plans. The participants will have delegated authority to take decisions.

Technical Committee (TC). The TC is a scientific and technical advisory body of the project and will provide advice and guidance to the NPD and NPM. The TC will be comprised of technical experts from FRWO, RIFR, DOE, as well as representatives from at least three Iranian Universities with proven track record in rangeland, agriculture and forestry research relevant to RFLDL. The Universities will be identified during the inception project phase. The CTA/NPM will with the TC share technical reports prepared by national and international consultants for comment, review and inputs. One or more members of the TC may participate in the PSC, as required, depending on the issues to be discussed at the meeting. Meetings will take place upon invitation.

Sustainable Land and Forest Management (SLFM) Platform. The SLFM platform is an inter-agency body that will coordinate SLFM issues and ensure the integration of SLFM into account in development planning and national and regional policies. This cross cutting high level committee will help ensure that SLFM activities are supported by policy revisions and reforms to support compatible land uses on a watershed basis. The SLFM platform will represent a participatory partnership among local communities, government and other stakeholders in the natural resources use and its management. It builds vertical connections (between provincial and national institutions) between the stakeholders across the institutional levels in the project management and builds critical horizontal linkages between departments (FRWO's departments for example) and sectors within and between ministries. The SLFM platform will have representatives from provincial and national level FRWO, DoE, and relevant ministries and departments. The SLFM platform will be instrumental in promoting policy discussions on the strategic direction and pave the way forward for revision, change and harmonizing policies and their implementation across relevant sectors to ensure that SLFM practices are compatible and relevant to local needs and economics and they are being integrated into national and provincial development activities.

Project Planning Committee (PPC): Two PPCs will be established, one in each province. The PPC is a very critical and core body, that will build up the required solid foundation for successful planning and implementation of SLFM and project implementation. PPC consists of representatives from relevant provincial FRWO, Provincial Agriculture and Natural Resource Research Centres and DoE, Village Council (VC) members, civil society and private sector. Village Councils are the village level committees with representatives from the pilot villages adequately symbolising gender, age groups, socio-economic backgrounds, people with traditional knowledge and variety of skill sets relevant to the project activities. The representation of VC will grow based on progress in project implementation. The establishment of the PPC will involve the following steps:

- Step 1 – PO will communicate with different institutions and experts about the project and areas of potential harmonisation and participatory planning.
- Step 2 – PO in consultation with NPD and CTA will organise a meeting to establish officially the PPC in each of the two project sites.
- Step 3 – PPC orientation – workshops and study tours to selected demonstration sites and visit to the RFLDL site.

The PPC will provide technical assistance and support to the communities to formulate their SLFM plans at village and watershed levels, and SLFM micro-investment project portfolios based on Rural development Fund developed, share plan with PO, PSC, NPD and CTA and pave way to implement, monitor and evaluate the agreed WLP and VLPs. The PPC will also be the platform from where the broader watershed plans will be implemented with support²³

from the previously mentioned stakeholders along with greater inputs and support from provinces. Furthermore, the PPC will assume overall responsibility for implementation of project, its monitoring and evaluation at the project site under the supervision of the PPM and NPD. The PPC will bear the responsibility of prioritizing areas, formulation and implementation of participatory integrated SLFM plans, review lessons, harmonise action, and converge investments from different ministries and departments on SLFM. The PPC will be the sensor and the primary (bottom) advocacy body which will put together needs and suggestions to policy reforms and strategies for strengthening co-ordination between different ministries and departments involved in implementation of activities at the village and thematic scales. The PPC will not only push advocacy for participatory integrated SLFM initiatives at local level (village and watershed levels) and draw out coordination of support to SLFM cross cutting the departments and their interests, it will also provide the platform for adequate scaling-up of SLFM good practices in the village clusters in the project area and at the National SLFM Platform.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

The project document is largely aligned with the four project components outlined in the PIF. The outcomes and proposed activities address the challenges to land degradation and biodiversity conservation described in the PIF and the components have been partially regrouped and renamed without losing the essence of outcomes to be achieved. Findings from PPG studies and stakeholder workshops shaped these changes during the project design.

The PIF components included: 1. Participatory SLFM in arid and semi-arid zone forests (Kerman Province). 2. Control of wind erosion through sand dune fixation (Khorasan Province). 3. Community based agro-forestry activities on saline soils (Yazd Province) and 4. Project Management. The revised components include: 1. Participatory integrated SLFM capacity development; 2. Implementation of participatory integrated watershed and village level plans in selected pilot sites; 3. Improving the policy and institutional environment for participatory integrated SLFM approach; 4a. Project management, awareness raising, dissemination of best practices and lessons learnt and 4b. Project management.

PPG studies indicated that for effective planning and implementation of the project within the allocated budget, the sites should be restricted to two provinces (Kerman and South Khorasan) instead of three provinces (Kerman and South Khorasan and Yazd). The PIF intended to work on community based agroforestry activities on saline soils in Yazd Province. PPG studies showed ample opportunities for the same in Kerman and South Khorasan. The project area now consists of Rigan site with a total land area of 587,461 ha located in Kerman province and Se Ghale site with a total area of 163,568 ha located in South Khorasan.

The PIF was projected to address the focal areas of Land Degradation (LD SP-2 on SFM) and Biodiversity conservation (BD SP-3 on Terrestrial Protected Area Networks) and to the cross-cutting SFM program. However PPG studies indicated that the scope for creating new and extensive protected areas was limited. Studies indicated that consideration should be given to linking the project with the biodiversity focal area's long term strategic objective of mainstreaming biodiversity within production landscapes, as this would be a way to combine activities related to biodiversity conservation and restoration with field level activities aimed at controlling land degradation within croplands, rangelands and forest lands. Promoting biodiversity conservation and restoration within multiple use (crop, livestock and forest) production landscapes would be consistent with the GEF strategic long term objective of mainstreaming biodiversity in production landscapes (BD-SO2). It would also enable biodiversity conservation and restoration to be linked to the proposed sustainable land and forest management (SLFM) interventions aimed at combating land degradation and desertification within the croplands, rangelands and forest lands in the context of a broad watershed/landscape management approach.

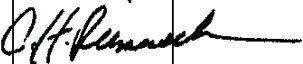
While creating the right enabling environment is important, ultimately it is the land and forest users themselves that have to incorporate the concepts and principles of SLFM into their day-to-day land and forest resource use and management practices. This would entail acknowledging and addressing the socio-economic needs of the local people who are the primary resource users and under favourable settings, the best possible managers of these resources in the project design. More projects fail to make lasting impact, fail to elicit complete participation of local resource users due to this oversight or underestimate activities required toward making provisions and building capacity for sustainable alternative livelihoods based on local skills and resources, and early market analysis for the products to²⁴

ensure sustainability of the suggested alternative livelihood. The RFLDL acknowledges the socio-economic–environmental connections as the crucial pivot and fully incorporates this into its second component. This component will also bring in the concept of PES making novel linkages between PES, alternative livelihoods and local peoples participation in the project activities. The target groups essentially remain the same as the original PIF intended. Components 1, 2 and 3 of the original PIF are now covered under Components 1 and 2 of RFLDL. Activities originally distributed in component 1, 2 and 3 related to establishing SLFM linkages and networks are now covered under component 3. This ensures that component 3 directs its efforts at improving the national and provincial level enabling policy and institutional environment for the promotion of SLFM within Iran.

The overall GEF grant request of USD 2 668 300 is the same as the original amount approved through PIF. The co-financing reflects increase of contribution of Government to reach the amount of USD 8 338 800 (comprising USD 5 003 280 in cash and USD 3 335 520 in kind), reflecting an in-depth assessment of the needs during project design (compared to total co-financing USD 4 600 000 proposed in PIF). The full project brief has built on and expanded the incremental reasoning outlined in the PIF.

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Charles Riemenschneider Director, Investment Center Division FAO Barbara Cooney FAO GEF Coordinator Email : Barbara.Cooney@fao.org tel: +3906 5705 5478		February 8, 2011	Nora Berrahmouni, Forestry Officer, Arid Zones, FOMC, FAO	+3906 5705 52938	Nora.Berrahmouni@fao.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Project Goal	To restore and enhance the biodiversity and the capacity of degraded forest landscapes and lands to deliver expected goods and services for sustainable livelihoods, food security and combating desertification by promoting participatory integrated SLFM initiatives at watershed level in two target provinces and enhancing national and local capacity to support the widespread implementation of these initiatives across other arid and semi-arid zones of Iran				
Project Strategy	Objectively verifiable indicators				
	Indicator	Baseline	Target (by Year 5)	Source of Verification	Risks and Assumptions
Project objective: To remove barriers to participatory and integrated SLFM by : (i) strengthening capacity of local communities, provincial and local institutions to plan, implement and evaluate participatory and integrated SLFM initiatives at the village and watershed scales; (ii) adoption and implementation of the defined plans including sustainable alternative livelihood options with socio-economic and environmental benefits sustaining ecosystem services and iii) enhancing capacity at local and national levels to mainstream these approaches into national plans, policies and processes.	Reduction in severity of land degradation and biodiversity loss achieved thorough participatory and integrated SLFM approaches	Baseline measured in Y0	- 45 pilot villages (30 in Rigan project site and 15 in Se Ghaleh project site) totalling approximately 75,000 ha ¹ including range, forest and agricultural lands (rain fed and irrigated) under participatory and integrated SLFM and delivering ecosystem services and goods. - At least 50% decrease in unsustainable land use and management practices in 30 pilot villages in each watershed by mid-term and 75% cumulative by EOP.	National Field surveys; Erosion Monitoring, soil erodability index, Satellite images and geographical analysis, national GIS laboratory	- Sectoral departments fail to meet their commitments to collaborate, coordinate and resist the participatory and integrated SLFM approach - Inordinate delays in fielding of the Inception Mission and selection of competent project team. - Gender barriers to participation, restricted participation by poor and marginalized groups - Lack of cooperation between government and local communities
	Increased awareness and capacity of stakeholders at local, provincial and national levels on participatory and integrated SLFM	Baseline awareness is minimum; weak inter and intra sectoral linkages.	- All relevant ministries aware of SLFM and collaborating on land and forest management; at least 5 cross cutting policies revised and or merged to mainstream participatory integrated watershed approach for SLFM by EOP - Capacity enhanced and awareness raised for at least 50% of the population in the 45 villages on SLFM	Capacity development raid assessment, Socio-economic survey of beneficiary groups; Participatory M&E Initial Assessment Report and annually thereafter (PY1- PY5); mid-term and final independent evaluations.	- Continued access of local communities to natural resources; security of tenure - Local populations in the village clusters are ready and willing to participate in learning and adopting lessons from the selected pilot village - Continued drought and increasing climatic variability has adverse impacts on food security

Objectively verifiable indicators					
Project Strategy	Indicator	Baseline	Target (by Year 5)	Source of Verification	Risks and Assumptions
Outcome 1: Strengthened capacity of local communities in 45 pilot villages, provincial and local institutions to plan, implement and evaluate participatory and integrated SLFM initiatives.	Workshop participants trained in participatory and integrated SLFM initiatives and are using their new skills on the ground. Participatory Village Resource Management Council (PVRMC) and Village Councils (VC) SLFM Village Level Plan (VLP) and Watershed Level Plan (WLP) developed for the pilot villages and village clusters respectively. Rural Development Funds established in pilot villages.	Baseline measured in YO	<ul style="list-style-type: none"> - At least 200 people of the population in each of the two watersheds and 70% of the provincial staff including men and women trained on SLFM. - 6 Participatory Village Resource Management Councils established - 45 Village Level Plans formulated - 2 watershed level plans formulated - Rural Development Funds established for at least 30 pilot villages (1 rural development fund per pilot village) 	<p>Rapid and Baseline Assessment reports including list of representative beneficiaries' (social class and gender) statements; Participatory and LADA tool based M&E Initial Assessment Mid-term and final independent evaluations. Reports include details of collaborative design and interpretation of results, statements of representative beneficiaries' (social class and gender), sequential co-operation between local stakeholders</p>	<p>and ecosystem services.</p> <ul style="list-style-type: none"> - Current level of political willingness and support for participatory, integrated adaptive SLFM may decline and stated co-financing commitments do not materialize - Local communities provide their in-kind support and are willing to and adopt improved approaches.

Objectively verifiable indicators					
Project Strategy	Indicator	Baseline	Target (by Year 5)	Source of Verification	Risks and Assumptions
Outcome 2: Status of forests and range improved, severity of wind erosion decreased and natural resources managed sustainably on 75 000 ha of land	Number of villages implementing VLP and WLP.	Limited and dispersed.	-At least 30 pilot villages (20 in Rigan and 10 in Se Galeh) implementing the village level and watershed level plans	M&E reports, Direct measurements of Water Use Efficiency (WUE) at demonstration sites. Erosion rates and sediment delivery.	
	Surface of forest, range and under SLFM field interventions (including wind breaks, restoration of degraded land, improved water harvesting techniques, livestock management and sustainable agriculture) Number of sustainable alternative livelihoods Percentage of biodiversity and forest recovery		- 30% decrease in erosion in pilot villages - 75% rehabilitated rangelands of the projected 19 400 ha in pilot sites - At least one functional compost centre per Village Resource Management Group for demonstration. -At least a total of 2 250 hectares of farm and rangeland in selected villages restored with drought and salinity resistant plants -The use of alternatives to fuel wood collection (solar and gas ovens) demonstrated and adopted by at least 500 households - At least 5 sustainable alternative livelihoods initiatives developed with demonstrated benefits to environmental services	Reports/ surveys on estimates of yield, net farm incomes and use of locally adapted agro-biodiversity planted in rain fed and irrigated farmer demonstration sites. Rangeland and forest rehabilitation measured by remote sensing measurements of land cover, technical reports Field survey and species count to document wild fauna and flora of global biodiversity importance and photo documentation.	
	Forest areas for conservation and rehabilitation are identified and mapped. Changes in the number of species of flora and fauna as measured by species composition and canopy cover, direct spot, pellet group counts and tracks in the identified conservation and rehabilitation areas	Baseline Y0	-Areas for conservation activities and rehabilitation are defined - One Non Hunting Area established in Rigan. -25% recovery in globally important wild species and species of importance to Non Wood Forest - 50 % decrease in over-grazing and fuel wood harvest inside the forest boundaries defined for conservation activities;	M and E reports, APR reflecting progress toward community involvement in M and E, Field surveys, statements by local communities; photo documentation; remote sensing measurements, Periodic Watershed Reports and Independent final project evaluation.	Same risks and assumptions as above

Project Strategy		Objectively verifiable indicators			Risks and Assumptions	
	Indicator	Baseline	Target (by Year 5)	Source of Verification		
Outcome 3: Enhanced capacity at local and national levels to integrate SLFM across different institutions and sectors	Increased inter and intra sectoral coordination SLFM integrated into relevant sectoral policies	None	<ul style="list-style-type: none"> - One SLFM platform/ Intersectoral Coordination Mechanism established and operational at national level. - At least 5 policies revised to mainstream participatory SLFM - At least 5 departments in NRM ministry working with inter and intra-departmental linkages and at least two linkages established between 2 ministries (DOE and FRWO) at provincial levels; at least one such linkage at the national level. 	<p>Minutes of meetings at provincial and national levels.</p> <p>Tracking tool for mainstreaming SLFM in other sectors.</p>		
	4.a.1. Project data collection and Monitoring and Evaluation system established	None	By Y0.5	Annual progress reports; Project mid-term review and final evaluation		
Outcome 4a: Project monitored and evaluated effectively and lessons learnt and best practices disseminated widely with a view to their replication in other areas	Project progress and monitoring reports prepared and mid-term and final evaluations conducted in a timely manner	None	By Y 0.5	Project mid-term review and final evaluation Monitoring and progress reports		
	Lessons learnt, publications and documentaries prepared and widely distributed	None	<ul style="list-style-type: none"> - Stakeholders beyond residents of the 45 pilot villages familiar with project approach and results through Y1-Y5. - Decision makers and ministry professionals aware of project results 	Project training and field visits reports, M&E reports, Documentaries produced, Newspaper and Television reporting, books, posters and booklets published.		

Project Strategy	Objectively verifiable indicators				Risks and Assumptions
	Indicator	Baseline	Target (by Year 5)	Source of Verification	
Outcome 4b Project managed effectively	Project management unit established	0	All staff and committees and offices established by year 0.5	Staff TORs and contracts Steering committees and technical committees meetings' reports Project progress quarterly reports Project implementation reviews Project mid-term and final evaluation reports	
	Project Steering Committee (PSC) and Technical Committee established at national level				
	Provincial Project Offices and Project Planning Committees established in the provincial level (one for each site) project sites.				
	Activities implemented on time within available budget.				
Outcomes					
Outcome 1: Strengthened capacity of local communities in 45 pilot villages, provincial and local institutions to plan, implement and evaluate participatory and integrated SLFM initiatives.	Output 1.1. At least 200 people of the population in each of the two watersheds and 70% of the provincial staff including men and women trained on SLFM				
	Output 1.2. 6 Participatory Village Resource Management Councils established				
	Output 1.3. 45 village level plans and 2 watershed level plans formulated				
	Output 1.4. Rural Development Funds established for at least 30 pilot villages (1 rural development fund per pilot village).				
Outcome 2: Status of forests and range improved, severity of wind erosion decreased and natural resources managed sustainably on 75,000 ha of land.	Output 2.1. At least 30 pilot villages (20 in Rigan and 10 in Se Galeh) implementing the village level and watershed level plans.				
	Output 2.2. 30% decrease in erosion in pilot villages (baseline to be established in year 1)				
	Output 2.3. 75% of rangelands rehabilitated of projected 19,100 ha in pilot sites				
	Output 2.4. 2,250 hectares of farm and rangeland in selected villages restored with drought and salinity resistant plants.				
	Output 2.5. 25% recovery in globally important wild species and species of importance/ used as Non Wood Forest Products (baseline to be established in year 1).				
	Output 2.6. At least 5 sustainable alternative livelihood initiatives are developed with demonstrated benefits to environmental services.				
Outcome 3: Enhanced capacity at	Output 3.1. One SLFM platform/ Inter-sectoral coordination mechanism established and operational at national level.				
	Output 3.2. At least 5 policies revised to mainstream participatory SLFM				

Project Strategy	Objectively verifiable indicators			
	Indicator	Baseline	Target (by Year 5)	Risks and Assumptions
local and national levels to integrate SLFM across different institutions and sectors.	Output 3.3. At least 5 departments in NRM ministry working with inter- and intra-departmental linkages and at least two linkages established between two ministries (Department of Environment (DOE) and Forest, Rangeland and Watershed Management Organisation (FRWO) at provincial levels; at least one such linkage at the national level.			
	Output 4a.1. Project data collection and Monitoring and Evaluation system established			
	Output 4a.2. Project progress and monitoring reports prepared and mid-term and final evaluations conducted in a timely manner			
	Output 4a.3. Lessons learnt, publications and documentaries prepared and widely distributed			
	Output 4a.4. Stakeholders beyond residents of the 45 pilot villages familiar with project approach and results			
Outcome 4a: Project monitored and evaluated effectively and lessons learnt and best practices disseminated widely with a view to their replication in other areas	Output 4a.5. Decision makers and ministry professionals aware of project results			
	4b.1. Project management Unit established			
	Output 4b. 2. Project Steering Committee (PSC) and Technical Committee (TC) established at the national level			
	Output 4b.3. Two Project Planning Committees (PPC) and Two Project Offices are established at provincial level (one in each province)			
Outcome 4b. Project managed effectively				

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF)

The GEF Secretariat raised a set of questions in the review dated August 21, 2008. All these questions are compiled below. Many of these questions request clarification or confirmation, which is provided next. Other request some document review, which has been done and is indicated below too.

Q2. Has the operational focal point endorsed the project?

Secretariat Comment at PIF/Work Program Inclusion: Yes. Nevertheless, the request for GEF Funding in the letter from the Ministry of Foreign Affairs (\$3.8 M), does not match the amount in the PIF's budget (\$3.1 MM including PPG and Agency fee). In addition, in the letter funding is requested from GEF's LD, BD and CC focal areas, but there is no CC component in the proposal. Please provide a revised letter of endorsement from the Government with the correct amounts and allocation (see #2).

- Endorsement letter attached. GEF budget remains the same as requested in the PIF. The letter confirms the GEF focal areas as LD and BD for this project.

Q 4. Does the Agency have a comparative advantage for the project?

Secretariat Comment at PIF/Work Program Inclusion: This was not discussed in the PIF. FAO has a comparative advantage in Capacity Building/Technical Assistance in BD projects and LD. Please provide information regarding FAO's experience in Iran.

- Details provided in the project document on comparative advantage of FAO and experiences FAO-IR relevant to the project.
- The project will benefit from FAO-IR's experience in preparation of Framework for Sustainable Agriculture Development Strategy (2005), the National Strategy and Action Plan on Drought Preparedness, Management and Mitigation in the Agriculture Sector (2007) to seek enhanced investment in agriculture, especially, at the value-chain level to increase income and employment opportunities for the rural poor and successful introduction of novel participatory approach of Farmer Field Schools to promote organic agriculture and integrated pest management. This method is widely adopted by agencies such as GEF-SGP in their interventions in LR of Iran and will be used in demonstration sites in RFLDL.

Q 6. Will the project deliver tangible global environmental benefits?

Secretariat Comment at PIF/Work Program Inclusion: The PIF articulate well the local Environmental Benefits, but not the GEB. Please provide information regarding the conservation/environmental global values of the forests and sites to be positively affected by this project.

- Details regarding the Global Environmental Benefits are included above. Please note from the explanation under part IV above, the project will not establish multiple reserves as envisaged in the PIF. Nevertheless, the global benefits are derived by addressing the barriers to sustainable land and forest management as detailed in the above Section II and in the project document.

Q 8. Is the project design sound, its framework consistent & sufficiently clear (in particular for the outputs)?

Secretariat Comment at PIF/Work Program Inclusion The project is structured around three components: 1) Participatory SLFM in arid and semi-arid zone forests, including the creation of 5 national forest reserves of 25,000 ha., 2) control of wind erosion through sand dune fixation, covering at least 5,000 ha., and 3) community based agro-forestry on saline soils in at least 50,000 ha. Please provide additional information on the nature of this forest reserves and their conservation value.

- Please note from the explanation under part IV above, the project will not establish multiple reserves as envisaged in the PIF. Nevertheless, the global benefits are derived by addressing the barriers to sustainable land and forest management as detailed in the above Part II and in the project document.

Q14. Does the project take into account potential major risks, including the consequences of climate change and includes sufficient risk mitigation measures?

Secretariat Comment at PIF/Work Program Inclusion: The risks of this project include low institutional capacity and potential low involvement of the population in the development and deployment of the field activities. It is not clear what are the economic incentives to participate or the penalties from being absent from the process. Please add information regarding these issues.

- Details added regarding the incentives for participation in the Section G of part II mentioned above. Socio-economic benefits through adoption of alternative livelihoods, sustainable alternatives in agriculture and in participating in the project activities during implementation of village level and watershed level plans are direct incentives for participation. Indirect incentives are the short and long term revival of ecosystem services at the village and watershed levels. While there are no penalties implicated by the government for not participating in the project activities, the direct repercussion of the continued land degradation and biodiversity loss and the resulting socio-economic and ecological challenges in terms of increased wind erosion, soil salinity, decreasing water table are motivators enough for not being absent in the participatory process of this project to address these issues.

Q15. Is the value-added of GEF involvement in the project clearly demonstrated through incremental reasoning?

Secretariat Comment at PIF/Work Program Inclusion: The only reference to the value of GEF involvement is that without the GEF support, the proposed activities will be maintained at a pace that is insufficient to reverse the current trend in land degradation. Please also better demonstrate the GEF involvement in the project through incremental reasoning. Please also provide information regarding the conservation/environmental global values of the forests and sites to be positively affected by this project (Global Environmental Benefits).

- Incremental reasoning provided in Section F of Part II including incremental reasoning for each of the four project components.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES

<i>Position Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
For Project Management			
Local			
National Project Manager	545	140	Overall coordination and management of the project's activities at the central level, in close collaboration FRWO National Project Director, the FAO office in Tehran and the Chief Technical Advisor
Operational and administrative officer	1,000	120	Financial management of GEF project resources including tracking of expenditures in accordance with annual work plan and budget and preparation of periodic financial reports in compliance with FAO rules and regulations. Support procurement and contracting processes and management of contracts.
Sub-total		260	
International			
Finance officer	3,000	7	Assist the operational and administrative officer in the financial management of the project via the Oracle system and applying FAO financial rules and procedures for reporting and budget revisions.
Human resources & procurement advisor	3,000	6	Assist the operational and administrative officer to apply FAO procurement policies and prepare bidding documents.
Sub-total		13	
Justification for Travel, if any: International travel in respect to recruitment, plus internal travel between Tehran and the project's field sites at Se Ghale end Rigan			
For Technical assistance			
Local	\$ per week	Estimated person/weeks	Tasks to be performed
National Project Manager	545	100	Technical assistance on biological and social science aspects for participatory methodologies and planning regarding sustainable land and forest management
2 Sociologists community participation experts	1000	150	Assist the two Provincial Project Coordinators (financed by the government) in planning and implementation of project activities and promote community

			participation in each of the two project sites. This include trust-building & organization of focus groups with local communities and formation of local committees and facilitation of a participatory planning process of Integrated Watershed Management plans including thematic workshops and village planning workshops.
2 gender experts	1000	120	Assist the two Provincial Project Coordinators in planning and implementation of project activities providing inputs on gender issues and supporting the equal participation of men and women in watershed planning and management and conservation activities in each of the two project sites
Translators	448	60	Translate for the CTA and international experts providing technical inputs in workshops, meetings and in the field
Policy and Institutions expert	1,400	25	Studies on the policy harmonization across different Ministries and Departments
Sustainable land and forest management expert	1,400	25	Technical expertise and inputs on the SLFM orientation workshop
Monitoring and evaluation expert(s)	1,400	17	Set up the M&E system for the project and prepare the initial M&E report Contribute to the mid-term review
Communications expert	1,400	25	The consultant will prepare a communication strategy for the project to achieve its objectives and promote best practices. The consultant will use the reports prepared by the technical expert and consultants and results of the project activities to prepare raising awareness materials.
Rapid Rural Appraisal/ Base line assessment experts	1,400	23	Guide and lead the preparation of Rapid appraisal assessments in the two project sites. Conduct base line assessments.
Integrated Watershed management expert	1,400	25	Support the preparation and organization of thematic & Integrated Watershed management Plans Workshops
Workshops Facilitators	1,400	15	Preparation, organization and facilitation of coordination,

			planning and technical workshops at the national level
Conservation agriculture expert	1,400	25	Analyze options for conservation agriculture in the two project sites including improved soil and water management and provide technical guidance to local communities on their implementation. Support the development of Integrated Watershed Management plans with specific focus on soil conservation measures.
Alternative livelihoods expert	1,400	28	Rapid assessment and baseline assessment on local livelihoods; support and provide technical guidance to local committees on alternative livelihoods, marketing services development; support the development of management plans and organization of workshops at watershed and village levels
Biodiversity conservation expert/ Ecologist	1,400	17	Conducting Biodiversity baseline assessments; study of biodiversity suitable habitats & migratory routes; support the organization of thematic workshops on biodiversity conservation ; Preparation of a thematic plan for biodiversity conservation; Support the formulation of the integrated Sustainable land and forest management plans (at watershed and village levels
Mapping / GIS specialist	1,400	8	Compilation & analysis of GIS data for habitats study and mapping and preparation of maps
Wildlife management expert	1,400	15	Preparation of single-species management plans
Sub-total		678	
International			
Chief Technical Advisor (CTA)	2,470	144	Direct technical support to NPD, NPM, PPMs and TC. Integration of the project's technical aspects and inputs from the international consultants as well as networking, knowledge management and lessons learning, capacity building and skills development programmes
Mid-term evaluator	2,500	8	Independent member of the Mid-term review

Final evaluator	2,500	8	Independent member of the Final project evaluation
Landscape/Ecology expert	3,000	11	Leading the biodiversity component of the project. He/she will work with support of national consultants (biodiversity experts). Guidance of implementation of the Biodiversity conservation activities
Expert on Sustainable land management	3,000	4	Facilitation and technical support to formulation processes on IMP & Thematic Plans
Policy expert	3,000	13	Advise on approaches, assessments and provide recommendations for policy formulation and implementation
Biodiversity conservation expert	3,000	3	Provide inputs as a resource person for the orientation workshop on biodiversity conservation
Forestry expert	3,000	3	Organize and provide training on forest management and restoration
Wildlife management expert	3,000	3	Organize training on the ecology and behavior of key-species as well on species monitoring
Subtotal		197	
Justification for Travel, if any: <i>International travel in respect to recruitment, plus internal travel between Tehran and the project's field sites at Se Ghale & Rigan</i>			

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

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

Yes, the objective of the PPG was to prepare the Project Document.

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

N/a

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

The PPG funds for all programmed activities will be spent. Payments of the committed funds are being spent by September 2010.

Project Preparation Activities Approved	Implementation Status	GEF Amount (\$)			Co-financing (\$)
		Amount Approved	Amount Spent to date	Amount Committed	
1. Assess the current status of degraded forest landscapes and lands. Identify major barriers and constraints to wider implementation of the SLFM techniques. Delineate most potential areas for project intervention/ implementation. Draft a project logframe.	Completed	70,000	70,000	0	50,000
2. Conduct a participatory workshop with all concerned stakeholders for a concerted decision on the project's objectives, activities and expected results within the logframe	Completed	40,000	40,000	0	60,000
3. Assess on-going initiatives and prepare an incremental analysis and financing-plan, including the mobilization of co-finance required for the finalization of project design	Completed	30,000	30,000	0	20,000
4. Collect and establish baseline data and preparation of a costed Monitoring and Evaluation (M&E) plan	Completed	60,000	51,656	8,344	30,000
5. Finalize project design and documentation for full-size project (printing, binding); present and disseminate information	Completed	0	0	0	40,000
Total		200,000	191,657	8,344	200,000

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLOWS

Provide a calendar of expected reflows to the GEF Trust Fund or to your Agency (and/or revolving fund that will be set up). **Not applicable**