

## PROJECT BRIEF

### 1. Identifiers:

Project Number:

Project Name:

GEF Small Grants Programme (Second Operational Phase)

Duration:

2-year replenishment with a subsequent annual “rolling” financial modality.

Implementing Agency:

United Nations Development Programme

Executing Agency:

UNOPS and National Execution (NEX)

Requesting Countries:

See Annex 1

Eligibility:

See Annex 1

GEF Focal Area(s):

Biodiversity, Climate Change, International Waters and Land Degradation as it applies to the 3 focal areas.

GEF Programming Framework:

Operational Programs 1, 2, 3, 4, 5, 6, 8, 9.

---

### 2. Summary

The development goal of the second operational phase of the GEF/SGP is to assure global environmental benefits in the areas of biodiversity conservation, climate change mitigation and protection of international waters from community-based approaches. The rationale for the next phase is rooted in the belief that local solutions to global environmental problems exist and have been successfully implemented through the programme thus far while at the same time recognizing that there still is an unrealized potential to enhance the impact of the programme within the GEF system as a whole. Given the strategic role of the GEF/SGP in furthering the overall GEF Strategy and mandate, the long-term financial modality being proposed is one that ensures continuity, flexibility and accountability at the same time. Responding to recommendations in the report of the second independent evaluation of the GEF/SGP, the next phase will focus on achieving the following principal objectives (outputs): (1) revision and implementation of the strategic framework and operational guidelines at global and country levels to ensure congruence with GEF Operational Strategy and Programs; (2) selection and implementation of community projects; (3) establishment of functional links with medium- and full-size GEF projects, other UNDP programmes, government agencies, and national environmental funds (mainstreaming); (4) establishment of a sound programme for capacity building for key stakeholders; (5) elaboration and implementation of global and country strategies for sharing for GEF/SGP experiences and demonstrating global benefits; (6) establishment of resource mobilization strategies at global, country and project levels to assure project and programme sustainability; and (7) operation of a monitoring and evaluation system to track and assess global benefits are in effect.

---

### 3. Costs and Financing (Million US\$): (Detailed budget breakdown on page 15.)

**GEF:** USD\$ 31.619

**Co-financing (targets for a 2-year period):** USD\$ 30.000

In cash 15.000  
In kind 15.000

**Total Project Cost (2 YEARS):**

USD\$ 61.619

---

4. Operational Focal Point Endorsements:

Available on request.

5. GEF Implementing Agency Contact:

Alfonso Sanabria, Coordinator, a.i., GEF/SGP

Tel: 212-906 5832 Fax: 212-906 6998

## **LIST OF ACRONYMS AND ABBREVIATIONS**

CBD	Convention on Biological Diversity
CBOs	Community-based organizations
CEO	Chief Executive Officer
GEF	Global Environment Facility
SGP	Small Grants Programme
M&E	Monitoring and Evaluation
MoA	Memorandum of Agreement
NEX	National Execution
NGOs	Non-government Organizations
NC	National Coordinators
NEFs	National environmental funds
NSC	National Steering Committee
NYCU	New York Coordination Unit
OPs	Operational Programs
STAP	Scientific and Technical Advisory Panel to the GEF
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNOPS	United Nations Office of Project Services
USD	US Dollars

## **1. BACKGROUND AND CONTEXT**

1. The Global Environment Facility Small Grants Programme (GEF/SGP) has been in operation for six years and is currently active through 46 country programmes. It has funded over 1000 projects in Africa, the Middle East, Asia and the Pacific, Europe, and Latin America and the Caribbean that link local, community-based activities with the GEF focal areas, specifically biodiversity conservation, mitigation of climate change, and protection of international waters.

2. During the pilot-phase (1992-1996), the GEF/SGP established a decentralized, country-driven programme implementation structure. National Coordinators were contracted and National Steering Committees were formed in 33 country programmes. The programme focused on funding small-scale non-governmental organization (NGO) and community demonstration projects in the GEF focal areas. In the first operational phase (1996-1998), the GEF/SGP was launched in 13 additional countries bringing the total to 46 country programmes.

3. The GEF/SGP has now accumulated more than five years of experience in implementing projects in participating countries. Building on its initial mandate to offer small grants to NGOs and communities to undertake local activities that would address global environmental problems, the programme was also meant to be a model venture in terms of participation and democracy, gender and indigenous peoples, geographical distribution, replicability, and sustainability. It has also sought to have an impact on national environmental policies and donor agendas by increasing public awareness of global environmental issues and communicating lessons learned, including best practices from its community-based experiences. Over the course of the pilot and first operational phases, most of these issues have been taken seriously and put into practice by most country programmes.

4. Project successes range from promoting alternative sources of income and employment among communities living in and around ecosystems under pressure (e.g., butterfly farming for communities living near the Arabuko-Sokoke forest in Kenya), through testing and demonstrating the use of alternatives to fuelwood from forests (e.g., the use of cassava wastes in biogas production in Côte d'Ivoire), to community involvement in monitoring international waters (e.g. monitoring the health of the coral reef ecosystem in the Gulf of Aqaba at the northern end of the Red Sea in Jordan).

5. The Second Independent Evaluation of the GEF/SGP states that the SGP has a “unique and valuable niche, not only within the GEF, but within all international environment and development efforts...there is no comparable mechanism for raising environmental awareness and building capacity across such a broad spectrum of constituents within the recipient countries” (page 46).

6. The STAP reviewer of the GEF/SGP second operational phase project brief comments that, “Over the years, the programme established experience in pioneering new forms of coalitions and partnerships between civil society institutions, indigenous population and local governments to address global environmental issues under different, ecological, social and economic settings...its great potential lies in being able to assist National Programmes in identifying local solutions that can contribute to the mitigation of global environmental risks. Thus, it can, over time, become a powerful tool in the realization of the goals GEF has established.”

7. The planning, design and implementation of the next operational phase must be seen in the above context. It demonstrates how the GEF is drawing from an excellent evaluation combined with experience and lessons learned from the first operational phase in an evolving planning process to ensure a sustained and continuous impact of the programme on the ground.

## **2. RATIONALE AND OBJECTIVES**

8. The rationale for the second operational phase is rooted in the belief that local solutions to global environmental problems exist and have been successfully implemented through the programme thus far, while at the same time recognizing that there still is an unrealized potential to enhance the impact of the programme throughout the GEF system. The GEF/SGP has an important and special niche and provides strategic benefits within the GEF system for several reasons:

- (i) The Programme's decentralized institutional structure and presence in 46 countries (with an increase to 51 countries in the 2<sup>nd</sup> year) provides an unparalleled mechanism for broad-based outreach, awareness and appreciation of global environmental concerns.
- (ii) The Programme is building capacities of communities, CBOs and local NGOs to address global environmental concerns. These local-level capacities could prove to be an invaluable source for new partnerships for the global environment. The cumulative impact of all these community-based projects will in turn benefit the global environment.
- (iii) In many cases, it is providing the foundation for the "graduation" from small to medium-sized projects. It field-tests, on a small-scale, innovative solutions to global environmental problems thus reducing the risk associated with applying these innovative solutions within larger projects. These tested community-based approaches that have been developed under a range of different social and cultural contexts can then be scaled-up to medium-size projects or implemented as components of larger GEF projects.

9. The recent *Second Independent Evaluation of the Global Environment Facility Small Grants Programme* (June 1998) has been acclaimed as a thorough and objective assessment. Serious consideration has been given to the team's recommendations in planning for the next operational phase. The Evaluation, coupled with an internal process of reflection, has identified established strengths of the programme and several broad areas in which it still needs strengthening.

10. Some of the proven strengths of the GEF/SGP that should be conserved and that will serve as building blocks for the second operational phase are:

- A steadily increasing demand for GEF/SGP projects and approaches in all participating countries as people's awareness of the links between community actions, local environmental degradation and global environmental problems grows.
- A programmatic approach that is premised on the knowledge and ability of local groups and communities to achieve local results with modest resources and assistance that can eventually lead to global benefits.

- A programme implementing structure that is responsive and country-driven, and avoids bureaucracy.
- Country programme strategies that integrate the GEF focal areas and Operational Programs with national environmental priorities.
- Flexible, rapid, democratic and transparent project identification and selection mechanisms.
- A participatory, community-based approach that increases public awareness of global environmental issues.
- A focus on non-governmental organizations (NGOs) and communities that effectively serves to build local capacities.
- A group of experienced, knowledgeable, dedicated and hard-working National Coordinators.
- In-country resource mobilization capacities that have raised more than \$15 million as project co-financing since the beginning of the pilot-phase.

11. The broad areas in which the programme requires strengthening include:

- Achieving a better fit with the GEF Operational Strategy and Operational Programs.
- Demonstrating the global benefits of GEF/SGP projects through more focussed programme implementation, increased capacity building, better monitoring and evaluation and more effective communications and outreach, all of which yield lessons learned and paradigm cases.
- Securing co-financing at the global and country levels for “baseline” activities to facilitate congruence with the incremental cost criterion.
- Seeking project and programme sustainability.

12. The GEF/SGP clearly plays a unique role in furthering the overall GEF strategy and mandate. As highlighted by the recent independent evaluation, there is “no comparable mechanism for raising environmental awareness and building capacity across such a broad spectrum of constituents within the recipient countries”. Given the central role of the programme, this proposal is requesting replenishment for a two-year period. Based on an interim report at the end of the first year (October 1999) and the achievement of certain benchmarks (Annex 2), the programme will request replenishment for the next year<sup>1</sup>. This “rolling” financial strategy that is contingent upon meeting benchmarks will ensure continuity, flexibility and accountability at the same time. While internal monitoring and evaluation will be an ongoing process, an independent evaluation will be commissioned in the 4<sup>th</sup> year.

13. The programme will consider expanding to five additional countries in the second year after replenishment, an expansion that will be contingent on having achieved specified benchmarks before October 1999. Consideration will be given to regional and sub-regional modalities. Expansion will only take place after consolidation of the programme has been demonstrated at the end of the first year. Certain benchmarks (see Annex 2) must be achieved, most importantly strategic frameworks that ensure fit of projects with overall GEF programmatic criteria, project and programme sustainability through the development of resource mobilization strategies, and finally a monitoring and evaluation system to track and

---

<sup>1</sup> i.e., at the end of the 1st year the programme will request replenishment for the 3rd year, at the end of the 2nd year it will request replenishment for the 4th year, and so on.

assess the programme and projects, culminating in the first and subsequent years with an annual reporting of progress (interim report). Once these benchmarks are met, selection of new countries will be based on the following criteria:

- Environmental conditions warranting GEF intervention.
- Eligibility for GEF financing.<sup>2</sup>
- Government concurrence with GEF/SGP Operational Guidelines.
- Government strategies and programmes that address the environment.
- Significant presence of civil society organizations for example NGOs, CBOs, and academic, training, and research institutes.
- Constructive government-NGO relations.
- Prospects for effective partnerships with other organizations, including for in country resource mobilization.

14. In the second operational phase, alternative sponsorship and institutional arrangements for the programme will be considered. Most country programmes have been located in the UNDP field office, with about a fifth hosted by national NGOs. A broader range of options will be explored. Surveying the organizations and institutions already working with communities at the local level would help to determine how and where the GEF/SGP would best fit. Possible host organizations might include national environmental funds and social development funds amongst others.

### **3. PROJECT ACTIVITIES AND EXPECTED RESULTS**

15. The overall programme purpose for the second operational phase can be stated as:

**Conservation and sustainable development strategies and projects to protect the global environment are understood and practiced by communities and other key stakeholders.**

The programme purpose will be achieved by the following outputs and activities derived through logical framework planning. The outputs and activities seek to address constraints and weaknesses highlighted by the recent independent evaluation, while maintaining the strengths of the programme. A logical framework matrix summarizing the fundamental strategy and approach of the next operational phase is attached as Annex 3.

**Output 1: Strategic framework and operational guidelines at global and country levels are revised and implemented to ensure congruence with GEF Operational Strategy and Programs.**

16. There was a serious and consistent effort in the pilot and operational phases to fulfill GEF criteria, but there are several points in the programme and project cycles where a more rigorous application of the GEF Operational Strategy and Operational Programs can be effected. This is a fundamental objective of the second operational phase and a concerted effort will be undertaken to improve the fit of GEF/SGP projects with the overall GEF programmatic criteria in all aspects of the programme.

---

<sup>2</sup> Ratification of CBD and UNFCCC, and eligibility under paragraph 9(b) of the GEF Instrument.

17. The first step is to finalize development of a global strategic framework<sup>3</sup> for the GEF/SGP, based on the GEF Operational Strategy and Operational Programs and tested country programme strategies. For the second operational phase, the concept of global benefits will be explained in a simple, direct, and usable way in the global strategy. It will be clear, succinct and suitable for incorporation into the country strategies as an introductory section. The strategy will also serve as the basis for the revision of the country programme strategies.

18. The revision and review of country programme strategies and project selection criteria will be accomplished through a broad consultative process. While most current country strategies integrate global environmental concerns with national environmental priorities, further guidance from the global strategic framework and other technical assistance will help the country programmes to make explicit the links to global benefits.

19. The revision of country programme strategies will also allow for consideration of programme planning approaches that focus programme activities biogeographically or thematically as a means of enhancing global benefits. Through the Global Strategic Framework and Operational Guidelines, the GEF/SGP will encourage countries to develop strategies that focus on particular ecosystems (or biogeographical zones) or one or more GEF focal areas and Operational Programs.

20. In the same vein, country programmes should be able to concentrate on their areas of "comparative advantage," in terms of their needs and capacities. In addition to the essential GEF criteria, the GEF/SGP has a very wide set of interests and opportunities, ranging from sustainable livelihoods to gender participation, from participatory monitoring and evaluation to inclusion of indigenous peoples. Given limited resources, country programmes are hard-pressed to cover all areas. Country programmes should assess their strengths and weaknesses in the revision of their country strategies, and decide how to deploy their resources to best leverage their particular comparative advantage.

21. The Operational Guidelines will be revised and modified to enable the better application of the strategic frameworks and Operational Programs throughout the project cycle. As recommended by the STAP reviewer (see Annex 4 and 5), the operational guidelines will make special recommendation to encourage projects under the international water focal area and the cross-cutting issue of land degradation. There is a window of opportunity between the presentation of a GEF/SGP project concept paper and the approval of the project for more strictly applying the GEF Operational Strategy and Operational Programs. A better fit with the GEF Operational Strategy and Operational Programs will be the principal requirement for approving project concept papers and authorizing planning grants, and project selection criteria will be adjusted accordingly. The global benefit to be achieved through a particular proposal will be stated explicitly (rather than implicitly) in the concept paper and the final proposal, and the formats for both will be modified to encourage this. The National Coordinator will work with project proponents to express in terms of appropriate GEF programming criteria, people's own understanding of the GEF focal areas and the links between local and global environmental problems.

---

<sup>3</sup> The on-going GEF-wide trust funds evaluation once completed will provide useful lessons, some of which may be relevant to the GEF/SGP. The relevant recommendations will be taken in to account at the global programme level, through the Global Strategic Framework and Operational Guidelines, and also at the country level during the process of revising country programme strategies.



**Activities:**

- 1.1 Finalize and edit GEF/SGP Strategic Framework and Operational Guidelines.
- 1.2 Revise country strategies according to Global Strategic Framework (including Operational Guidelines), incorporating a final section on how global benefits will be realized.
- 1.3 Approve country strategies to ensure fit with GEF Strategy and Operational Programs.
- 1.4 Apply strategies for project selection and implementation.
- 1.5 Include new countries in accordance with established selection criteria.
- 1.6 Assess strategy documents periodically and modify as needed.

**Output 2: Community projects selected and implemented.**

22. The core of the GEF/SGP is grant-making to eligible NGOs and CBOs. The programme's premise is that individual and community actions have an impact on the global environment and that solutions can be found at the local level through the collective efforts of households, CBOs and NGOs. The second operational phase will maintain many of the procedures tested and perfected in the pilot and first operational phases (for example, NSCs and their decision-making process, and the way proposals are solicited and developed), to develop, select and implement projects. There will be an increased emphasis on targeted guidance to ensure project fit and on seeking necessary co-financing for baseline activities. One of the lessons learned during the first operational phase was that participating organizations need support after project completion to work towards sustainability, and this will be taken into account in the second operational phase.

**Activities:**

- 2.1 Call for proposals that correspond to the new guidelines.
- 2.2 Review concept papers in view of the new guidelines.
- 2.3 Guarantee technical guidance and assistance for proposal development in order to ensure "fit" with the country strategies.
- 2.4 Assess project budget and seek co-financing if necessary.
- 2.5 Select projects that best fit the selection criteria using the existing transparent selection procedure by NSCs.
- 2.6 Support implementation of approved projects.
- 2.7 Obtain final project narrative and financial reports.
- 2.8 Support follow-up of projects as appropriate.

**Output 3: Functional links with full- and medium-size GEF projects, other UNDP programmes, government agencies, and national environmental funds established (mainstreaming).**

23. To achieve a greater effect in the GEF focal areas, the GEF/SGP approach can be incorporated and expanded using the medium- and full-size GEF project mechanisms. To date, at least 20 medium-sized project proposals in 11 countries have been developed from successful GEF/SGP-funded projects. Country programmes will also seek to increase coordination efforts with full-size GEF projects. As a first step, National Coordinators will

increase contact and cooperation with the GEF operational focal point in their countries. In many cases, the GEF/SGP has already contributed to full-size GEF projects by implementing community-based and capacity-building components. Eight countries already have operational links to full-size GEF projects; in six countries the GEF/SGP provides advice and in five countries the full-size GEF project staff assist the GEF/SGP. The second operational phase will build on and consolidate these achievements and also expand links with other implementing agencies of the GEF, namely the World Bank and UNEP.

24. The GEF/SGP benefits from its location in most countries at the UNDP country office. In many cases UNDP has provided valuable contacts and outreach, assistance with media coverage, and programme support. The GEF/SGP cooperates closely with many UNDP projects, including LIFE, the Africa 2000 Network, and other programmes relating to poverty alleviation, indigenous peoples, gender, and community development. In some countries, it coordinates a UNDP programme or project component in these areas. The GEF/SGP also provides advisory services in virtually every country to UNDP and government agencies on community-based approaches to global environmental issues. As recommended by the STAP reviewer (see Annex 4 and 5), the programme will intensify efforts to build links with current UNDP programmes in participating countries.

25. The GEF/SGP has developed close working relationships with national environmental funds in at least 19 countries, relationships that provide a useful means for mutually beneficial transfer of lessons between GEF/SGP and trust funds. These may involve co-financing of community projects, sharing information and experience, operational collaboration and even the development of institutional arrangements that could ultimately contribute to the sustainability of the GEF/SGP.

#### **Activities:**

- 3.1 Encourage senior management at the GEF Implementing Agencies to promote linkages across programmes and projects in country.
- 3.2 Expand GEF/SGP participation in other institutions and programmes in an advisory or operational capacity in order to promote community-based approaches by national governments and other agencies.
- 3.3 Elaborate and disseminate lessons learned, including through case studies of project and programme experiences that demonstrate mainstreaming.

#### **Output 4: Sound programme for capacity building of key stakeholders in place and operating.**

26. The achievement of the proposed objectives and activities of the next phase depends on effective capacity building. Most importantly, the objective of ensuring the congruence of the GEF/SGP with the GEF's overall Operational Strategy and Programs can only be realized by building capacities, especially at the local and country levels.

27. The stakeholder workshop materials were developed and field-tested by the country programmes during the operational phase. The workshops represent an important opportunity to stress the GEF Operational Strategy and Operational Programs at the country level in light of the global strategic framework and the revised country strategy. It is also a prime moment to demonstrate the concept of incremental costs and global environmental benefits using existing

GEF/SGP project examples to a wide variety of programme stakeholders and constituents. The GEF/SGP will draw from the ongoing exercise on how to streamline the process of incremental cost estimation for the GEF as a whole.

28. The continued success of the GEF/SGP depends on the National Coordinators. However, it is important to recognize that additional technical capacity is needed in GEF focal areas and Operational Programs. The Operational Guidelines will encourage country programmes to contract biologists, ecologists, or other scientists as part-time or full-time technical assistants to help communities and NGOs in developing sound GEF projects. In addition, National Coordinators will also benefit from participation in GEF Country Workshops (formerly called Project Development Workshops) that are held in their respective countries for the GEF system as a whole. Country capacities also need to be enhanced to implement other outputs of the next phase, such as monitoring and evaluation, resource mobilization and communications.

29. In addition to technical assistance that can be provided through training and outside expertise, there exists an invaluable body of local and indigenous knowledge, experience, and techniques. Many of the most innovative and successful GEF/SGP projects to date have drawn on this knowledge base. The programme's capacity building activities will emphasize local knowledge as a source of ideas and methods for projects.

**Activities:**

- 4.1 Prepare and disseminate improved stakeholder workshop materials that illustrate the revised global and country strategic frameworks and include simple examples of the incremental cost approach applied to on-going GEF/SGP projects.
- 4.2 Conduct periodic stakeholder workshops in each country for mutual learning.
- 4.3 Train NCs and NSC members in needed technical areas and resource mobilization.
- 4.4 Provide needed technical assistance for project planning.
- 4.5 Provide needed training at community-level for project implementation.
- 4.6 Tap local bodies of knowledge for designing projects and promoting the GEF/SGP approach.

**Output 5: Global and country communications and outreach strategies for GEF/SGP experiences and demonstration of global benefits elaborated and implemented**

30. Effective reporting will contribute to the GEF/SGP archive of successful replicable experiences and "best practices". The programme has accumulated a substantial body of knowledge about sustainable, integrated community-based projects that can have tremendous global benefits through wider application and dissemination. Proven approaches and techniques will be proactively shared and communicated to interested communities and NGOs and "mainstreamed" within other environment, development and small grant programmes; local and national governments; the UNDP and GEF systems; and other donor agencies. In this regard, a communications and lessons learned strategy will be created to compile, develop, and disseminate programme information back to the country programmes and to other interested parties inside and outside of the GEF and UNDP systems.

**Activities:**

- 5.1 Develop a communications and outreach strategy for GEF/SGP.

- 5.2 Develop country guidelines to implement the communications and outreach strategy.
- 5.3 Ensure that all GEF/SGP NCs have web access.
- 5.4 Disseminate case studies, periodic reports and monitoring and evaluation reports.
- 5.5 Share experiences through site visits, workshops, photo and video documentation and other means.
- 5.6 Bring programme and projects to attention of the media.

**Output 6: Resource mobilization strategies at global, country and project levels to attain sustainability are in place**

31. A financial strategy for the global and the country programmes will be elaborated. The strategy will assist the global programme to secure additional resources for the GEF/SGP as a whole. It will also provide guidance to National Coordinators and National Steering Committees on how to identify potential grant and other private sources of support from foundations, corporations, large NGOs, communities and individuals. These will include ways to encourage matching funds, or leverage, as well as collaborations and partnerships in funding. A prime motivation for resource mobilization at the country-level is to cover “baseline” costs (as defined by the incremental cost approach) in order to ensure that the GEF/SGP also fits within the GEF programmatic approach of meeting incremental costs.

32. Typical GEF/SGP projects have attempted to address several concerns in addition to the GEF focal areas and Operational Programs: sustainable livelihoods, inclusion of marginal populations (especially indigenous peoples), gender participation, participatory processes, and so on. For example, the GEF/SGP as a whole has learned that beneficial effects in GEF focal areas come about through using sustainable livelihood strategies, and this has become a cornerstone of the programme’s approach. However, given limited resources and the problem of dispersal of efforts away from the GEF Operational Programs, the programme must find new ways of meeting community needs that are considered to be “baseline” concerns. In addition, particular efforts need to be made to reach those marginal populations and isolated communities where there are no other donors or NGOs present. New approaches to these challenges are already being explored at the global programme level with a major US philanthropic foundation, two UNDP programmes (the South Asia Poverty Alleviation Programme and the global programme for Promotion of Civil Society Organizations and Participatory Development) and the European Commission.

33. GEF/SGP country financial strategies will explore ways to involve other organizations (NGOs, private sector concerns, international donors, government agencies, UNDP programmes) in providing the components that are necessary for a project’s success but may not be covered by a GEF/SGP grant. Given a limited pool of resources at the country level, some competition is inherent and cannot be avoided. This collaborative approach to co-financing, however, will serve to minimize competition and not jeopardize the activities of small NGOs and/or CBOs. The burden would then be spread among a network of organizations rather than rest on the GEF/SGP alone. Voluntary in-kind technical expertise for direct support to grantees can also play an important role in maximizing the impact of grants. Indeed, most country programmes have already raised very substantial co-financing for projects, in cash and in kind, from external donors represented locally, e.g., bilaterals, international NGOs and from beneficiary communities themselves. Efforts have begun in

several countries, and will be intensified more broadly with the projected resource mobilization training, to encourage more participation and support from the private sector.

34. In the second operational phase, co-financing arrangements will be taken into consideration during project development in a systematic and transparent way. Project proponents will be helped to locate appropriate sources of co-financing for project components that fall outside of the purview of the GEF/SGP. Again, this implies a considerable effort on the part of the National Coordinator. Drawing on the resources of country GEF and UNDP environmental focal points as well as members of the National Steering Committees will be important in this regard. Successful co-financing strategies and lessons will be shared among the country programmes so that NCs and NSCs will benefit from each other's experience.

35. GEF/SGP targets for resource mobilization over the next two years are US\$15 million in cash and US\$15 million in-kind. Based on experience with generating in-cash and in-kind resources over this period, the decision to modify this ratio in favor of cash contributions can be reviewed and implemented accordingly. Clear rules of procedure will be established with co-financiers/partners as part of the collaborative agreement at the global and country levels.

**Activities:**

- 6.1 Prepare and implement a fundraising strategy for the programme as a whole.
- 6.2 Prepare and implement country resource mobilization strategies including cash and in-kind resources from donors, governments, communities and the private sector.
- 6.3 Design accountability and incentive mechanisms for successfully implemented plans.
- 6.4 Participate in donor roundtables at country level.
- 6.5 Share best practices on mobilizing resources.

**Output 7: Monitoring and evaluation system to track and assess global benefits in effect.**

36. The local and global environmental benefits of GEF/SGP projects must be demonstrated, documented, and shared. The programme has made significant advances in linking the GEF focal areas to local, community concerns such as sustainable livelihoods, but has been less successful in assessing, communicating, and promoting the body of approaches and techniques learned and tested over the past several years. As a first step to assessing the advance of the programme, a unified monitoring and evaluation system will be developed at three levels – project level, country level, and global programme level – allowing all three levels to chart and report project and programme progress.

37. At the project level (reporting done by grantees), the monitoring and evaluation system will introduce modifications in the project cycle and in reporting. Just as the Operational Guidelines will be modified to explicitly discuss the potential global benefits of a project in the concept paper and proposal format, a project work plan format will be included that will indicate project objectives, activities, and their respective indicators and expected results. In addition the project progress and evaluation reports and site visit report formats will be adjusted in order to elicit information about lessons learned about global benefits and other pertinent areas.

38. At the country programme level, an annual assessment of programme and project performance will be introduced, and will be implemented by the National Coordinator and the

National Steering Committee in conjunction with the UNDP programme officer responsible for the GEF/SGP. As recommended by the STAP reviewer (see Annex 4 and 5), it is important to recognize and encourage good performers, be they country programmes or national coordinators and the M&E system will provide a useful way of doing so. The experience of the pilot and operational phases has shown that there is a great diversity in goals, activities, and expectations among the country programmes, rendering a global set of standards and performance indicators of little utility. However, a systematic, country-specific assessment exercise would help country programmes to understand their own strengths and weaknesses and the New York Coordination Unit (NYCU) to more effectively identify problem areas and target guidance and resources.

39. Monitoring and evaluation at the global programme level will draw on information from the previous two levels and will assess performance against the objectives of the programme as a whole. M&E of the global programme will be linked with the GEF-wide PIR exercise. Interim reports will be prepared and submitted to the GEF Council prior to approval of the next tranche, and will contain the following -- the achievement of specified annual benchmarks by the programme, and the reporting of the GEF/SGP from the PIR exercise.

40. Apart from the interim report, there will be an independent evaluation at the end of the fourth year of the programme.

**Activities:**

- 7.1 Complete M&E Framework (including guidance about developing indicators) covering project, country and global levels, using both self-assessments and external evaluations.
- 7.2 Carry out interim review of the global programme.
- 7.3 Carry out an independent evaluation in year 4.
- 7.4 Incorporate M&E component in country programme strategies.
- 7.5 Carry out annual country programme reviews including review of funded projects.
- 7.6 Monitor project performance through site visits and other means.
- 7.7 Establish and maintain databases at global, country and project levels.
- 7.8 Identify and document lessons learned at project and programme levels.
- 7.9 Feed lessons learned into project design, implementation and M&E.

**4. RISKS AND SUSTAINABILITY**

41. Securing the financial and institutional sustainability of the country programmes and projects is an integral part of the design of the next phase. Resource mobilization strategies will be developed and implemented at the levels of the global programme, country programmes and projects (Output 6). In addition, significant resources will be targeted to building functional links with other UNDP programmes, government agencies and national environmental funds (Output 3).

42. There are several assumptions that are important in realizing the planned activities and outputs that in turn will contribute to accomplishing the programme purpose and development goal. These are highlighted in the logical framework matrix (Annex 3).

**5. INSTITUTIONAL ARRANGEMENTS**

43. The GEF/SGP will operate, as before, in a highly decentralized and country-driven manner through a National Coordinator (NC) and National Steering Committee (NSC) in each participating country, with support from the UNDP Country Office and in some countries, a “host” NGO. The UNDP/GEF Unit and the UN Office of Project Services (UNOPS) will provide global coordination and support.

44. National Coordinators will continue to take the lead in managing country programme implementation. Major tasks performed by the National Coordinator include raising awareness of the GEF/SGP’s objectives and procedures among key stakeholders, assisting NGOs and CBOs in the formulation of proposals, pre-screening project proposals, facilitating the work of the National Selection Committee, assisting NGOs and CBOs with access to technical support services, and ensuring sound programme monitoring and evaluation, and laying the foundation for programme sustainability. As the country programmes expand in scale and scope, some of the functions of the NC, such as technical support, and monitoring and evaluation will be shifted to other actors. This will allow the NCs to assume a broader programme management and facilitation role, and lay greater emphasis on strengthening the programme’s resource mobilization efforts and community-based methodology. Technical and administrative support at the country level will be reinforced following the recommendation from the independent evaluation, both with a higher budget for local consultants on biodiversity, climate change and international waters issues, and with a greater degree of independence so that each country programme can decide on the most appropriate arrangement to optimize staffing needs. The selection of the National Coordinator has always been, and will continue to be, through a publicly advertised and competitive selection process. As has been the case in the past, terms of reference for NCs will be detailed in the Operational Guidelines.

45. At present NCs in 6 countries are based in a “host” NGO. In 1 country (Brazil), however, the “host” NGO manages the entire programme on an institutional basis and is not just hosting the NC. UNOPS, through the UNDP Country Office, administers a sub-contract with each host NGO, which outlines the technical support and administrative services to be provided and an operating budget. These include clearly defined rules of collaboration with the host organization. In cases where the programme works through a host NGO, the programme must nevertheless respond to the strategic framework and guidelines and be executed by the NSC and NC as in other country programmes. This will be guaranteed by supervision from the UNDP country office. Host NGOs include:

Bolivia	Liga de Defensa del Medio Ambiente (LIDEMA)
Brazil	Instituto Sociedade, População E Natureza (ISPN)
Dominican Republic	Fondo Integrado ProNaturaleza (PRONATURA)
Egypt	Arab Office for Youth and Environment (AOYE)
India	Development Alternatives
Indonesia	Bina Usaha Lingkungan (BUL)
Jordan	Jordan Environment Society (JES)

46. In each country a National Steering Committee (NSC)– consisting of voluntary members from government, the NGO sector, academic, scientific and technical institutions, and UNDP– will continue to provide overall guidance to the country programme and to be responsible for selecting projects. NCs will also be encouraged to recruit to the NSC representative(s) from the private sector to act as advisors on and provide referrals to non-traditional, private sources of

funding. This will also have the added benefit of bringing to the table an entrepreneurial methodology and discipline that could be most helpful as the grantees work to develop income-generating and productive activities. NSC members may also be involved in pre-selection, and project monitoring and evaluation. Each NSC will be reviewed with the aim of ensuring adequate technical capacity on biodiversity, climate change and international waters issues, and to encourage greater representation from community-based organizations. In addition, the inclusion of the GEF operational focal point in the NSC will be encouraged. Grant-making procedures will also be reviewed with respect to openness, transparency and technical requirements. While the core activity of the NSCs will continue to be allocation of grant funds, more emphasis will be placed on overall policy guidance and outreach role of the committees, including with respect to developing and implementing strategies for country programme sustainability. In addition to the existing guidelines on the composition and terms of reference for the NSC, the next phase will also include criteria for selection and tenure.

47. The UNDP Country Office will continue to provide overall programmatic and management support to operations in each of the GEF/SGP country programmes. The Resident Representative in each Country Office will assign a staff person (typically the environment focal point or NGO focal point) to serve as the GEF/SGP focal point, and the Resident Representative or the focal point will participate in the NSC. Each Country Office will also help to monitor programme activities; facilitate interaction with the host government; and develop links with other in-country financial and administrative arrangements for the GEF/SGP. The Resident Representative will sign the Memoranda of Agreement (MoA) with NGO/CBO grantees. The Country Office will facilitate the disbursement of grant payments and play an important role in the process of initiating the GEF/SGP in new countries during the second and third years of the programme.

48. At the global level, the UNDP/GEF Executive Coordinator at headquarters will remain accountable both within UNDP and to the GEF Council for the management and implementation of the GEF/SGP. Within the UNDP/GEF Unit, the GEF/SGP Coordination Unit will be directly responsible for overall programme management and support of the country programmes. The Coordination Unit will focus more intensively on providing operational guidance and support and on documenting and disseminating lessons from the programme's community-based experiences. The capacity of the GEF/SGP Coordination Unit to effectively coordinate and support the ongoing country programmes will be strengthened as recommended by the recent independent evaluation by budgeting for a communications officer and through the use of expert short-term consultants.

49. The UN Office of Project Services (UNOPS) will be responsible for providing programme execution support services in the following areas: (1) personnel recruitment and contract administration for national project staff and national/international consultants; (2) subcontracts for host NGOs and country programme grant allocations; (3) budget administration, including monitoring of expenditures; (4) guidance on the above to country-level staff; and (5) supporting initiation of the programme in new countries. UNOPS support cost at the rate of 6% will be maintained in the next phase. As was the case in the first operational phase, UNOPS will give 1% of this to UNDP for support services provided by the Country Office.

*Analysis of possible alternative institutional arrangements.*



50. Among other important findings, the GEF/SGP independent evaluation has also highlighted the role of UNOPS support services in implementing the programme. From the experience of the pilot and first operational phases host NGOs have shown the capability of managing the GEF/SGP through the national execution modality. The possibility of the national or NGO execution modality will be considered for the 8 ongoing experiences where a host NGO is already in charge of the GEF/SGP operations at country level. This modality also offers the potential for reducing programme support costs. For countries where national or NGO execution proves to be a feasible and effective alternative, it is expected that UNDP Country Offices will assume an additional substantive role in terms of supervision, auditing and overall support to operations, thereby guaranteeing consistency of the country programmes with the global strategic framework. Even though, national execution offers another avenue for executing project activities at the country-level, there is a need to clarify outstanding issues, as highlighted by the STAP reviewer (see Annex 4 and 5). Prior to signing the MoA with UNOPS for the next phase, GEF/SGP management will recommend and agree on specific measures to improve the delivery of programme support services.

## 6. PROJECT BUDGET AND DISTRIBUTION OF RESOURCES

Table 1: Indicative Programme budget

	YEAR 1	YEAR 2	TOTAL
<b>A. Grants</b>			
GEF	10,609,000	11,689,000	22,298,000
Co-financing from non-GEF sources in cash	5,000,000	10,000,000	15,000,000
	15,609,000	21,689,000	37,298,000
<b>B. Programme mobilization and strategic guidance</b>			
Activities for GEF/SGP's strategies on resource mobilization, fit with GEF OPs, communications and outreach, and M&E	140,000	140,000	
Inter-country exchanges between stakeholders, NCs.	40,000	40,000	
Regional training workshops on:			
GEF/SGP strategic framework	88,000		
M&E and communications strategies	88,000		
Resource mobilization strategy	89,000		
Communications and networking	25,000	25,000	
Publications (including case studies and stakeholder workshop materials)	40,000	40,000	
Visits to country programmes and projects	50,000	50,000	
Audit of 10 country programmes per year	60,000	60,000	
Contingency	75,000	75,000	
Subtotal	695,000	430,000	1,125,000
<b>C. Programme management</b>			
<u>Country-level</u>			
Personnel	1,752,598	1,937,598	
NGO contracts	384,721	384,721	
Premises	178,000	203,000	
Equipment, operations & maintenance	221,500	249,000	
Sundry	129,000	144,000	
Subtotal	2,665,819	2,918,319	5,584,138
<u>Global programme-level</u>			
Coordinator	150,000	150,000	
Senior Adviser (30% of adviser's time)	60,000	60,000	
Management Officer	90,000	90,000	
Communications Officer	90,000	90,000	
Secretarial support	65,000	65,000	
Premises	8,000	8,000	
Equipment	3,000	3,000	
Subtotal	466,000	466,000	932,000
<b>D. Administrative costs</b>			
UNOPS support for Grants (6%)	636,540	701,340	
UNOPS support for Country-level management (6%)	159,949	175,099	
UNOPS support for Audit (6%)	3,600	3,600	
Subtotal	800,089	880,039	1,680,128
<b>E. TOTAL (in cash)</b>	<b>20,235,908</b>	<b>26,383,358</b>	<b>46,619,266</b>
In-kind resources from non-GEF sources for grant element			15,000,000
<b>F. GRAND TOTAL (in cash and in kind)</b>			<b>61,619,266</b>

51. Table 1 above describes the total budget for the next 2 years of which approximately US\$31 million is being requested from the GEF. This budget is broken down into four principal

elements. The first is the actual grant allocation of approximately US\$37 million (of which US\$15 million from non-GEF sources in cash, and US\$22 million from GEF). The second element includes resources that go directly towards programme mobilization and strategic guidance (approximately US\$1.1 million). These activities are necessary to strengthen the focus of the programme in meeting its global environmental objectives. These two elements – grant allocation, and programme mobilization and strategic guidance – are clearly non-administrative and are critical for meeting the development goal of the GEF/SGP. Grants and programme mobilization and strategic guidance constitute approximately 83% of the total budget in cash (budget lines A and B in table 1 as a share of budget line E) for the 2-year period<sup>4</sup>.

52. The third element is programme management that includes overall management of the programme at the global level by the coordination unit in New York, and management of the country programmes by the NCs and support staff (approximately US\$6.5 million). It is important to note that a large part of programme management includes technical assistance, project development support, and strategic guidance being provided by coordinators to grantees. The fourth element represents clear administrative costs namely, overhead costs of UNOPS support (or overhead to be reimbursed to NGO execution, as the case may be). This is the only element where the entire amount can strictly be considered as administrative costs (approximately US\$1.6 million). Programme management and administrative costs constitute approximately 17% of the total budget in cash (budget lines C and D as a share of budget line E). Purely administrative costs are therefore below 17% of the total budget.

53. In measuring the share of grants in the total two-year budget of the programme, it is important to note that GEF resources allocated to programme mobilization, management and administration will leverage non-GEF resources to the tune of US\$15 million in cash and US\$15 million in kind. The in-cash co-financing for grants is already included in the 83% share of grants and programme mobilization in the total cash budget. If we account for the sizeable in-kind resources to be leveraged from non-GEF sources for the grant element, the same ratio rises to almost 87% of the total (budget lines A + B + US\$15 million in-kind as a share of budget line F).

54. The above budget includes a UNOPS support cost of 6% for grants and country programme activities in all countries. However, in the second operational phase some countries may move to national or NGO execution and the level of programme administration costs are likely to reduce.

55. An indicative budget outlining how GEF resources will be allocated across the seven main outputs of the next phase is presented below in Table 2. The allocation in terms of key resources has been modified to bolster outputs relating to M&E, communications and outreach, and resource mobilization, following the STAP reviewer's recommendation (see Annex 4 & 5).

---

<sup>4</sup> The GEF contribution alone to grants and programme mobilization and strategic guidance (US\$23.1 million) is almost 75% of the total cash budget being requested from the GEF (US\$31 million).

**Table 2: Indicative budget by Programme outputs**

Description of Output	Financial allocation	Distribution of key resources*
1. Strategic framework and operational guidelines at global and country levels are revised and implemented to ensure congruence with GEF Operational Strategy and Programs.	855,219	<ul style="list-style-type: none"> <li>• 10% of country-level programme management (including UNOPS).</li> <li>• 25% of activities for GEF/SGP strategic guidance.</li> <li>• 10% of publications, communications &amp; networking.</li> <li>• 15% of global programme management.</li> </ul>
2. Community projects selected and implemented.	56,077,100	<ul style="list-style-type: none"> <li>• 100% of GEF &amp; non-GEF in cash and in-kind grant allocation (including UNOPS).</li> <li>• 40% of country-level programme management (including UNOPS).</li> <li>• 40% of country audit allocation (including UNOPS).</li> <li>• 20% of inter-country exchanges.</li> </ul>
3. Functional links with full- and medium-size GEF projects, other UNDP programmes, government agencies, and national environmental funds established (mainstreaming).	643,685	<ul style="list-style-type: none"> <li>• 10% of country-level programme management (including UNOPS).</li> <li>• 5% of global programme management.</li> </ul>
4. Sound programme for capacity building for key stakeholders in place and operating.	1,028,019	<ul style="list-style-type: none"> <li>• 10% of country-level programme management (including UNOPS).</li> <li>• 25% of activities for GEF/SGP strategic guidance.</li> <li>• Regional training workshops.</li> <li>• 60% of inter-country exchanges.</li> <li>• 10% of publications, communications and networking.</li> <li>• 5% of global programme management.</li> </ul>
5. Global and country communications and outreach strategies for GEF/SGP experiences and demonstration of global benefit elaborated and implemented.	1,008,085	<ul style="list-style-type: none"> <li>• 10% of country level programme management (including UNOPS).</li> <li>• 20% of inter-country exchanges.</li> <li>• 60% of publications, communications and networking</li> <li>• 50% of communications officer.</li> <li>• 25% of global programme management.</li> </ul>
6. Resource mobilization strategies at global, country and project levels to attain sustainability are in place.	920,419	<ul style="list-style-type: none"> <li>• 10% of country-level programme management (including UNOPS).</li> <li>• 25% of activities for GEF/SGP strategic guidance.</li> <li>• 10% of publications, communications, and networking.</li> <li>• 25% of global programme management.</li> </ul>
7. Monitoring and evaluation system to track and assess global benefits in effect.	1,086,739	<ul style="list-style-type: none"> <li>• 10% of country-level programme management (including UNOPS).</li> <li>• 25% of activities for GEF/SGP strategic guidance.</li> <li>• 60% of country audit allocation (including UNOPS).</li> <li>• 10% of publications, communications and networking.</li> <li>• 50% of communications officer.</li> <li>• 25% of global programme management.</li> </ul>
<b>Total budget (in cash and in kind)</b>	<b>61,619,266</b>	

\* Notes detailing the allocation of key and other resources across outputs are provided in Annex 6.

## **7. INCREMENTAL COSTS AND GLOBAL ENVIRONMENTAL BENEFITS**

56. The GEF/SGP's strategic response to incremental costs will occur at three levels. First, concerted efforts will be made at the programmatic level (global and country programmes) to mobilize resources from non-GEF sources to address "baseline" concerns of local communities while also generating global environmental benefits. The co-financing target for the next two years of US\$15 million in-cash and US\$15 million in-kind will provide the flexibility needed in simultaneously addressing global environmental concerns and livelihood concerns at the community level.

57. Second, at the project development stage in the project cycle NCs will work with potential grantees to identify global benefits and provide guidance on how to secure co-financing for activities that cannot be covered through GEF resources. The capacity of the NCs to undertake these tasks will be significantly enhanced through training programs as part of the GEF Country Workshops (formerly called Project Development Workshops), stakeholder workshops, and targeted training for resource mobilization.

58. Third, stakeholder workshops will include paradigm cases from existing GEF/SGP projects that illustrate the links to global environmental benefits and demonstrate ways of addressing incremental costs. This will serve to guide project development at the local level; while not requiring a detailed incremental cost calculation to be prepared by each potential CBO or NGO grantee.

59. It is important to note here that several GEF/SGP projects are already addressing incrementality and over the past few years the programme has mobilized over US\$15 million in non-GEF resources to cover baseline costs.

## **8. MONITORING AND EVALUATION**

60. Monitoring and evaluation is an integral output of the second operational phase and a detailed explanation of the activities to be undertaken is outlined above under Output 7. In addition, the logical framework planning exercise has identified specific indicators of performance for each output.

**Annexes:**

- I. Country programmes in the second operational phase
- II. Work plan for first three years including benchmarks to be achieved
- III. Logical framework matrix
- IV. Technical review

The following documents are available on request:

- V. Incorporation of STAP reviewer's comments
- VI. Allocation of key and other resources across programme outputs  
(Notes to Table 2)
- VII.
  - (1) National Coordinators' Summaries on the following:
    - (1a) *Cooperative Activities with "Regular" GEF Projects (July 1998)*
    - (1b) *Relations between GEF/SGP and UNDP Programmes and Projects (July 1998)*
    - (1c) *Cooperation with National Environmental Funds (July 1998)*
    - (1d) *In-country Resource Mobilization (July 1998)*
  - (2) J. Shapiro, Resource Strategy Adviser. August 1998. *Resource Mobilization and Financial Sustainability: Goals and Strategy for Global Environment Facility Small Grants Programme (GEF/SGP)*. Summary report of findings to the GEF/SGP Coordination Unit of UNDP.

**ANNEX I**  
**COUNTRY PROGRAMMES IN THE SECOND OPERATIONAL PHASE**

<b>Country</b>	<b>Date of joining GEF/SGP</b>	<b>CBD ratified on</b>	<b>UNFCCC ratified on</b>
<b>AFRICA</b>			
1. Botswana	1992	October 12, 1995	January 27, 1994
2. Burkina Faso	1992	September 2, 1993	September 2, 1993
3. Cameroon	1993	October 19, 1994	October 19, 1994
4. Cote d'Ivoire	1993	November 29, 1994	November 29, 1994
5. Ghana	1993	August 29, 1994	September 6, 1995
6. Kenya	1993	July 26, 1994	August 30, 1994
7. Mali	1993	March 29, 1995	December 28, 1994
8. Mauritius	1995	September 4, 1992	September 4, 1992
9. Senegal	1993	October 17, 1994	October 17, 1994
10. Tanzania *	1996	March 8, 1996	April 17, 1996
11. Uganda *	1996	September 8, 1993	September 8, 1993
12. Zimbabwe	1993	November 11, 1994	November 3, 1992
<b>NORTH AFRICA/ MIDDLE EAST</b>			
13. Egypt	1993	June 2, 1994 (accession)	December 5, 1994
14. Jordan	1992	November 12, 1993	November 12, 1993
15. Morocco *	1996	August 21, 1995	December 28, 1995
16. Palestinian Authority *	1996	See note 4 below.	See note 4 below.
17. Tunisia	1993	July 15, 1993	July 15, 1993
<b>ASIA PACIFIC</b>			
18. Bhutan *	1996	August 25, 1995	August 25, 1995
19. Cambodia *	1996	February 9, 1995 (accession)	December 18, 1995
20. India	1995	February 18, 1994	November 1, 1993
21. Indonesia	1992	August 23, 1994	August 23, 1994
22. Lao PDR *	1996	September 20, 1996 (accession)	January 4, 1995
23. Malaysia *	1996	June 24, 1994	July 13, 1994
24. Nepal	1993	November 23, 1993	May 2, 1994
25. Pakistan	1993	July 26, 1994	June 1, 1994
26. Papua New Guinea	1994	March 16, 1993	March 16, 1993
27. Philippines	1992	October 8, 1993	August 2, 1994

<b>Country</b>	<b>Date of joining GEF/SGP</b>	<b>CBD ratified on</b>	<b>UNFCCC ratified on</b>
28. Sri Lanka	1994	March 23, 1994	November 23, 1993
29. Thailand	1993	See note 2 below.	December 28, 1994
30. Vietnam *	1996	November 16, 1994	November 16, 1994
<b>EUROPE</b>			
31. Albania *	1996	January 5, 1994 (accession)	October 3, 1994
32. Kazakstan *	1996	September 6, 1994	May 17, 1995
33. Poland	1994	January 18, 1996	July 28, 1994
34. Turkey	1993	February 14, 1997	See note 3 below.
<b>LATIN AMERICA AND THE CARIBBEAN</b>			
35. Barbados	1994	December 10, 1993	March 23, 1994
36. Belize	1993	December 30, 1993	October 31, 1994
37. Bolivia	1992	October 3, 1994	October 3, 1994
38. Brazil	1994	February 28, 1994	February 28, 1994
39. Chile	1992	September 9, 1994	December 22, 1994
40. Costa Rica	1993	August 26, 1994	August 26, 1994
41. Dominican Republic	1993	November 25, 1996	Ratification expected by end-July 1998.
42. Ecuador	1994	February 23, 1993 (accession)	February 23, 1993
43. Guatemala *	1996	July 10, 1995	December 15, 1995
44. Mexico	1994	March 11, 1993	March 11, 1993
45. Peru *	1996	June 7, 1993	June 7, 1993
46. Trinidad and Tobago	1995	August 1, 1996	June 24, 1994

## Notes:

\* These countries joined the programme in the first operational phase (1996-98).

1. All countries above are eligible under paragraph 9 (b) of the GEF Instrument.
2. The Thailand country programme will not be eligible for making grants in the biodiversity focal area.
3. The Turkey country programme will not be eligible for making grants in the climate change focal area.
4. Eligibility in accordance with Mr. El-Ashry's (GEF, CEO) letter to Council members of August 2, 1996.



## ANNEX II

### WORK PLAN AND DELIVERABLES FOR THE GEF/SGP FOR THE FIRST THREE YEARS

<b>Year</b>	<b>Report to GEF Council on achievement of specific deliverables</b>	<b>Indicators</b>
End of Year 1** (Oct. 1999)	<p>Interim report with the following deliverables:</p> <ul style="list-style-type: none"> <li>• Consolidation of GEF/SGP strategic framework and country strategies to ensure fit with GEF OS and OPs.</li>   <li>• Mobilization of non-GEF resources for “baseline” activities.</li>   <li>• Progress on monitoring and evaluation strategy at project, country programme and global programme levels.</li>   <li>• Initiation of capacity building efforts at country and community levels to ensure congruence with GEF OS and OPs.</li>   <li>• Programme administration.</li>   <li>• Plan of action for building functional links with GEF-wide initiatives.</li> <li>• Work plan for the next two years.</li> </ul>	<ul style="list-style-type: none"> <li>• GEF/SGP Strategic Framework and Operational Guidelines prepared and translated into 3 languages in 4 months after replenishment.</li> <li>• 1,500 each of both the Strategic Framework and Operational Guidelines distributed to 46 countries within 5 months after replenishment.</li> <li>• Revised country strategies are approved and applied according to Global Strategic Framework 6 months after replenishment.</li>   <li>• Global and country resource mobilization strategies in place within 6 months after replenishment.</li> <li>• Key sources/partners identified within 6 months after replenishment.</li>   <li>• GEF/SGP M&amp;E strategy in place and applied by country programmes within 6 months after replenishment.</li> <li>• Up-to-date (as of 90 days) databases covering all relevant aspects of programme and project implementation at headquarters and country programme levels.</li>   <li>• Regional workshops held with training modules on GEF/SGP Strategic Framework and new strategies on resource mobilization, M&amp;E, and communications &amp; outreach, within 6 months after replenishment.</li> <li>• Stakeholder workshop materials are revised and contain paradigm cases based on GEF/SGP projects reflecting global benefits and incremental costs.</li>   <li>• Agreement on specific measures to improve the delivery of programme support services between GEF/SGP management and UNOPS within 3 months after replenishment.</li> </ul>

<b>Year</b>	<b>Report to GEF Council on achievement of specific deliverables</b>	<b>Indicators</b>
End of year 2 (Oct. 2000)	<p>Interim report with the following deliverables:</p> <ul style="list-style-type: none"> <li>• GEF/SGP “fit” with GEF Operational Strategy and Programs.</li> <li>• Mobilization of non-GEF resources for “baseline” activities.</li> <li>• Functional links with GEF-wide initiatives.</li> </ul> <ul style="list-style-type: none"> <li>• Outreach and awareness</li> <li>• Progress on monitoring and evaluation strategy at project, country programme and global programme levels.</li> <li>• Knowledge base management.</li> <li>• Mainstreaming within UNDP.</li> <li>• Expansion of programme.</li> <li>• Capacity building at country and community levels.</li> <li>• Work plan for the next two years.</li> </ul>	<ul style="list-style-type: none"> <li>• Yearly country evaluation reports show that all new projects respond to revised country strategies and operational guidelines.</li> <li>• Co-financing and leveraging achieved in the range of 10 million in cash and 10 million in kind.</li> <li>• On an average each established country programme will include at least 2 linkage demonstration projects with large GEF projects.</li> <li>• At least 20 medium-size project proposals result from a scaling-up of GEF/SGP projects.</li> <li>• UNDP/GEF focal points included in NSC in at least 30 SGP countries.</li> <li>• SGP’s decentralized institutional structure increasingly providing a mechanism for broad-based awareness raising about the GEF as a whole.</li> <li>• Communications and outreach strategy and associated materials completed at global and country levels.</li> <li>• At least 2 projects per country per year receive favorable media coverage.</li> <li>• By the end of the year, 2 new projects will have incorporated lessons learned from other projects.</li> <li>• Case studies prepared on best practices and lessons learned.</li> <li>• In SGP countries where the services are provided all NCs have access to the web.</li> <li>• Database of GEF/SGP projects can be accessed directly by all country programmes where technically possible.</li> <li>• NCs participate in relevant UNDP Project Appraisal Committees.</li> <li>• Five new countries added in accordance with established selection criteria.</li> <li>• At least 1 stakeholder workshop held in all countries.</li> </ul>

<b>Year</b>	<b>Report to GEF Council on achievement of specific deliverables</b>	<b>Indicators</b>
End of year 3 (Oct. 2001)	<p>Interim report with the following deliverables:</p> <ul style="list-style-type: none"> <li>• Progress on achievement of strategic benefits and global environmental benefit.</li> <li>• Expansion of programme.</li> <li>• Capacity building efforts at country and community levels.</li> <li>• Mobilization of non-GEF resources for “baseline” activities.</li> <li>• Linkages with other non-GEF environment and development programmes/agencies.</li> <li>• Work plan for two years.</li> </ul>	<ul style="list-style-type: none"> <li>• Results of technical review to assess strategic role of the GEF/SGP and achievement of global environmental benefit.</li> <li>• Five additional countries included in GEF/SGP in accordance with established selection criteria.</li> <li>• At least 1 stakeholder workshop held in all countries</li> <li>• Co-financing and leveraging achieved in the range of 15 million in cash and in kind.</li> <li>• On an average each GEF/SGP country programme will include at least 1 linkage demonstration project.</li> <li>• At least 5 other development environmental programmes/agencies are using GEF/SGP mechanisms and strategies.</li> </ul>

*\*\* The deliverables for October 1999 have been selected bearing in mind that they must be achieved over a 7 to 8 month period, and not a 12 month period.*

**ANNEX III**  
**LOGICAL FRAMEWORK MATRIX**

<b>Project Strategy</b>	<b>Objectively Verifiable Indicators</b>	<b>Means of Verification</b>	<b>Important Assumptions</b>
<u>Development goal</u> To secure global environment benefits in the areas of biodiversity, climate change, & international waters from community-based approaches.	<ul style="list-style-type: none"> <li>• Demonstration of strategic and global benefits resulting from GEF/SGP-funded projects</li> </ul>	<ul style="list-style-type: none"> <li>• Accumulation of reports about strategic and global benefits from GEF/SGP projects.</li> </ul>	
<u>Project purpose</u> Conservation and sustainable development strategies and projects to protect the global environment are understood and practiced by communities and other key stakeholders	<ul style="list-style-type: none"> <li>• Changed attitudes and practices among 10% of community populations involved in the GEF/SGP.</li> <li>• More sustainable use of natural resources in areas affected by projects.</li> <li>• Changed policies, programmes and/or practices by other key stakeholders, e.g., government agencies, GEF full-size projects, UNDP, NGOs, private sector, NEFs.</li> </ul>	<ul style="list-style-type: none"> <li>• Surveys, site visits etc.</li> <li>• Surveys, site visits etc.</li> <li>• Survey of public documents, programme reports, archives, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• An enabling environment at country and local levels.</li> <li>• Openness on the part of key stakeholders to consider and adopt GEF/SGP approaches.</li> <li>• Ability of in country GEF/SGP mechanisms to respond to changing circumstances.</li> <li>• Availability of in country resources to implement GEF/SGP approaches.</li> </ul>
<u>Output 1</u> Strategic framework and operational guidelines at global and country levels are revised and implemented to ensure congruence with GEF Operational Strategy and Programs.	<ul style="list-style-type: none"> <li>• GEF/SGP Strategic Framework and Operational Guidelines prepared and translated into three languages in 60 days after replenishment.</li> <li>• 1,500 each of both the Strategic Framework and Operational Guidelines distributed to 46 countries within 90 days following replenishment.</li> <li>• Revised country strategies prepared within 4 months after replenishment, and</li> </ul>	<ul style="list-style-type: none"> <li>• Programme progress report.</li> <li>• Receipt of documents by key stakeholders in countries.</li> <li>• Approval of country strategies.</li> </ul>	<ul style="list-style-type: none"> <li>• Existence of favorable national enabling environment.</li> </ul>

Project Strategy	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
	<p>that comply with Global Strategic Framework and Operational Guidelines.</p> <ul style="list-style-type: none"> <li>• All new projects approved according to revised country strategies.</li> <li>• All new countries selected comply with established criteria.</li> </ul>	<ul style="list-style-type: none"> <li>• Progress reports.</li> <li>• Progress reports.</li> </ul>	
<p><u>Output 2</u> Community projects selected and implemented.</p>	<ul style="list-style-type: none"> <li>• At least 80% of annual grant allocation disbursed within the established time frame in each country.</li> <li>• After 3 years increase by 10% in the number of CBO-driven projects (including those of non-registered community groups).</li> <li>• All projects successfully complete 80% of PPM/workplan within planned timeframe.</li> <li>• All projects send completed final reports to NC within 90 days after project termination.</li> </ul>	<ul style="list-style-type: none"> <li>• GEF/SGP financial records and reporting.</li> <li>• GEF/SGP project and progress records and reporting.</li> <li>• Project progress reports.</li> <li>• Project completion reports.</li> </ul>	<ul style="list-style-type: none"> <li>• National development policy is stable.</li> </ul>
<p><u>Output 3</u> Functional links with full- and medium-size GEF projects, other UNDP programmes, government agencies, and national environmental funds established (mainstreaming).</p>	<ul style="list-style-type: none"> <li>• After 2 years each country programme portfolio will include at least 2 linkage demonstration projects to promote mainstreaming of GEF/SGP lessons.</li> <li>• Increasing number of target agency programmes to which the GEF/SGP contributes over 3 years.</li> <li>• Increasing use of GEF/SGP mechanisms/strategies by targeted agencies over 3 years.</li> <li>• GEF operational focal point included in NSC.</li> <li>• NCs participate in relevant UNDP country office PACs.</li> </ul>	<ul style="list-style-type: none"> <li>• Country programme records and reports.</li> <li>• Same as above.</li> <li>• Same as above.</li> <li>• Same as above.</li> <li>• Same as above.</li> </ul>	<ul style="list-style-type: none"> <li>• Target organizations or agencies are willing and motivated.</li> </ul>
<p><u>Output 4</u> Sound programme for</p>	<ul style="list-style-type: none"> <li>• At least 2 need-based community training programmes in each country every year.</li> </ul>	<ul style="list-style-type: none"> <li>• Country progress and annual review reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Interested in-country stakeholders.</li> </ul>

Project Strategy	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
capacity building for key stakeholders in place and operating.	<ul style="list-style-type: none"> <li>• 75% of project proposals will meet GEF and country selection criteria.</li> <li>• At least 6 projects every year in each country use local expertise and GEF/SGP trainees in project development and implementation.</li> <li>• Projects sustained beyond grant period and/or replicated owing to strengthened community capacities.</li> </ul>		<ul style="list-style-type: none"> <li>• In-country availability of experts and institutions for training.</li> <li>• Local knowledge sources accessible.</li> </ul>
<u>Output 5</u> Global and country communications and outreach strategies for GEF/SGP experiences and demonstration of global benefit elaborated and implemented.	<ul style="list-style-type: none"> <li>• Global and country communications strategies in place.</li> <li>• At least 2 projects per country per year receive favorable media coverage.</li> <li>• Each country programme organizes at least one site visit per year for key stakeholders.</li> <li>• Increased understanding of global environmental issues in communities involved in the GEF/SGP.</li> <li>• Starting in year 2, all projects will point to lessons learned from other projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Country progress and annual review reports.</li> <li>• Newspaper clippings, audio and video tapes, etc.</li> <li>• Country progress and annual review reports.</li> <li>• Surveys, site visits, etc.</li> <li>• Country progress and annual project review reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Media receptive to environmental issues and stories.</li> <li>• Willingness of stakeholders to listen.</li> </ul>
<u>Output 6</u> Resource mobilization strategies at global, country and project levels to attain sustainability are in place.	<ul style="list-style-type: none"> <li>• Global and country resource mobilization strategies exist within 6 months after replenishment.</li> <li>• At the end of 3 years, at least 2 in-country donors express interest in providing grant funding to GEF/SGP (average for the programme as a whole).</li> <li>• After 3 years, GEF/SGP has mobilized 25% of annual country grant allocation in cash.</li> <li>• After 3 years, GEF/SGP has mobilized 25% of annual country grant allocation in in-kind resources.</li> <li>• Programme participates in trust fund establishment in at least 5 countries in 3 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Country progress and annual programme review reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Donors participate and are sufficiently motivated.</li> <li>• Declining official development assistance offset by growth in private sector support.</li> </ul>

<b>Project Strategy</b>	<b>Objectively Verifiable Indicators</b>	<b>Means of Verification</b>	<b>Important Assumptions</b>
<p><u>Output 7</u> Monitoring and evaluation system to track and assess global benefits in effect.</p>	<ul style="list-style-type: none"> <li>• Up-to-date (as of 90 days) databases covering all relevant aspects of project and programme implementation at headquarters and country programme levels by of March 2000.</li> <li>• Archives of M&amp;E documents generated by projects available at country levels and/or headquarters.</li> <li>• Project proposals contain sound plans for M&amp;E and dissemination of lessons learned from 2000 onwards.</li> <li>• Acceptance of programme M&amp;E reports by responsible party/stakeholders.</li> <li>• At least 50% of recommendations have been incorporated during current funding cycle.</li> <li>• One or more local/country workshops on lessons learned per country per year.</li> <li>• At least 10 publications annually on lessons learned.</li> </ul>	<ul style="list-style-type: none"> <li>• Electronic registry/archive (which notes frequency of reporting).</li> <li>• New archives.</li> <li>• Project documents and annual review of project reports.</li> <li>• Correspondence, resolutions, and archives.</li> <li>• Correspondence, archives, site visits, etc.</li> <li>• Workshop reports, photographs, articles, archives, etc.</li> <li>• Progress reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Country level and project willingness and potential to participate in M&amp;E system.</li> <li>• Electronic capability at country level.</li> </ul>

<b>Outputs</b>	<b>Activities</b>
<p><u>Output 1</u> Strategic framework and operational guidelines at global and country levels are revised and implemented to ensure congruence with GEF Operational Strategy and Programs.</p>	<ol style="list-style-type: none"> <li>1.1 Finalize and edit GEF/SGP Strategic Framework and Operational Guidelines.</li> <li>1.2 Revise country strategies according to Global Strategic Framework (including Operational Guidelines), incorporating a final section on how global benefits will be realized.</li> <li>1.3 Approve country strategies to ensure fit with GEF Strategy and Operational Programs.</li> <li>1.4 Apply strategies for project selection and implementation.</li> <li>1.5 Include new countries in accordance with established selection criteria.</li> <li>1.6 Assess strategy documents periodically and modify as needed.</li> </ol>
<p><u>Output 2</u> Community projects selected and implemented.</p>	<ol style="list-style-type: none"> <li>2.1 Call for proposals that correspond to the new guidelines.</li> <li>2.2 Review concept papers in view of the new guidelines.</li> <li>2.3 Guarantee technical guidance and assistance for proposal development in order to ensure “fit” with the country strategies.</li> <li>2.4 Assess project budget and seek co-financing if necessary.</li> </ol>

<b>Outputs</b>	<b>Activities</b>
	2.5 Select projects that best fit the selection criteria using the existing transparent selection procedure by NSCs. 2.6 Support implementation of approved projects. 2.7 Obtain final project narrative and financial reports. 2.8 Support follow-up of projects as appropriate.
<u>Output 3</u> Functional links with medium- and full-size GEF projects, other UNDP programmes, government agencies, and national environmental funds established (mainstreaming).	3.1 Encourage senior management at the GEF Implementing Agencies to promote linkages across programmes and projects in country. 3.2 Expand GEF/SGP participation in other institutions and programmes in an advisory or operational capacity in order to promote community-based approaches by national governments and other agencies. 3.3 Elaborate and disseminate lessons learned, including through case studies of project and programme experiences that demonstrate mainstreaming.
<u>Output 4</u> Sound programme for capacity building for key stakeholders in place and operating.	4.1 Prepare and disseminate improved stakeholder workshop materials that illustrate the revised global and country strategic frameworks and include simple examples of the IC approach applied to on-going GEF/SGP projects. 4.2 Conduct periodic stakeholder workshops in each country for mutual learning. 4.3 Train NCs and NSC members in needed technical areas and resource mobilization. 4.4 Provide needed technical assistance for project planning. 4.5 Provided needed training at community-level for project implementation. 4.6 Tap local bodies of knowledge for designing projects and promoting the GEF/SGP approach.
<u>Output 5</u> Global and country communications and outreach strategies for GEF/SGP experiences and demonstration of global benefit elaborated and implemented.	5.1 Develop communication strategy for GEF/SGP. 5.2 Develop country guidelines to implement communications strategy. 5.3 Ensure that all GEF/SGP NCs have web access. 5.4 Disseminate case studies, periodic reports and monitoring and evaluation reports. 5.5 Share experiences through site visits, workshops, photo and video documentation and other means. 5.6 Bring programme and projects to attention of the media.
<u>Output 6</u> Resource mobilization strategies at global, country and project levels to attain sustainability are in place.	6.1 Prepare and implement global fundraising strategy. 6.2 Prepare and implement country resource mobilization strategies including cash and in-kind resources from donors, governments, communities and the private sector. 6.3 Design accountability and incentive mechanisms for successfully implemented plans.



**ANNEX IV**  
**TECHNICAL REVIEW**  
**STAP REVIEW OF GEF/SGP SECOND OPERATIONAL PHASE**

Summary:

The project brief for the second operational phase of GEF/SGP represents a set of well conceived activities that articulate a new direction for the programme based on the analysis of the experiences gained and the findings and recommendations of the independent evaluation of the programme's pilot and first phase of operations. The request for the replenishment of the programme resources to finance the second operational phase merits very favourable consideration by the GEF Governing Council. The expected output of the proposed second phase has the potential of making significant contribution to global environmental concerns

A - Assessment of the scientific and technical soundness of the project:

A.1 Over the years, the programme established experience in pioneering new forms of coalitions and partnerships between civil society institutions, indigenous population and local governments to address global environmental issues under different, ecological, social and economic settings. There is no comparable mechanism, in the world of today, for raising environmental awareness and building capacity across such a broad spectrum of constituencies within the developing world. However, its great potential lies in being able to assist National Programmes in identifying local solutions that can contribute to the mitigation of Global Environmental risks. Thus, it can, over time, become a powerful tool in the realisation of the goals GEF has established.

A.2 The pilot and the first two years of the operational phase have made significant progress in laying the foundations for the programme in terms of the process, the instruments and the geographical coverage. The second phase of operations seeks to consolidate past achievements and direct the efforts to the development of a strategic framework that can lead the process to achieve the mission of GEF. It will establish a viable monitoring and evaluation system capable of generating data that can support future impact analysis. Without a strategic framework that can point the direction for the future operations and an instrument to analyse its output, the programme would likely miss the opportunities of identifying local technical and scientific solutions that can work under diverse conditions. The stock of solutions, emerging from its portfolio of operations, will represent a valuable asset to the environmental knowledge system, which needs to be widely disseminated and shared across the globe. In selecting the projects to be funded by the programme, sound technical and scientific criteria are going to be applied to select projects that meet the GEF Operational Strategy and Programs, which in turn reflect guidance from the conventions, and be more innovative or experimental than those selected under the earlier phases.

B - Identification of the global environmental benefits resulting from the project:

B.1 Although the proposed second phase of operations remains similar in scope to previous years, the degree of emphasis has changed to accelerate the process through which the programme can attend to the pending tasks related to the preparation of a strategic framework and operational guidelines at global and country levels that can promote congruence with GEF

Operational Strategy and Programs. It will also emphasise the development of a functional M&E system to track and assess global benefits.

B.2 The geographical expansion of the programme is to be contained to focus the efforts on improving the quality of the portfolio and deepen the search for innovations through local solutions to global environmental problems. This would entail the selection of a narrower range of themes addressing a set of limited priorities at a given time. It would strengthen the country driven approach within the established strategic framework by enhancing the capacities of the participating stakeholders, promoting linkages among them, and increasing the backstopping support from the programme co-ordination unit.

B.3 The project brief provides a professional analysis of the proposed activities taking into account the progress to date and the recommendations of the recent independent review and it builds on the strength of the programme and highlights areas that require further attention. Under the second operational phase, the programme should establish closer linkages to the relevant conventions in operational terms, which would influence the scientific and technical quality of the portfolio and introduce better thematic balance and a diverse portfolio. This would involve the introduction of a range of approaches that address the need for ongoing innovation, experimentation, demonstration, and replicability under each of the relevant conventions.

B.4 The planned efforts for the development of the strategic framework, a communication and outreach strategy, and putting in place a functional M&E system is undoubtedly demanding, particularly if the process for its development would be participatory involving all the stakeholders. It would require more time, resources and dedicated effort than what has been anticipated in the work plan. It is therefore recommended to postpone the entry point for the new countries in the programme till the end of the second year, after the replenishment.

C - Evaluation of project's compliance with GEF objectives, operational strategy and guidance in the biodiversity, climate change and international waters focal areas:

C.1. The preparation of the GEF/SGP strategy and operational guidelines will benefit from the analysis of the closed and ongoing projects, particularly those dealing with the biodiversity focal area. However, the effort would not succeed until UNDP, the implementing agency, can define, during this phase, how they are planning to avail themselves of the opportunities emerging from GEF/SGP activities for up-scaling and integration into UNDP country programmes. It requires the intensified efforts of both the NYCU and UNDP management to look for those relevant opportunities. The key strategic programme issue is to ensure that national governments undertake specific measures to mainstream the programme outputs into their national development plans, thus contributing to the sustainability of the effort. Furthermore, it would encourage other development agencies to link with the GEF/SGP projects at country level, thus leveraging the resources invested by GEF in the programme.

D - Assessment of the project's significance, and potential benefits:

D.1. The programme's conceptual framework is deeply rooted in GEF belief that local solutions can contribute to the global environmental benefits. Its emphasis on community based participatory approaches to project design and implementation provides a unique niche within

GEF agenda. The expected outputs of programme activities will fulfill essential requirements of the conventions which would facilitate the formulation of sectoral and ecosystem programmes. The potential link between the programme activities and GEF medium and full-size operations would enhance the efficiency of the approaches used for effective involvement of local communities and other stakeholders. Ultimately, it would support the process that would enhance the quality, impact, relevance and local ownership of GEF activities.

D.2 The programme activities, so-far, have been primarily focused on projects related to the focal area of biodiversity and climate change at the neglect of the requirements for the relevant other conventions. Under the second operational phase, it is recommended to devote efforts to pioneer the identification of projects that can support the global environmental benefits from international water bodies, and land degradation issues primarily desertification and deforestation, as they relate to the three focal areas. Moreover, the programme in developing the operational guidelines and criteria should take into account the GEF Operational Strategy and Programs in setting out the scope, sequence, depth and frequency of involvement within the three focal areas.

E - Characterisation of the potential replicability of the project to other sites (either in country or elsewhere), i.e., value added for the global environment beyond the project itself:

E.1 Not applicable.

F- Estimation of the project's sustainability in institutional, financial and technical terms:

F.1 The development of a financial strategy for the global and the country programmes will be elaborated under this second phase. This represents a very positive response to earlier recommendations by the GEF Council and the independent evaluation. The drive to secure additional resources for the programme as a whole, based on a well-defined strategy and operational guidelines, through co-financing, cost-sharing, private sector financing is of paramount importance to the programme. It would enable it to, conform to GEF requirements for financing “ incremental” costs as distinct from “baseline “ costs, thus ensuring the sustainability of the programme. The tension observed earlier between communities’ desire for basic needs as distinct from GEF objectives can be eased through attracting other donors’ investments in the same area, inducing complementarity of efforts. Although some progress has been made in the past, which is not to be underestimated, efforts remained add-hoc with little prospects for growth. The project brief has defined very clearly the planned effort in this regard. Although the stated verifiable objectives in the project brief are welcomed, it would, however require, more time and dedicated efforts than anticipated in the plan to achieve these targets within the time frame of the second phase. The proposed horizontal expansion to five additional counties in the second year appears to be rather premature. There are no compelling reasons that should drive the programme to further expand its geographical coverage at this stage. On the contrary it should consolidate and focus on the key issues.

F.2 The project brief has mainstreamed many of the recommendations of the recent independent evaluation and for this it deserves wide acclaim. The proposal correctly provided for the strengthening of the co-ordination unit as well as the NC. It is planned to upgrade the communication technology applied within the programme and increase the staffing level at both ends. This is a prerequisite for meeting the enormous challenge the programme would face and help in delivering the expected outputs. This would call for better definition of the tasks and the

responsibilities at each level with well defined monitorable targets within a specific time frame. Such ongoing performance monitoring would allow the management of the programme to address weaknesses and ease constraints. It would be useful to the programme to develop a system of recognition and incentives to encourage good performers within the programme and its partners and stakeholders.

F.3 One issue that remains unattended is related to the problems encountered through UNOPS performance as the provider of the programme execution support. Delays in payments, transfer of resources, procurement and contracting are frequently constraining the activities, as has been reported by the independent evaluation report. The proposal to rely on national execution, instead of UNOPS, could ease the problem, but would not resolve it. It is recommended that the programme discuss the procedures applied and the outstanding issues, with UNOPS management, to clarify mutual expectations and to identify corrective measure, or to look for alternative service providers within or outside the system. As the programme does incur substantial cost to procure these services from UNOPS each year, it should be possible to command a better quality of service. Moreover, UNDP as the host institution should also endeavour to assist the programme management in resolving the outstanding issues.

G - Appraisal of the extent to which the project will contribute to the improved definition and implementation of GEF's strategies and policies, thus paving the way for more effective international, technical co-operation, assistance and investment projects:

G.1 The absence of a strategic framework for the programme over the years has negatively affected the process of priority setting that could anchor the programme activities within the GEF focal areas. This has contributed to the mixed quality of the programme's portfolio and fuelled the tension between community priorities and the GEF focal areas. In practice, project design was driven more by general development objectives, rather than directing the effort and the scarce resources to the GEF focal areas where the comparative advantage and the pay-off are much higher. The project brief has recognised these shortcomings, and has set high priority for the completion of the strategic framework. The second operational phase, therefore, represents a distinct focus that was very much missing in the earlier phases.

G.2 The project brief has not included explicit reference to the potential benefits of establishing close working relationship with the secretariat of the relevant global conventions and their activities. Once the programme has completed its strategic framework, it should be possible to negotiate specific institutional arrangements with these conventions to identify the areas where future collaboration can be developed. The potential benefits to the conventions from such arrangements, is the pool of innovative community based conservation technologies, methodologies for enhancing the effective participation and awareness of communities, and development of appropriate incentive framework. The portfolio of the programme includes several projects that have demonstrated such potential. It is recommended that formal linkages be established in due course, between them, based on a programmatic approach

H - Where applicable, evaluation of relevant linkages to other focal areas (biodiversity conservation, climate change):

H.1. See paragraphs C and D.

I - Where applicable, assessment of the insertion of the project into the framework of other programmes and action plans at regional or sub-regional levels :

I.1. Not applicable.

J - Characterisation of any other beneficial effects not resulting from analysis above:

J.1. The project brief should be commended for stating with clarity its plans for the development of a functional M&E system and the introduction of a mid-term evaluation in addition to the completion evaluation at the end of the fifth year. However, the experience of other agencies in achieving the stated objectives proved difficult to realise. The challenge now for the programme is to dedicate the necessary resources and time frame for such an important objective to develop the system on a sound basis. The budgetary resources allocated may become deficient sooner than later in attaining these goals. The programme should be armed with the necessary flexibility to increase the resources earmarked for this category in the budget.

J.2. The programme has accumulated a large body of information that must be analysed, assimilated and disseminated in the form of lessons learned, best practices, and operational guidelines. The project brief provides a comprehensive plan to strengthen the programmes communication activities. It would yield obvious benefits to the world community at large. The necessary effort for compiling, assimilating and dissemination of this will require the concerted effort of all stakeholders, but UNDP system in particular. The proposal does not only call for the development of the communication strategy at the programme level, but at the country level as well. This ambitious goal is well placed, but requires the mobilisation of other partners to join the effort. The programme does not command the technical, human and financial resources to meet these goals. It would need to design its planned activities on reasonably well focused targets that can realistically be achieved within the time frame and the resources available to the programme over two years. A commendable effort was put in place over the past years to conduct series of workshops at country level involving stakeholders, communities and environmentalists. These efforts are planned to continue and be reinforced under the second phase.

K - Characterization of the degree of involvement of relevant stakeholders in the project:

K.1 The programme strength lies in its highly participative, community based and country driven approaches applied in project design and implementation. Wide Participation of all stakeholders characterize the GEF/SGP operations. The high degree of involvement and partnership of the NGO's and CBO's is a predominant feature of its operations. Already several of its operations are managed by NGO's, while in several countries the NC at the country level, is hosted by an NGO.

K.2 The Second phase of operations has planned a more intensive involvement of the private sector, civil society institutions, universities and scientists in the project cycle, including the M&E activities, communication, and public awareness campaigns. Public consultations and effective involvement of local communities and other stakeholders will also enhance the quality, relevance and ownership of the programme.

L - Appraisal of the role, potential and importance of capacity-building elements of the project:

L.1. The project brief reflects an excellent response to the earlier recommendations in this field. The stated objectives are realistic, highly demanded by the stakeholders and are adequately budgeted. The pay-off for such investments is likely to be much higher than its real cost. Strengthening the national co-ordinators, the co-ordination unit (NYCU) and enhancing their linkages are commendable steps in the right direction. This support would also facilitate the role National co-ordinators would play with project proponents to express in terms of appropriate GEF programming criteria, people's own understanding of the GEF focal areas and the links between local and global environmental problems.

L.2. As the programme's portfolio of projects mature, there will be increased demand for technical support from variety of discipline that may not be available within the composition of the NSC and there decision making process. Therefore, the Operational Guidelines to be developed will afford more flexibility for action by the national co-ordination to be able to respond on a timely basis to the needs of communities for technical assistance support on short term basis. The budgetary provisions planned for the second operational phase are quite adequate and demonstrate the sensitivity by which these activities were planed in the project brief. The emphasis on tapping on local knowledge as a source of ideas and methods deserve more than a welcome response

M - Estimation of the project's innovation in terms of approach and implementation:

M.1. See paragraphs C, D and K.