

## **Comments from Australia on the June 2009 GEF Work Program for Council approval**

1. Project 14: Indonesia / World Bank- Promoting Sustainable Production Forest Management to Secure Globally Important Biodiversity (GEF Project Grant: \$3,300,000).

The proposal is sound and appears to fit well with Indonesian priorities and other activities in the country. The level of private sector funding sought seems ambitious and it would be good to get a sense of the feasibility of this and the likely risks if this amount of private sector co-financing is not secured.

2. Project 48: China – PRC – GEF Partnership / ADB – Capacity and management support for combating land degradation in dryland ecosystems (\$2.7m)

AusAID (the Australian Agency for International Development) has worked with the Qinghai Provincial Government (specifically, the Qinghai Forestry Bureau) for the last six years on projects related to forestry resources management. While in a different sector to dryland farming, which will be addressed in the GEF project, many of the principles appropriate to the project in this province will be the same.

AusAID's support to this sector in the Qinghai province now focuses on:

- (a) Establishing a Monitoring and Evaluation (M&E) methodology for effective monitoring of the impacts of the Forestry Ecological Programs using multiple criteria analysis tools. The purpose is to develop broader data sets that can be used in province-wide and national policy making, focusing specifically on how to expand and sustain the benefits of forestry programs.
- (b) Conducting studies to assess the capacity for carbon sequestration in forests, grasslands and wetlands in Qinghai Tibet Plateau and assess the potential ecological benefits and market value of carbon sequestration as a compensation mechanism.

Both these elements are similar to the activities proposed in the GEF project (monitoring and payment for environmental services) which will operate in the same province. AusAID would be very interested in collaborating with the ADB and our partners in the Qinghai Forestry Bureau during the implementation of the GEF project, so that AusAID can share the lessons learned from our work and learn from the GEF project.

3. Project 51: Indonesia / ADB - SFM Sustainable Forest and Biodiversity Management in Borneo (GEF Project Grant : \$2,527,273).

The proposal fits with Indonesia priorities and other activities. However, the proposal is ambitious, aiming to do many things without a great deal of funding. The project objective is very broad – to "ensure effective management of the forest resources and biodiversity" - and entails that any number of activities would be relevant, a large number of which are outlined.

Consequently, it is unclear whether the activity is focussing on reducing emissions (REDD), biodiversity conservation or sustainable forest management. If all of these outcomes are sought, there is no clear link between the different areas. All five components are closely interlinked and the proposal would be strengthened by an indication of these links. For example, strengthened institutions (Component 1) are required to improve land use planning and reduced emissions (Component 2) and to secure sustainable financing (Component 5).

Of particular interest to the Australian Agency for International Development (AusAID) is the plan to develop a greenhouse gas emission baseline for Indonesian Borneo. AusAID would be very interested in developing a link between this work and similar work undertaken in the bilateral Australian-Indonesian Kalimantan Forests and Climate Partnership (KFCP). KFCP will develop a baseline for a particular site in Central Kalimantan and some of our work could be shared, while the KFCP would benefit from a greater understanding of the baseline for all of Borneo.