

# Swiss Review of a number of PIFs of the Council Work Program of GEF/C32

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## Review of the Council Work Program of GEF/C32

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### The following projects merit special attention for Council discussion

- **Project N° 32 (Mongolia):** Although the proposed project touches on four distinctly different but equally important national priorities, each of the thematic areas in itself would constitute a project by far exceeding the financial capability of this proposal. The proposed project is poorly conceptualized and cannot be implemented as planned. The risks of project failure are rated “very high”. The project should therefore not be endorsed unless substantial changes are made in accordance to the above recommendations.
- **Project N° 07 (Peru):** Major concerns refer to: (a) the proposed endowment fund covering recurring and investment cost of the PAs is in our point of view no contribution to catalyse the sustainability of the PA system, and in consequence the project lacks any strategy to achieve sustainability, and (b) the PIF fails to provide accurate information in support of its rationale to establish a series of conservation corridors and mosaics through a network of regional, local and private PA's. Unless such information is given in a satisfactory manner, the consistency with the focal area strategy is not proved or cannot be appraised. Therefore considerable efforts have to be done in the further planning to respond to our concerns.

## **Biological Diversity**

**N°06: Indonesia: Citarum Watershed Management and Biodiversity Conservation. IA ADB; GEF: USD 4,4 million; total: USD 76,8 million**

### **General Commentaries**

The proposed project is consistent with GEF criteria and meets several of GEF's Strategic and Operational Programs. The project's holistic approach to the management of the upper catchment areas of Indonesia's most important Citarum watershed is expected to create valuable synergies. The proposed project constitutes the first phase of a long-term effort aimed at the sustainable collaborative management of a complex region composed of protected areas interspersed with intensively utilized lands for agriculture and densely settled areas. One of the project's key premises is to mainstream biodiversity conservation into a production landscape, recognizing the need for biodiversity conservation inside and outside protected areas. The project recognizes the need to work on the macro-level in order to provide an enabling legal and administrative environment, and on the micro-level by actively involving rural subsistence farmers in the planning-, implementing- and decision-making process.

If successful the project will result in global benefits by providing protection to a landscape currently threatened by intensive resource utilization inside and outside PAs located in the targeted watershed.

The generous 15 years time-frame of the overall project appears to provide sufficient time to achieve the key goals of the project and to assess its impacts.

### **Main Concerns**

A key concern is the complexity of the project and the multitude of stakeholders and land-use interests involved. The integration and active involvement of all parties into the process will be one of the key challenges.

As indicated by the proposal full Government cooperation and willingness to empower rural stakeholders and communities will be key to success.

### **Conclusions and Recommendations**

The project should be endorsed under the condition that the barriers highlighted by the proposal can be managed satisfactorily.

## **N°07: Peru: Strengthening Biodiversity Conservation through the National Protected Areas Program, (WB); GEF cost: 8.9 million USD; total project cost: 31.56 million USD**

### **General Comments**

The project objective is “to enhance Peru’s biodiversity conservation through increasing the area of key ecosystems under protection and strengthening the capacity for strategic analysis and management under a decentralized management framework”. Following the PIF, the current proposal is subscribed to the four Strategic Programs (SP-1, 2, 3 and 4) of the Strategic Long-term Objective 1 and 2 of GEF’s Focal Area Biodiversity, which is “to catalyse sustainability of protected areas (PA) system”.

From our point of view, we are mainly concerned about the project’s consistency with the GEF Focal Area’s Strategic Objective 1.

### **Questions, Concerns and Challenges for the further Project Preparation**

- ▶ **The endowment fund to cover recurring and investment costs for national, regional and local PAs cannot be interpreted as a contribution to catalyse sustainability of the PA system!**

Implicitly, the PIF presents the project’s component 3 as the main pillar to contribute to the sustainability of the PA system. However, the question must be raised: what are the annual mean recurring and investment costs of the PAs to be covered by the fund, and, in addition, in how many years will the fund be fully exhausted?

In our point of view, the proposed fund covering the recurring and investment cost for PAs cannot be interpreted as a contribution to catalyse sustainability of the PA system! The project’s component 3 and the aim of the endowment fund can lead to misunderstandings. In consequence, project sustainability is still not assured.

- ▶ **The PIF fails to provide accurate information in support of its rationale. It does not provide sufficient information on the existing ecosystem gaps and the ecological contribution of the proposed network to Peru’s PA system.**

To enhance the ecosystem representation of the PA system is the project’s main justification to establish a series of conservation corridors and mosaics through a network of regional, local and private PAs. However, so far, the need to include the corridor/mosaic ecosystems in the existent PAs is not demonstrated. The PIF fails to provide accurate information to demonstrate the existing ecosystem gaps and the ecological contribution of the proposed network to Peru’s PA system (with the exception of the need to include in the PAs coastal and insular ecosystems, but which?).

Thus, the rationale for a GEF support in the context of its Strategic Objective 1 is not sufficiently clear. As the ecosystem representation of the PA system is basically the rationale for the current project and for its strategic choice, we expect clear information on this issue already at the stage of the PIF.

### **Conclusions and recommendations**

Although we basically agree with Peru’s importance for global biodiversity and support the overall objective, the current PIF fails to provide accurate information in support of its enhancement of the current network of PAs by developing conservation corridors and mosaics comprised of regional, local and private PAs in buffer zones or areas adjacent to already existing national PAs. So far, its full consistency with the Strategic Objective 1 of GEF’s Focal Area Biodiversity is not proven.

Furthermore, from our point of view, the proposed endowment fund, covering recurring and investment cost of the PAs, cannot be presented as a contribution to catalyse sustainability of the PA system. The answer of financing those costs after the fund is exhausted is not given.

Therefore, although concluding that the current PIF leaves crucial questions open, we nevertheless agree that planning of this project can go on; however, we expect that decisive efforts be made in the further planning of this project to respond in a satisfactory manner to our concerns.

#### **Further commentaries**

- ▶ **The performance indicators are not yet soundly defined. Particularly there is a lack of definition regarding the impact in terms of the global environment.**

The key performance indicator to measure progress toward the project objective would be the following: “x% of key ecosystems of the new Peruvian System for Protected Areas under improved protection and a decentralized management framework”, where “x” will be determined during the project preparation phase. Such an indicator is little indicative of the impact in terms of global environment.

Furthermore we are concerned that the project framework only includes columns for the expected outcomes and outputs, but so far no space is foreseen for impact indicators.

- ▶ **So far, no description of the project area is given.**

The PIF does not include any brief description of the project area. Nor does it include information on the key ecosystems that would be enhanced by the project, except the very general indication of coastal and island ecosystems. In order to appraise the quality of the proposal, such basic information is a must. And we expect that this kind of information is well set out in the final project documents.

- ▶ **The information on financing and co-financing of component 3 is not clear.**

The component number 3 of the project framework table is not clearly presented in relation with the complementarities between the endowment fund and the regional and private matching funds, as well as in the proportion of the financing and co-financing assigned to the funds mentioned. The interpretation of this component can produce confusion.

## Climate Change

### **N°11: China: Market transformation of Energy-Efficient Bricks and Rural Buildings (MTEBRB); (UNDP); GEF: 7 million USD; total project cost: 35 million USD**

#### **General Comment**

By combining EE brick manufacturing and EE building technology application, the project approach properly addresses the fact that dissemination processes in general depend on supply and demand side developments. The project design being largely built on the results of the earlier GEF/TVE project, it can benefit from the lessons learned in this project and from established relationships with concerned governmental authorities and other involved stakeholders. On the other hand, the attempt to address both areas (brick manufacturing and building technologies) and to work countrywide (without regional focus) implicates an enormous challenge.

#### **Questions, Concerns and Challenges for the further Project Preparation**

The main concerns and challenges for the further project preparation are identified as follows:

1. A more detailed **analysis of lessons learned** from preceding projects with similar approaches (like the GEF/TVE) and of projects in other countries (Vietnam, India, Mongolia, Bangladesh) is needed to further specify the key aspects of the project.
2. The **economic efficiency** and the access to finance should be an integral part of the demonstration projects (component 4). Activity (5) under component 3 is not very clearly formulated. Actually, a proper analysis of local banks' due diligence criteria for financing EE brick manufacturing as well as EE building initiatives, should be the basis for the design of the demonstration projects and for negotiations with the banks. Banks/financing institutions should be involved from the very beginning to take into account their requirements. Besides the technical viability, the economic viability is a crucial parameter for success. Since "creating access to commercial financing for TVE and commercialising the financing of TVE energy conservation projects" was already part of the earlier GEF/TVE project, the respective lessons learned should be capitalised.
3. Given the size of the country and the "various climatic and economic conditions" the **selection of demonstration projects** is of crucial importance, e.g. for brick manufacturing different sizes of kilns/enterprises have to be considered and for EE building the local availability and affordability of material must be taken into account. For both project components, a **participatory approach** should be followed, meaning that the target groups (brick makers, building developers, practitioners etc.) with their problems and concerns should lead the development process (action research).
4. So far the **ownership and business organisation** of brick-making plants is not mentioned as an important issue. However, given the fact that e.g. TVEs can be owned by collectives, individuals or private entities, local governments etc. this issue should be considered since it can be important for access to finance, realisation of innovations etc.
5. The PIF mentions 12-16 demonstration projects and "no less than 60 replication projects" which have to be confronted with a total of about 90,000 brick-making plants. It is not explained how - based on these figures - the envisaged **project impact**, namely 10 % increase in the market share of EE bricks, can be achieved.
6. Besides the EE aspect of the new bricks, the **indoor air/environment quality** should also be considered (e.g. when using industrial waste for brick manufacturing).

#### **Conclusions and Recommendations**

Based on the available information on the project, it can be recommended to be further developed since it is in line with GEF objectives and strategic priorities. The main challenges are the variety of parameters and conditions to be taken into account in a country-wide approach and the consideration of a maximum of relevant aspects in the demonstration projects (ownership, technical features, profitability, etc.). For an efficient dissemination the project should identify strong partners.

## **N°12: China: Thermal Power Efficiency; (WB); GEF: 19.7 Million USD; total: 163.5 Million USD**

### **Overall Commentaries**

The proposed project aims at reducing GHG emissions from low efficiency, smaller coal-fired thermal power stations by developing a policy framework for phasing out inefficient small units and by improving the efficiency of larger units. The objective of the proposed project is well in line with China's National Climate Change Plan published in June 2007 and therefore supported for implementation. Enhancement of energy efficiency in the power sector is a key objective of the Govt of China, supported, besides climate change objectives, by the generally increasing cost of energy, including coal.

However the project seems, assessed by the outcome indicators, overambitious for the set time-frame and the resources available. The budget for technical assistance to project implementation is rather small. Hence the project would have to largely rely on Chinese expertise. Chinese experts qualified in this field are typically overloaded by other ambitious goals set by GoC. The capacity of the environment division of the Bank's Beijing office is rather limited and already strongly engaged in implementation of the Bank's Carbon business in China.

### **Questions, Concerns and Challenges for the further Project Preparation**

Assuming that rehabilitation of one 100 MW CHP plant would improve the efficiency by 0.2kg CO<sub>2</sub>/kWh, one such rehabilitation would reduce GHG emissions by 100'000 t CO<sub>2</sub>/year approximately. Over 20 years of remaining lifetime one rehabilitation project would yield some 2 MtCO<sub>2</sub> of emission reduction. To achieve the overall targeted 90MtCO<sub>2</sub> emission reduction, 45 100 MW plants would need to be rehabilitated during project lifetime up to 2012, which seems to be very ambitious. This assessment is considering that there are technology/engineering/best practice issues to be resolved in plant rehabilitation with this time span as well as administrative capacity being built to operate a trading system at province level. Phase-out of small units, which would have a limited lifespan (less than 20 years) hardly save more than 1-2MtCO<sub>2</sub> by plant and hence do also not appear to be "low hanging fruits". If the targeted emission reduction of 90MtCO<sub>2</sub> is set in relation to the GEF investment of \$19.7 million, abatement costs result of 0.2\$/tCO<sub>2</sub>. It seems rather unrealistic to assume that policy measures are more than 10 times more efficient (by foreign investment) than CDM projects. The current CER floor price operated by China stands at 10\$/tCO<sub>2</sub>. To compare: China will at best be in a position to build one modern integrated gasification combined cycle (IGCC) plant, which could apply the recently approved CDM methodology by 2012. While working further in project preparation the direct objectives to be achieved by the project team up to 2012, in particular being specific with regard to targeted provinces, should be worked out more specifically compared to the assumed long-term policy gains which may or may not be realized in full depending on a number of co-founding factors difficult to forecast in China.

In order to remove barriers effectively, the "how" in dealing with those barriers should be more explicitly addressed in the further stages of project preparation. Targets should not be set too ambitiously for the target's sake. Very ambitious targets may not really be helpful in enhancing implementation quality in a dialogue between the implementing agency and the Chinese partners.

### **Conclusions and Recommendations**

To take into consideration the questions and concerns addressed above in course of further project preparation.

## **N°13: India: Sustainable Urban Transport Project, (WB/UNDP); GEF cost: 25.4 million USD; total project cost: 378 million USD**

### **Overall Commentaries**

This project is in line with one of the High Priority Programming Areas (Sustainable Urban Transport). The basic structure with the two components - capacity building and a set of demonstration projects – provides a significant potential to contribute to the basic GEF objectives. Hence the project in principle merits the support.

### **Questions, Concerns and Challenges for further Project Preparation**

Due to the early stage of the project design, several aspects deserve additional consideration during the further project preparation process:

- The two main components of the project proposal (capacity building, demonstration projects) differ considerably in terms of size and resources requested (1:15). Also the nature of the risks of not achieving the objectives is different. Hence, the linkages between the two components – and the possible impacts in the case of partial failures – should be addressed.
- In the present stage of the project the content of both components seems rather open and contains a broad list of measures and proposals. The demonstration project part for instance lists elements like BRTs, integration of public transport and non-motorized transport, integrated transport/land use/environment planning, and/or traffic management/transport demand management. It will be a challenge to design these demonstration projects more concisely and in an integrated form in order to generate the necessary synergies for being successful.
- We see a particular challenge in specifying meaningful, transparent and monitorable performance indicators and clear outcome targets, linking them to GHG reductions for both project elements also in quantitative terms, in order to judge whether the project eventually contributes in reducing more than just marginal amounts of GHG emissions.
- This is particularly relevant due to the fact that GEF funds eventually have to be justified based on the principle of additionality (and not only in terms of improving effectiveness and efficiency, as stipulated by the analysis of the present barriers by the MoUD).
- The involvement of two agencies (WB, UNDP) may be justified by comparative advantages and particular expertise in their specific fields. However, one might question the specific advantage of involving the two agencies in the same component of capacity building. It might be worthwhile reconsidering splitting the responsibilities of the two agencies along the two main project components.

### **Conclusions and Recommendations**

Since the project addresses clearly relevant issues of high importance, the project deserves support. Due to the high amount of GEF resources requested, there is a need for additional focussing and specifying in more detail and more explicitly the different elements of the project and their linkages between the 2 main components as well as within each of the component. In addition, clear performance indicators should be identified in order to create transparency in advance and allowing a qualified monitoring later on to ensure the achievement of the objectives.



## **International Waters**

### **N°20: Regional\* Sustainable Management of the shared Marine resources of the Caribbean large Marine Ecosystem and Adjacent Regions (IA-UNDP); GEF: 7.8 Million USD; total: 55.38 Million USD**

\* (Antigua, Barbuda, Bahamas, Barbados, Belize, Brazil, Colombia, Costa Rica, Dominica, Dominican Republic, Guatemala, Grenada, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, St. Kitts, & Nevis, St. Lucia, St. Vincent & the Grenadine, Suriname, Trinidad and Tobago)

#### **General Comments**

The project foresees a challenging approach in grouping 25 widely differing countries over a large geographical area in their management of living marine resources. The intended shared management will have to overcome the current institutional, legal and policy frameworks which are fragmented and inadequate for this purpose.

In order to be sustainable, this will require a common political will of the participating countries, based on a shared vision of the risks of non-action and of the feasible project benefits. We therefore feel that the project success will largely depend on how far a joint economic case for action will be perceived by the participating countries.

#### **Questions, Concerns and Challenges for the further Project Preparation**

Given that the region does not have dominant large scale fisheries, the project will have to develop innovative governance/management approaches which are suited to the large diversity of medium and small scale fisheries, and focused primarily on conservation, optimization and intra-regional equity. The challenge for UNDP as the GEF Agency for this project will thus be to develop scalable management approaches without losing the joint commitment to specific targets. We expect that this will require intensive negotiations based on a concrete and robust analysis of the present situation, including external opportunities and threats.

In order to build a joint case for action from the analysis, we believe that it might be advantageous to specifically investigate and describe the effects of external opportunities and threats on the living marine resources in the region, e.g. the expected effects of climate change, possibly in scenarios.

We feel that the negotiation process can largely profit from the experienced network of the UNDP country offices as described in the PIF.

The PIF foresees important total project costs of USD 55 million over four years, including a remarkable cash co-financing of USD 43 million (87%), mainly by the governments of the contributing countries. The total cost share foreseen for developing the transboundary diagnostic analysis and the strategic action programme is USD 25 million with a co-financing of over 80%.

It is yet unclear to us how such an important cash co-financing for analysis and strategic work will be most effectively used for the project. In the further project preparation, UNDP as the GEF Agency will have the challenging task of balancing the project approach between the requirements of consistent methodologies of analysis, coordinated programme development and individual political relevance regarding different issues in the participating countries.

#### **Conclusions and Recommendations**

We recognise the importance of the targeted ecosystems, their transboundary character, the relevance of the project objectives and their consistency with GEF strategies and strategic programs.

We recommend to continue with project preparation while taking into account the issues raised above.

## **Persistent Organic Pollutants**

**N°25: Tunisia: Demonstrating and Promoting Best Techniques and Practices for Managing Healthcare Waste and PCBs; (WB); GEF: USD 5.50 million; total: USD million**

*This review only refers to Healthcare Waste Management!*

### **Overall Commentaries**

The overall objective of the project is to reduce the emissions of PCDD/PCDF to the environment through the development of a sound healthcare waste management system.

We recognize positively that:

- the project is well prepared and defined;
- an overview of project components and the corresponding costs is given;
- some critical factors and risks are recognized and mentioned;
- the project has a total budget of USD 23'424'000 with a rate of 75% co-financing (incl. the government of Tunisia and the private sector);
- the project is consistent with the GEF Focal Area Strategy for POPs and falls under the strategic programs 1, 2 and 3.

### **Questions, Concerns and Challenges for the further Project Preparation**

A list with answers to the following questions would help to understand better each part and the flow of the project (list of measures):

1. What has been done already?
2. What is in preparation right now?
3. What has to be done in the future?

Additional measures regarding some Project Components (PIF page 1):

- 1.) Strengthening the Legal and Institutional Framework for HCW and PCB Management  
Measures to add: - develop a protocol for analyzing and monitoring HCWM plan  
- set-up of national guidelines on HCWM  
- formulation of a national strategy for HCWM
- 2.) Analyzing the current situation (= new component!):  
Measures: - analyzing of the institutions' operational and financial capacities  
- elaboration of a training program  
- set-up of monitoring plans and control procedures at national, regional and health facility levels
- 3.) Training and Capacity Building for ..... (= new 3, old 2):
- 4.) Investments in HCWM (= new 4, old 3):  
Output to add: - HCWM is an integral part of healthcare budgets (hospital and government level)

### **Conclusions and Recommendations**

- It is very important to establish a monitoring system along the whole chain of healthcare waste, from generation to final disposal. With this monitoring system, it is possible to improve the implemented healthcare waste management system continuously.
- One additional critical factor is that healthcare waste management has to be an integral part of healthcare and thus needs to be budgeted. Specific budget lines are needed at all levels, from the hospitals to the governmental authorities (full-cost calculation).
- We think that the project is absolutely necessary to achieve a sustainable protection of the environment and human health.

## **Programmatic Approach: Sustainable Forest Management (SFM)**

**N°32: Mongolia: Forest Landscape Development and Conservation; (IA/ World Bank); GEF: USD 1.9 million; total: USD 5.1 million**

### **General Comment**

A project aiming at mainstreaming biodiversity conservation into sustainable forest management applied to a production landscape connecting some of the key protected areas of Mongolia, and the improved conservation of forest ecosystems within Mongolia's protected areas, is of urgent need and high national relevance. The high dependency by rural communities on fuel-wood, timber and non-timber forest products and the growing water shortage throughout northern Mongolia are indicative of the importance of proper forest stewardship. Forested watersheds of the area targeted by the proposed project are of vital importance to the capital's sustainable water supply, Lake Baikal and numerous downstream communities, and herder families and their livestock.

The proposed project meets GEF criteria. It complies with GEF's Strategy for Sustainable Forest Management and the Biodiversity OP3, Forest Ecosystems. If successful the project would contribute to global benefits by providing protection to globally unique forest ecosystems.

### **Main Concerns**

The proposed project is a confusing amalgam of proposed activities related to (a) the forestry sector, (b) integrated land use planning and (b) protected areas. Forestry sector activities refer to work on the macro-level (i.e., forest policies, legal framework, strategy development etc.) and the micro-level (i.e., establishment of pilot projects related to forest thinning and biomass energy initiatives). The proposed work related to protected areas, exclusively to be financed by the GEF grant, refers to the elaboration and subsequent implementation of management plans, business plans and financing plans to be applied to five targeted protected areas. Although not specified by the proposal, it is assumed that the proposed integrated land use planning refers to the establishment of ecological corridors connecting the five PAs mentioned by the proposal within the context of management plan production.

The project goals are unrealistic to be achieved under the best of circumstances as proven by the generally negative experience in Mongolia by the donor community in all thematic areas proposed. The project is much too complex and ambitious.

Clarification is needed on how the proposed PA management plans relate to the other activities and how financial sustainability by the targeted PAs could be achieved as claimed by the proposal.

A recent capacity and financial need assessment of 16 of Mongolia's 48 protected areas (WWF and MoE, 2007) shows that only the core zones of protected areas are under effective protection. This translates to 1.8% of Mongolia's surface area under protection instead of the officially claimed 13%. Key threats to the ecological integrity (and the forests) of the PAs targeted by the WWF study proved to be high livestock numbers, over-grazing and man-caused fires related to livestock activity inside the PAs. Addressing these problems inside and adjacent to protected areas emerged as the highest priority requiring 20 range use specialists but only one forester in comparison.

### **Conclusions and Recommendations**

Although the proposed project touches on four distinctly different but equally important national priorities (strengthening the forestry sector and the national PA system, and embarking on the extremely complex task of integrated spatial land use planning and the establishment of ecological corridors), each of the thematic areas in itself would constitute a project by far exceeding the financial capability of this proposal. The proposed project is poorly conceptualized and cannot be implemented as planned.

The proposal should not be endorsed unless it provides a well defined focus on one of the four proposed thematic areas. This should be either (a) improved forest management in support zones of the targeted PAs, (b) support to the targeted PAs in terms of management and business plan production, or (c) the establishment of a model ecological corridor linking protected areas. A corridor development project could incorporate several of the proposed thematic areas:

- participatory integrated spatial land-use planning;
- sustainable livelihood of herder families living within the corridor and/or the PAs linked by the corridor;
- sustainable forest management of corridor forests (forest use inside PAs is illegal according to Mongolian Law).

The risks of project failure are rated “very high”. The project should therefore not be endorsed unless substantial changes are made in accordance to the above recommendations.

**N°33: Russian Federation: SFM Strengthening Protected Area System of the Komi Republic to Conserve Virgin Forest Biodiversity in the Pechora River Headwaters Region; (UNDP); GEF cost: 4.5 million USD; total project cost: million USD**

**General Commentaries**

The project objective is: a representative and effectively managed network of protected areas ensures conservation of pristine boreal forest and taiga ecosystems in the Komi Republic. The project aims at a better representation of some of the most critically endangered and vulnerable of the global 200 eco-regions in the national protected area system. It basically focuses on the reconfiguration of the PA system of the Komi Republic. Following its PIF, the indicative GEF financing is 4.5 million USD and the indicative co-financing is 15.9 million USD.

As described in the PIF, the Komi Republic has a considerable protected area system (PAS), which integrates 254 PAs and covers 14.6% of the territory. With such an extensive coverage, financing, management efficiency and sustainability of the overall PAS are of crucial importance, and the concrete implementation in the field is a challenge. On the other hand, particularly in the Pechora-Ilych Zapovednik considerable efforts have been made with regard to the improvement of the PA management, inclusively with international assistance.

Overall, the proposed project looks very ambitious. The key challenge of this project will consist in not only changing the PAS on paper but in catalysing the sustainability of Komi's PAS in such a way that it can materialise its ambitions also in the field.

**Questions, Concerns and Challenges for the further Project Preparation**

- ▶ **Please provide detailed background information on Komi's PAS and on already existing efforts.**

- ▶ **A better ecosystem representativeness of the existing and reconfigured PAS must be clarified.**

The better representativeness of the global 200 eco-regions in Komi's PAS is the underlying rationale for the GEF support. Therefore we expect that the improvement of the eco-region representativeness and the intended reconfiguration of Komi's PAS must be made fully comprehensible and transparent. In concrete terms we request the inclusion of a table, in the annexes of the final project documents, comparing the ecosystem and eco-region coverage of the existing and the intended reconfigured PAS.

Furthermore, the reconfiguration of the existing PAS, if not very carefully done, may even be a risk for what has been achieved so far.

- ▶ **Catalyse the sustainability of Komi's protected area system.**

The long-term strategic objective 1 of the biodiversity focal area strategy is to catalyse the sustainability of the PA system. All 3 components of the proposed project refer directly or indirectly to this strategic objective.

In order to assess the project's relevance in this respect, we request that its contributions are explicitly described. Furthermore, to situate the project in the local context and appraise its relevance regarding the sustainability of Komi's PAS, we would expect that detailed information is given on annual expenditure for the overall PAS.

- ▶ **The institutional arrangements are of crucial importance for project success and need to be clarified.**

The PIF mentions as part of the normative solution that the reconfigured PAS will be effectively managed through a better coordination between federal and regional agencies and new partnerships with the business sectors. And project component 2 exclusively refers to the "improved institutional capacity for management KR PAS".

We agree that the institutional aspects will be of crucial importance for project success. Therefore we expect that detailed information on the institutional arrangements and the mechanism of coordination will be given in the final project documents.

- ▶ **The level of indicative co-financing is considerable, however it is not clear which type of activity will be co-financed.**

In the existing PAS, financing is so far a crucial limitation for the appropriate management of the areas. Quite a number of the protected areas figure more on paper and lack management plans and a corresponding management.

Therefore, we are very positively surprised about the considerable amounts of indicative co-financing shown in the PIF.

However we expect that the final project documentation provides more detailed information about the sources and particularly about the type of activity which will be realized with co-financing.

### **Conclusions and Recommendations**

We fully support the overall project objective. Its strategic orientation seems consistent with the GEF focal area strategy.

The current PIF looks promising, however, so far, the project seems overly ambitious, and in further planning quite a lot of effort will be necessary to clarify our doubts regarding the project's intentions with a better eco-region representativeness of the Komi's PAS, its contribution to the improvement of the efficiency and sustainability of the regional PAS, and last but not least, regarding the institutional arrangements and the co-financing.

We hope that the final project documents will fully clarify these aspects.