REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: Full-sized Project
TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT INFORMATION

Project Title: **Implementing an integrated "Ridge to Reef" approach to enhance ecosystem services, to conserve globally important biodiversity and to sustain local livelihoods in the Federated States of Micronesia**			
Country(ies):	Federated States of Micronesia	GEF Project ID:	5517
GEF Agency(ies):	UNDP	GEF Agency Project ID:	5179
Other Executing Partner(s):	Office of Environment and Emergency Management	Submission Date:	May 4, 2015
GEF Focal Area (s):	Multi-Focal Area	Project Duration (Months)	60 months
Name of parent program (if applicable): • For SFM/REDD+ ☐ • For SGP ☐ • For PPP ☐	Pacific Islands Ridge-to-Reef National Priorities – Integrated Water, Land, Forest and Coastal Management to Preserve Biodiversity, Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods	Project Agency Fee ($):	$ 422,083

FOCAL AREA STRATEGY FRAMEWORK

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount ($)	Co-financing ($)
BD1 Improve the sustainability of Protected Area Systems.	***Outcome 1.1:*** Improved management effectiveness of existing and new protected areas. ***Indicator 1.1*** Protected area management effectiveness score as recorded by Management Effectiveness Tracking Tool	***Indicator 1.1*** Protected area management effectiveness score as recorded by Management Effectiveness Tracking Tool Project contribution to indicator: *Average METT score for 40 Protected Areas (PAs) increased from 55 to 65*	GEF TF	2,830,007	10,793,311
LD3 Reduce pressures on natural resources from competing land uses in the wider landscape.	***Outcome 3.2:*** Integrated landscape management practices adopted by local communities ***Indicator 3.2*** Application of integrated natural resource management (INRM) practices in wider landscapes	***Indicator 3.2*** Application of integrated natural resource management (INRM) practices in wider landscapes Project contribution to indicator: *ILMP developed covering 62,133 ha of the FSM High Islands*	GEF TF	1,704,233	6,499,742
IW1 Catalyse multi-state cooperation to balance conflicting water users in trans-boundary surface and	***Outcome 1.3:*** Innovative solutions implemented for reduced pollution, improved water use efficiency, sustainable	***Indicator 1.3:*** Measurable water related results from local demonstrations. Project contribution to	GEF TF	155,575	593,345

groundwater basins while considering climate variability and change	fisheries with rights-based management, IWRM, water supply protection in SIDS, and aquifer and catchment protection ***Indicator 1.3:*** Measurable water related results from local demonstrations.	indicator: *100% of piggeries using the dry litter piggery system within the Ipwek, Dachangar, Finkol, and Nefounimas catchments resulting in increased water quality.*			
Total Project Cost				4,689,815	17,886,398

PROJECT FRAMEWORK

Project Objective: To strengthen local, State and National capacities and actions to implement an integrated ecosystems management through "ridge to reef" approach on the High Islands of the four States of the FSM

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount ($)	Indicative Co financing ($)
Component 1: Integrated ecosystems management and rehabilitation on the High Islands of FSM to enhance ridge to reef connectivity	TA/ INV	*Pressures on natural resources from competing land uses on the High Islands of the FSM covering 62,133 ha are reduced through an integrated natural resource management (INRM) framework, evidenced by:* (i) Increase in score from 2 to 4 on framework strengthening INRM and (ii) increase in score from 2 to 4 in capacity strengthening as per LD-PMAT (Land Degradation Focal Area - Portfolio Monitoring and Assessment Tool) *Improved systemic capacity and financing for promoting sustainable development in the High Islands through INRM across the land- and seascape, evidenced by:* increase from 50% to 70% in Sustainable Land Management (SLM) Capacity Development Scorecard *Annual Government and Donor funding allocated to SLM (including PA management costs) increase from US$9.2 million to US$10.1 million* *Landscape level uptake of SLM measures avoids and reduces land degradation*	- Four Integrated Landscape Management Plans (ILMPs) are developed and implemented for the High Islands of the FSM: - Strategic Environmental Assessments (SEA) conducted for the High Islands. - Spatially-based decision support systems for INRM developed and made available for use in EIA, policy development, multi-sectoral ecosystem planning & management. - Multi-sector planning platform is established to facilitate the development of ILMPs of the High Islands in each state. - Institutions with sectoral responsibilities for the development and conservation of the High Islands, together with relevant CSOs and community partners, are capacitated for coordinated action at the wider landscapes on SLM. - Additional finances for SLM investments (including PA management costs) secured and existing contributions to the environment sector to support SM practices	GEFTF	1,798,950	6,770,815

		delivering ecosystem and development benefits over 400 ha (350 ha upland forests, 50 ha mangrove) on the High Island of the FSM. *100% of piggeries using the dry piggery system within the Ipwek, Dachangar, Finkol, and Nefounimas piggery catchments resulting in increased water quality*	aligned: - Making the Case for SLM through valuation of goods and services of natural systems as well as different SLM practices is conducted as a basis for brokering new public and donor finance for Biodiversity (BD) conservation and SLM - Management and rehabilitation of critical ecosystems to enhance functional connectivity, reduce erosion, improve water quantity and quality and reduce coastal flooding.			
<u>Component 2:</u> Management Effectiveness enhanced within new and existing PAs on the High Islands of the FSM as part of R2R approach (both marine and terrestrial)	TA/INV	*Coverage of statutory PAs in the High Islands of FSM measured by:* (i) increase from 0 to 40 PAs which legal status have been verified; (ii) increase from 3,154 ha to 14,953 ha in marine area under PA; (iii) increase from 4,444 to 10,033 ha in terrestrial PAs *Increased management effectiveness for at least 27 existing and 13 new protected areas covering 24,986 ha:* - Increased METT scores over baseline from 55% to 65% average of the targeted PAs, with no drop in scores in any of the individual PAs *Stable or increase of mean % of total fish biomass of <u>Cheilinus undulates</u> (EN) and <u>Bolbometopon muricatum</u> (VU) across the States* *Stable or increase in mean detection rate of <u>Zosterops cinereus</u> (Endemic), <u>Myiagra pluto</u> (Endemic), <u>Metabolus rugensis</u> (Endangered), <u>Monarcha godeffroyi</u> (Endemic) and <u>Ducula oceanica</u> (Regionally Endemic)*	- National and State-level Legal and Institutional Frameworks have been established to improve management effectiveness of PAs. - The National Department of Resources and Development and State Agencies are actively involved and capacitated to perform centralised PA management functions such as planning, finance and legal affairs cost effectively. - A standardised PA reporting and performance monitoring system has been implemented. - An integrated and adaptive PA management decision support system is established at State and National level to facilitate biodiversity, financial and risk (climate change and land-use pressures) adaptive management planning and decision-making. - The Protected Area Network (PAN) of the High Islands has been expanded and existing and new PAs of the FSM have been secured through a review and upgrading of legal protection status (gazetting of all PAs). - Management authorities (state and community) of newly established PAs are equipped and capacitated in	GEFTF	2,667,540	10,265,035

			managing PAs. - Effective site and cross-site level PA management practices promoted in new and existing PAs: - Improved PA management planning and boundary demarcation have been implemented. - Improved zoning and boundary demarcation based on and aligned to the ILMP and SEA. - Biological/ecological monitoring systems have been implemented. - Enforcement of PAs have been strengthened. - Communities have been capacitated to better management of specific land-use pressures at the site-level.			
Subtotal					4,466,490	17,035,850
Project Management Cost (PMC)				GEFTF	223,325	850,548
Total Project Costs					4,689,815	17,886,398

A. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME ($)

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount ($)
National Government	Office of Environment and Emergency Management	Cash	1,000,000
Local Government	Department of Resources and Development, Pohnpei State	In-kind	1,000,000
Local Government	Kosrae Island Resources Management Authority	Cash	2,100,000
Local Government	Environmental Protection Agency, Pohnpei State	Cash	2,900,000
Local Government	Environmental Protection Agency, Chuuk State	Cash	2,700,000
Local Government	Department of Resources and Development, Pohnpei State	Cash	1,686,398
CSO	Micronesia Conservation Trust	Cash	5,000,000
CSO	The Nature Conservancy	In-kind	500,000
CSO	The Nature Conservancy	Cash	1,000,000
Total Co-financing			**17,886,398**

B. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount ($) (a)	Agency Fee ($) (b)[2]	Total ($) c=a+b
UNDP	GEFTF	Biodiversity	FS Micronesia	2,649,560	238,460	2,888,020
UNDP	GEFTF	Land Degradation	FS Micronesia	1,315,720	118,415	1,434,135
UNDP	GEFTF	Climate Change	FS Micronesia	568,960	51,206	620,166
UNDP	GEFTF	International Waters	Global	155,575	14,002	169,577
Total Grant Resources				4,689,815	422,083	5,111,898

C. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount ($)	Co-financing ($)	Project Total ($)
International Consultants	439,000	0	439,000
National/Local Consultants	80,000	0	80,000

D. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT?

No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF

A.1 *National strategies and plans* or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.:

N/A (no changes)

A.2. *GEF* focal area and/or fund(s) strategies, eligibility criteria and priorities:

SECTION I, PART II *Project Rationale and Conformity* ('Fit with GEF Focal Area Strategy and Programme') of the UNDP PRODOC describes the consistency of the project with three GEF focal areas (BD, LD and IW), and quantifies the project's contribution to the relevant outcome/output indicators for each Focal Area Strategy.

The minor changes in alignment of project activities with the GEF focal areas, as originally identified in the PIF, are briefly described below:

BD 1 (Output 1.1 - Outcome 1.1).
No changes

LD (Outcome 1.3 – Output 3.1)
Output 3.1 Integrated land management plans developed and implemented: ILMP will be developed for the High Islands of the FSM. The project covers Yap, Pohnpei and Kosrae islands, and the islands of only Tol, Moen (Weno) and Fefan in Chuuk making a total project area of 62,133 ha. The ILMP is the biodiversity sectors input into broader land-use planning and management processes. Therefore, it is preferable that it be developed and implemented at a level where it can feed into State and municipal forward processes, and also maximize impact on environment by working at a larger rather than smaller spatial scale.

The project is otherwise fully aligned with the GEF focal area strategies and priorities, as described in the PIF.

A.3 The GEF Agency's comparative advantage:

The Government of the Federated States of Micronesia has requested UNDP assistance in designing and implementing this project, due to UNDP's track record in Asia and the Pacific. UNDP has an established national representation in the FSM UN Joint Presence Office, Kolonia, Pohnpei with well-developed working relationships with the key stakeholders. It counts on a country development manager exclusively dedicated to FSM's affairs. This officer is supported by other programme, operations and Senior Management staff at UNDP Fiji Multi-country Coordinating Office. Moreover, the

project will benefit from the presence of a UNDP/GEF Regional Technical Advisor dedicated to Biodiversity in the Regional Service Centre. UNDP also has extensive experience in integrated policy development, human resources development, institutional strengthening, and non-governmental and community participation. The United Nations Development Assistance Framework (UNDAF) for the Pacific Region for the period 2013 – 2017 has identified, under Focus Area 1: "Environmental Management, Climate Change and Disaster Risk management" as a priority. Under Outcome 1.1, the Framework identifies "By 2017, the most vulnerable communities across the PICT are more resilient with particular focus on communities, through integrated implementation of sustainable environmental management, climate change adaptation/mitigation, and disaster risk management. Improved resilience of PICTs, with particular focus on communities, through integrated implementation of sustainable environmental management, climate change adaptation/mitigation, and disaster risk management". This project is aligned with this priority of the Framework, which is also applicable to the FSM.

A.4. The baseline project and the problem that it seeks to address:

The target area for project interventions are the High Islands of the FSM as described in the PIF and elaborated in the PROCDOC. The PA project sites have been significantly updated and refined since the PIF based on a more rigorous and detailed inventory of existing and proposed PAs. These are described in more detail in SECTION I, PART I. *Situation Analysis* ('Protected Area Network') of the UNDP PRODOC.

The situation analysis (i.e. 'the baseline project and the problem it seeks to address') has been considerably improved. The following is a brief summary of SECTION I, PART I Situation Analysis of the UNDP PRODOC:

SECTION I, PART 1 *Situation Analysis* ('Context and global significance') of the UNDP PRODOC describes in more detail; the global biodiversity significance of the FSM; the biodiversity significance and social context of the project sites (High Islands of the FSM); the current state of SLM and PAs in the FSM; the institutional context for the project; and the policy and legislative context for the project.

SECTION I, PART I *Situation Analysis* ('Threats, Root Causes and Impacts') of the UNDP PRODOC provides a more detailed description of the threats, the root causes of these threats and the impacts of these threats, on the marine and terrestrial ecosystems, habitats and species in the FSM High Islands. The threats and their impacts are presented under seven broad groupings: 1) conversion and degradation of natural habitat and ecosystems; (2) overexploitation and unsustainable harvesting of biological resources; (3) water pollution; (4) spread of alien invasive species; (5) unsustainable agriculture practices; (6) unplanned development; and, (7) impacts from climate change.

SECTION I, PART I *Situation Analysis* ('Long-term solution and barriers to the solution') of the UNDP PRODOC The main barriers to achieving this solution are: (1) Lack of an overarching framework for promoting sustainable development in the FSM's High Islands, including systemic capacities and availability of critical information / knowledge and funding (institutional arrangements; co-ordination of effort; monitoring; capacity; making the case for biodiversity; and, SLM planning and implementation); and, (2) Inadequate PA representation and capacities to effectively conserve biodiversity of the High Islands of the FSM (large stakeholder group; community capacity; low-levels of State involvement; gaps in National and State legislation, strategy and guidelines; and, PAN not representative). A more detailed description of each barrier, with relevant examples, is further elaborated in this section.

SECTION I, PART I *Situation Analysis* ('Baseline Analysis') of the UNDP PRODOC provides more details of the resources, capacity and financing that have already been committed by a range of State, National and international organisations – over the five year time frame of the project - to address, in part, the key barriers to the effective implementation of SLM and development and management of a representative PAN.

Mainstreaming SLM approaches into State-level government planning and operations is hindered by complex institutional arrangements. The financial and human resources earmarked in the baseline programs for environmental improvement are deployed and managed by sectoral departments under a highly decentralized governance framework with poor interaction between sectors. There is a need to align and coordinate efforts across sectors and land and water managers and owners, and spearhead innovative ways and means of enhancing ecosystem functioning and resilience in an integrated and coordinated way that balances socio-economic and environmental objectives. In the absence of a

proper assessment, monitoring and planning regime for environmental management, managers and users continue to have a difficult time effectively evaluating and integrating biodiversity conservation and land degradation risks within decision-making processes. Under resourced States lack the capacity to generate, implement and enforce integrated land and water management plans, whilst financial constraints present a further barrier to up-scaling SLM to a level required to successfully address land-use at the whole landscape or island-level. Effecting change in the status quo is compounded by a disconnect between public expenditure and environmental priorities. This is linked to limited awareness both among decision-makers but also among the public and local communities of the importance and value of goods and services provided by intact and functional ecosystems. The value proposition of biodiversity to the long-term social well-being and economic sustainability of FSM is not reflected in institutional capacity and budgets. The FSM does not have operational examples or implementation frameworks for SLM at the landscape level. Without access to know-how, proven through demonstration, and supported by scientific observation government decision-makers and resource users do not have the experience, tools or knowledge-base necessary to effectively manage land-use.

The FSM government has only recently started to play a more active role in PA creation and management in an effort to build a representative national PAN. The decentralized political situation in the FSM and the prevalence of private and/or traditional control of lands and waters throughout the nation necessitates broad public participation to build public understanding of the importance of conservation and the role of protected areas. Many of the nation's areas of biodiversity significance are remote and isolated, necessitating that local communities and land/reef owners play a significant management role, irrespective of tenure. Foremost, communities are users of the natural resources found in PAs. Communities also have strong cultural and social ties to the environment but with rapid changes in population, consumption patterns and changes in people's lifestyles, the capacity for local communities to manage the areas of biodiversity significance is eroding. Establishing PAs requires broad-based community involvement and consultation whilst management of these areas necessitates extensive awareness raising and capacity building within involved communities. Effective enforcement in PAs remains a significant challenge especially in community managed PAs were traditional rule of law is not supported by State-law or law-enforcement officials. The current unclear roles and responsibilities among the National, State and local-level agencies (NGOs) and local communities responsible for managing PAs combined with gaps in National and State legislation, PA strategy and management guidelines mean that the legislative and regulatory framework for implementing a national PAN is a major limitation. Many States do not have sufficient biodiversity or PA legislation and there are no national standards or guidelines for the creation and management of PAs. At the national-level there is a clear imperative to build a representative PAN that effectively conserves examples of all the FSMs biodiversity and maintains key ecological processes. Current PA expansion has been mostly opportunistic and not underpinned by a systematic spatial conservation plan. Meanwhile, the support from State and national government for strengthening local conservation measures has not kept pace with needs. Whilst the biodiversity of the FSM is reasonably well documented this information generally resides out of state and is not readily available to or interpreted for planning purposes or state/community PA managers.

A.5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The Government of FSM has made considerable investments in SLM and biodiversity conservation to date, and has clearly indicated that sustainable development and biodiversity conservation are national priorities in various policy statements and programs including the Micronesia Challenge and the National Biodiversity Strategy and Action Plan. Achieving its sustainable development and biodiversity conservation goals is limited by the lack of national frameworks for promoting coordinated SLM and a representative PAN; systemic capacities at all levels; the availability of critical information, especially biodiversity information and knowledge; and, programmatic funding.

Without the GEF investment, the 'business-as-usual' scenario without the GEF investment in the proposed project, intervention by different government agencies, NGOs and communities on SLM and PAs will continue to be uncoordinated and ineffective at both National and State levels due to limitations in the policy, planning and regulatory framework, and systemic weaknesses in capacity to plan, establish and manage ILMPs or PAs systematically. The unique ecosystems of FSM will continue to be under-represented in the national PAN, whilst existing PAs will not be

given adequate management attention, especially enforcement-related, to achieve the PAs management objectives or international PA criteria. The specific information and capacity needed to overcome the barriers to ensuring adequate coverage of a biologically representative PAN or to effectively manage PAs will not be developed. Biodiversity criteria or the R2R Ecosystems Based Management (EBM) approach to land-use planning and development will not be mainstreamed into government planning processes. Ecosystem values will continue not to be taken into account in development planning and environmental standards and safeguards to ensure their protection and sustainable utilization will not be developed and applied in an integrated or systematic fashion. Most importantly, an integrated approach to ecosystem management will not be implemented. PAs will continue to be managed in isolation from the surrounding production landscapes. Biodiversity considerations will not be effectively considered in land-use planning processes. The goal of integrated landscape spatial planning where the same R2R EBM principles and the same environmental and biodiversity informants are used to identify PAs, and develop PA management plans and ILMPs using systematic spatial biodiversity planning principles will not be realized. Consequently, globally important biodiversity found within FSMs High Islands will become increasingly fragmented, degraded and threatened due to changes in land use, unsustainable levels of exploitation, pollution and a range of other direct and indirect threats. The economic and human well-being consequences of continued degradation and loss of FSM natural ecosystems are easy to predict as within island nations globally there are ample examples of societies that have collapsed as a result of ecological collapse.

Alternative scenario enabled by the GEF: The GEF-funded alternative will revitalize the national focus and effort to integrate SLM into land-use planning and decision making, and create a representative PAN in line with the MC mandate, supported by an appropriate legal and policy enabling environment. The GEF R2R intervention will enable the R2R EBM vision of a truly integrated approach to landscape and land-use management to be realized in FSM. The project will support actions to overcome the key policy, capacity, knowledge and technical barriers that currently prevent effective SLM and PAN interventions thereby also strengthening the overall PAN and mainstreaming the R2R EBM framework into National, State and community operational processes. This will include:

- Strengthen communication and learning process to foster wider cooperation around SLM and PA issues at the State, National and regional scales.
- Foster relationships between all stakeholders especially State, NGO and community to build support for a common sustainable future vision and to mobilize support for implementation of SLM and PA activities aimed at achieving this vision.
- Improve the biodiversity knowledge-base with which SLM and PA planning decisions are made, and linked to this build on existing initiatives to develop regional capacity and systems for information management and GIS.
- Employ systematic spatial biodiversity planning (systematic conservation planning) approaches to integrate spatial data on environment, biodiversity and the social-economy within the SEA and PA design frameworks to give practical effect to R2R EBM principles within the context of practical ILMP or PA management tools.
- Streamline the national SLM, PA and information management policy frameworks and strengthen the State legal frameworks to harmonize activities across States in line with common national standards based on international best practices.
- Build awareness amongst all sectors of society and government around the importance of environment and biodiversity conservation underlying the economic sustainability and social well-being of FSM.

SECTION I, PART II *Strategy* (Project Goal, Objective, Outcomes and Outputs/Activities) of the UNDP PRODOC more fully details the full suite of project outcomes, outputs and activities. The table below summarises the changes made, and the rationale for these changes, to the components and outputs in the PIF.

	PIF	GEF CEO ER	Rationale
Outcomes	*Pressures on natural resources from competing land uses on the High Islands of the FSM covering 55,000 ha are reduced through an integrated natural resource management (INRM) framework, evidenced by 15 – 20% increases in the LD-PMAT (Land Degradation Focal Area – Portfolio Monitoring and Assessment Tool)*	*Pressures on natural resources from competing land uses on the High Islands of FSM covering 62,133 ha are reduced through an integrated natural resource management (INRM) framework, evidenced by:* (i) Increase in score from 2 to 4 on framework strengthening INRM and (ii) increase in score from 2 to 4 in capacity strengthening as per LD-PMAT	More accurate estimation of the area of High Islands was completed during the PPG resulting in the increase in area of ILMPs coverage from 55,000 to 62,133 ha. The indicators in the LD-PMAT relevant to this project were identified, and baseline and target scores established.
	Improved systemic capacity and	*Improved systemic capacity and*	A SLM Capacity Development

	financing for promoting sustainable development in the High Islands through INRM across the land- and seascape, evidenced by 20% increase in UNDP-GEF Capacity Development Scorecard	*financing for promoting sustainable development in the High Islands through INRM across the land- and seascape, evidenced by:* *increase from 50% to 70% in SLM Capacity Development Scorecard*	scorecard was designed relevant to FSM and completed during the PPG, resulting in baseline and target scores.
	Government and Donor funding allocated to SLM (including PA management costs) increased by 10%	*Annual Government and Donor funding allocated to SLM (including PA management costs) increase from US$9.2 million to US$10.1 million*	Baseline funding to SLM was determined during PPG
	Landscape level uptake of SLM measures avoids and reduces land degradation delivering ecosystem and development benefits over 500 ha (350 ha upland forests; 100 ha agroforestry, 50 mangrove) on the High Islands of the FSM. *The benefits will include:* - Reduced water deficiency - Increased clean water supply for human, animal and plant consumption - % family incomes from SLM practices	*Landscape level uptake of SLM measures avoids and reduces land degradation delivering ecosystem and development benefits over 400 ha (350 ha upland forests, 50 ha mangrove) on the High Islands of FSM*	The reference to 100 ha agroforestry was include erroneously as the description of the component (see Part II, Section A, A1 Project Description, page 11) only refers to 350 ha upland forests and 50 ha mangrove forests restoration. The other intervention mentioned refers to dry piggery litter for which a separate indicator was developed as seen below. The indicators reduced water deficiency and % family incomes from SLM practices have been removed as these indicators will be very difficult to measure throughout the area impacted by the ILMPs. The increased water quality indicator forms part of the indicator on piggeries below.
		100% of piggeries using the dry piggery system within Ipwek, Dachangar, Finkol, and Nefounimas piggery catchments resulting in increased water quality	Additional outcome
	Expansion of protected areas totalling at least 5,000 hectares in all four States	*Coverage of statutory PAs in the High Islands of FSM measured by:* (i) increase from 0 to 40 PAs which legal status have been verified; (ii) increase from 3,154 ha to 14,953 ha in marine area under PA; (iii) increase from 4,444 to 10,033 ha in terrestrial PAs.	The target of increasing protected area coverage was increased and the indicator defined more clearly.
	Increased management effectiveness for at least 20 existing and new protected areas covering 16,000 ha - Increased METT scores over baseline by at least 10% over average of the targeted PAs, with no drop in scores in any of the individual PAs	*Increased management effectiveness for at least 27 existing and 13 new protected areas covering 24,986 ha:* - Increased METT scores over baseline from 55% to 65% average of the targeted PAs, with no drop in scores in any of the individual PAs	Outcome better defined with information gathered during the PPG

	Stable or increased populations of critical endangered species such as Green Turtle (Chelonia mydas) and Humphead Wrasse (Cheilinus undulates); as well as Globally vulnerable bird species such as Truk Monarch (Metabolus regensis), Dusky White Eye (Horsfeldia nunu) and Micronesian Pigeon (Ducala oceanica endemic regionally)	*Stable or increase of mean % of total fish biomass of Cheilinus undulates (EN) and Bolbometopon muricatum (VU) across the States* *Stable or increase in mean detection rate of Zosterops cinereus (Endemic), Myiagra pluto (Endemic), Metabolus rugensis (Endangered), Monarcha godeffroyi (Endemic) and Ducula oceanica (Regionally Endemic)*	The marine and terrestrial species indicators were separated as different measures will be used. The species were also adjusted based on appropriateness as an indicator species and available baseline data.
Co-financing	*Overall co-financing: $17,861,500* *Cash co-financing: $17,361,500* *In-kind con-financing: $500,000* *UNDP co-financing: $50,000*	*Overall co-financing: $17,886,398* *Cash co-financing: $16,386,398* *In-kind co-financing: $1,500,000* *UNDP co-financing: $0*	The overall co-financing has increased with $24,898. The cash co-financing has decreased with $975,102, however the in-kind co-financing has increased with $1 million. The UNDP co-financing has not materialised but UNDP will continue to source for additional co-financing throughout the implementation period of the project.

The Project Strategic Results Framework is appended in Section II: Strategic Results Framework of the Project Document.

Global Environmental Benefits: The GEF funding will secure globally unique biodiversity in the Yap Tropical Dry Forest and Caroline Tropical Moist Forest Ecoregions within the Polynesia/Micronesia Hotspot. The GEF R2R intervention will result in a 90% increase in the extent of the terrestrial PAN and a 200% increase in the marine FSM High Island PAN. The total extent of PAN interventions will cover 23,644 ha. This area includes the world's lowest elevation dwarf cloud forests; Pohnpei's Nanmeir en Salapwuk Valley that holds what is considered to be the largest intact lowland tropical forest in the Pacific outside of Hawaii; and, the Yela valley in Kosrea that holds the largest remaining ka (*Terminalia carolinensis*) forest in the Pacific. The PAN is also home to nearly 200 FSM endemic plant species; four endemic reptiles and amphibians; four species of fruit bats (flying foxes); an endemic sheath-tailed bat; and, 19 endemic and 20 threatened bird species. The project also expects to generate a range of global environmental benefits through improved management of land-uses in over 55,000 ha of land across the four FSM States. This will be achieved through a range of targeted interventions aimed at improving institutional capacities, and the policy and legal framework in which SLM and PA interventions are conducted. Through the SEA and ILMP development and implementation the project will see avoided degradation in 350 ha of forest, 100 ha of agroforestry and 50 ha of mangrove measured through implementation of ILMPs within communities and integration of ILMPs into EIA decision-making processes. Using the SEA to identify critical areas of habitat that will have ecosystem process benefits for PAs, the project will use ecological restoration techniques to restore 350 ha of forest and 50 ha of mangrove and wetland habitat.

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved and measures that address these risks:

IDENTIFIED RISKS AND CATEGORY	IMPACT	LIKELIHOOD	RISK ASSESSMENT	MITIGATION MEASURES
OPERATIONAL / ORGANIZATIONAL Limited capacity within project partner institutions will affect partners' ability to carry out project activities within the	**HIGH**	**MODERATELY LIKELY**	High	The Project has made provision has made to provide additional specialist and/or technical support to the affected partner institutions and to build capacity through a formal training program.

IDENTIFIED RISKS AND CATEGORY	IMPACT	LIKELIHOOD	RISK ASSESSMENT	MITIGATION MEASURES
project timeline				
ENVIRONMENTAL Land/Reef owners/users flout planning regulations and new protected area designations leading to extension of agricultural areas, including increase in roads leading to farms, and intensification of fishing (and bad fishing practices).	**MEDIUM**	**LIKELY**	Medium	The project supports strengthening of monitoring and enforcement of regulations in the newly formed and existing protected areas. A spatially-based decision-support system based on systematic biodiversity planning principles will also be designed that will be used for decisions on land allocation and when inappropriate, these farm extensions will not be permitted. Establishment of island-level management fora and island-level management planning through participatory processes, as well as robust implementation of monitoring mechanisms for biodiversity and ecosystem resilience will work towards minimizing the risk. A dialogue with local communities, industry and farmers will be undertaken as part of the process of developing community-led integrated land management plans – to obtain community ownership.
INSTITUTIONAL Weak coordination within and between State and National government and other stakeholder institutions responsible for land/coastal management; limited capacity (especially at lower levels) to interact with land users	**MEDIUM**	**LIKELY**	Medium	The project will support and facilitate activities to ensure improved institutional coordination, capacity building and awareness raising at the National, State and municipal levels. Where possible, formal agreements will be used to define roles and responsibilities. Training will be provided to stakeholders on conflict resolution. Activities will be designed and implemented in a win-win manner, beneficial to all, as far as possible. The sustainable development of the landscape will be emphasized with arguments that are supported with long-term economic forecasts.
POLITICAL Necessary policy changes to facilitate project implementation are not approved. The risk is that policy changes in terms of updating the PA Legislation with States falls outside OEEM's control. If the necessary policy changes are not approved the current unclear legal status (i.e. gazetting) and legal mandate to manage PAs will persist.	**MEDIUM**	**MODERATELY LIKELY**	Low	Not updating the PA legislation in line with a common national framework and international best practice will impact the legal status / international recognition of PAs. This will not affect other aspects of Component 2, as the formal legal status versus de-facto recognition of PAs is not a prerequisite for implementing of on-the-ground PA management activities. Further, there is strong National Government and State Government support for protected area management, which is seen in the commitment made towards the Micronesian Challenge. Through the full involvement of the FSM in the MC and continual reporting against its targets, the FSM and its political leadership will remain supportive towards this endeavor together with the other neighboring countries. Also, the Making the Case component of the project (Output 1.3) is designed to secure the additional political support necessary to effect the policy changes proposed by this project. There is already a process of updating PA policy and law in the FSM. The R2R project is going to strengthen this process.
ENVIRONMENTAL Individual pig owners do not want to adopt SLM practices. This will affect project partners' ability to implement Component 1 project activities that seek to reduce pressures on biodiversity through better land/water and natural resource management practices in water catchments	**MEDIUM**	**MODERATELY LIKELY**	Low	Counter measures built in the project include awareness-raising, practical training and extension services for SLM, and facilitating access to revolving finance to implement SLM practices. Also, implementation includes working with all piggeries in a water-catchment / community therefore individuals who do not participate will marginally reduce not entirely reduce overall impact of project at the whole catchment-level
ENVIRONMENTAL Lack of effective enforcement	**MEDIUM**	**MODERATELY LIKELY**	Low	The project will have a focus on improving the complete enforcement system by: (1) understanding the current barriers to effective law enforcement; (2) involving and working with

IDENTIFIED RISKS AND CATEGORY	IMPACT	LIKELIHOOD	RISK ASSESSMENT	MITIGATION MEASURES
of SLM and PA legislation: lack of effective enforcement within PAs will (1) limit the ability of fish populations to recover, and (2) allow continued degradation of watershed forest through sakau cultivation. In terms of SLM lack of enforcement of existing land-use / zoning laws will see continued settlement and piggeries with legally defined streamline setbacks and reduce efficacy of dry litter piggery interventions to improve water quality.				communities in local law enforcement; (3) improving co-operation between communities and multiple state enforcement agencies; and, (4) improving co-operation between and professional skills of state enforcement officials and prosecutors to better prosecute environmental crimes
ENVIRONMENTAL The effects of climate change further exacerbate loss of habitat and species from the High Island terrestrial and marine ecosystems, leading to an increase in the vulnerability of rare and threatened species	**LOW**	**UNLIKELY**	Negligible	The impact of climate change on marine and terrestrial ecosystems during the project period is expected to be minimal. In marine environments, climate change will increase the vulnerability of fish populations through reduced survival and production related to loss of coral reef habitat. By implementing a representative PAN that is based on the principles of biodiversity representation and retention of ecological processes the entire high-island marine ecosystem will be buffered against these impacts. A well-designed and managed PAN will retain ecologically viable populations of species that will provide the source populations underpinning the sustainability of the reef ecosystem as a whole. In terrestrial environments, climate change will increase the risk of landslides and increase demand for new settlement as the population is displaced from high-risk areas. By implementing the ILMP land-use planning can avoid high value biodiversity sites as these are identified in the plan. The ILMP also includes information on climate change mitigation measures and strategies linked to difference zones in the landscape identified through the SEA process. By implementing the ILMP it is possible for authorities to plan for climate change impacts whilst minimizing environmental risk and biodiversity loss.
ENVIRONMENTAL Increasing the size of the PAN will displace exploitation, thereby intensifying ecosystem degradation outside of PAs.	**LOW**	**UNLIKELY**	Negligible	Current assessments of reef fish stocks in the FSM indicate that they are mostly near commercial extinct. It is well demonstrated internationally that MPAs increase fish local fisheries. Any displacement in fishing intensity due to the establishment of MPAs will be short-term and offset in the medium term by improvement in local fish stocks. Sakau cultivation in water catchment areas is driven by cultural perceptions associated with high-grown sakau, and not by shortage of arable land in the lowlands and therefore excluding sakau cultivation from water catchments will have no activity displacement impact. The monitoring component of the project (Output 2.4.3) will include a Risk and Mitigation Strategy designed to quantify risks such as displaced exploitation (e.g. marine organism harvesting, sakau cultivation) and quantify. Further, most of the protected areas to form part of the PAN will be community-managed, and before the actual proclamation there needs to be community buy-in. It should also be realized that over exploitation is a short term gain and in order to sustainably utilize the fishing and forestry resource and receive maximum returns from fisheries/forestry areas certain areas need to be set aside for non-consumptive uses e.g. fish spawning areas, water catchment areas etc. Further, the human population and demographics in FSM are currently not such that an increase in PAN area will lead to exploitation

IDENTIFIED RISKS AND CATEGORY	IMPACT	LIKELIHOOD	RISK ASSESSMENT	MITIGATION MEASURES
				elsewhere.

A.7. Coordination with other relevant GEF financed initiatives:

The UNDP has a large and active GEF biodiversity portfolio in the FSM and in the surrounding region. The project manager, the host initiations and the UNDP Multi-Country Office will ensures that this proposed project and the other projects benefit from technical synergies. A Technical Working Group will be established that ensembles technical experts on biodiversity and ecosystem conservation and all the related projects in FSM will be represented on this group. Regular meetings will be held between the different projects to leverage synergies and ensure efficiency in implementing the projects. The studies conducted and information gathered under the other projects will be integrated into project development and implementation. These synergies will be created primarily with the following projects:

- Implementation of Global and Regional Oceanic Fisheries Conventions and Related Instruments in the Pacific Small Island Developing States (GEF #4746): The aim of this recently approved project is to support Pacific SIDS in meeting their obligations to implement and effectively enforce global, regional and sub-regional arrangements for the conservation and management of transboundary oceanic fisheries thereby increasing sustainable benefits derived from these fisheries. This will be particularly important when addressing Aichi Targets 6 and 7.
- Pacific Islands Oceanic Fisheries Management Project: The aim of this recently completed project was to support Pacific SIDs' efforts to reform, realign, restructure and strengthen their national fisheries laws, policies, institutions and programmes.
- Pacific Adaptation to Climate Change Project (GEF #3101): The aim of this project, which is under implementation, is to implement long-term adaptation measures to increase the resilience of a number of key development sectors in the Pacific islands to the impacts of climate change. This will be particularly important when addressing Target 15.
- The Micronesia Challenge: Sustainable Finance Systems for Island Protected Area Management - under the GEF Pacific Alliance for Sustainability (GEF # 3626): The aim of this project is to develop a national incentive program for mainstreaming sustainable land management planning and practices in order to combat land degradation, conserve biodiversity of global importance and protect vital carbon assets. This will be particularly important when addressing Targets 2 and 3.
- Implementing Sustainable Integrated Water Resource and Wastewater Management in the Pacific Island Countries - under the GEF Pacific Alliance for Sustainability: The aim of this project is to implement sustainable integrated water resource and wastewater management in the Pacific Island Countries - under the GEF Pacific Alliance for Sustainability.
- The planned Ridge to Reef project for FSM (GEF5) will support protected areas management, expansion as well as effective biodiversity conservation outside protected areas. The NBSAP project will build strong synergies with this planned project development.

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation:

1. Stakeholder identification

During the project preparation stage, a stakeholder analysis was undertaken in order to identify key stakeholders, assess their interests in the project and defines their roles and responsibilities in project implementation. The table below summarises the main stakeholders and their level of involvement envisaged in the project. Please refer to Section I, Stakeholder Analysis in the Project Document for a more detailed stakeholder analysis.

Organization	Current role in SLM and PA management	Indicative Project Roles
National		
Office of Environment and Emergency Management (OEEM)	National government agency coordinating environmental projects.	Project's implementing agency with overall project management and project development responsibilities. The Department will play collaborate with all the national and state stakeholders in promoting and mainstreaming

Organization	Current role in SLM and PA management	Indicative Project Roles
		the project at both the political and community level.
Department of Resources and Development (R&D)	National government agency coordinating land and marine resources management under the Convention on Biodiversity. The R&D is in charge of coordinating the country's response to environmental degradation, protection, and if possible, rehabilitation of natural habitats at the National, State and local levels.	Work closely with the Office of Environment and Emergency Management in its coordination of the project.
Micronesia Conservation Trust	Leading regional non-governmental organization focusing on conservation projects and sustainable financing of the conservation sector in the FSM and other partner governments in the region.	Continue to support the biodiversity efforts under protected areas management under the Micronesia Challenge initiative. Provide financing or project disbursement services to NGO and state government partners if required.
Yap State		
Environmental Protection Agency	Regulatory agency responsible for protection of land, air, and ocean resources and enforcement of regulation.	Enforcement of environmental regulations. Training and monitoring of development in land and marine resources projects. Support community and state environmental projects.
Resources and Development	Department overseeing State Divisions responsible for managing land and marine resources	Resources and technical assistance to support development of land and marine use plan.
Yap CAP (para-statial)	Government organization that provides support to communities to develop and implement Conservation Action Plans and Management Plans including PA monitoring.	Work with relevant partners to continue provision of support to communities in protected area development and management.
Chuuk State		
Department of Agriculture and Forestry	Department that coordinates and implements measures promoting sustainable land management and agricultural practices. These activities also support sustainable livelihoods programming, which can have an indirect effect on PA management.	Promote and provide support in sustainable agriculture and forestry practices and training including restoration, invasive species management and climate change adaptation activities.
Environmental Protection Agency	Mandated by CSL 02-94-01 to provide for the protection of land, water and quality of air. Conducts assessments, writes regulations, enforces legislation related to land water and air quality management. Also responsible for climate change adaptation and mitigation which can influence PAs.	Provision of trainings and workshops on EIA, GIS & conservation management. Lead in facilitating and conducting community meetings and public awareness. Follow up on the implementation of management plans by the community. Oversee information management including monitoring information on Protected Area management. Support establishment of watershed management. Support and partly implement climate change and adaptation activities/projects.
Chuuk Conservation Society	NGO working on conservation and protection of terrestrial and marine resources in Chuuk.	Provision of capacity building through trainings and workshops with communities and other relevant partners. Focus areas include development of community action plans and management plans monitoring, protected area design, green livelihoods and income generation for communities. Leverage partner organization efforts.
Pohnpei State		
Department of Lands and	Issue permits, responsible for approving the	Take part in community meetings, field

Organization	Current role in SLM and PA management	Indicative Project Roles
Natural Resources (including Forestry Division)	establishment of PAs. Coordinate with partner agencies on important task relating the watershed land. Department of Lands/Forestry mandated agency for terrestrial management. Engaged by CSP in the process of soliciting community support for the establishment of new PAs, assists in shepherding through the legal registration of new PAs. Also supposed to help with management, but do not have a person assigned. Division of Lands/Forestry in charge of all the mangrove PAs and the Watershed	boundary survey and maintain records and information. Work with the OFA, Fisheries and Aquaculture on enforcement of regulations in terrestrial conservation in Pohnpei.
Environmental Protection Agency	Regulatory agency responsible for protection of land, air, and ocean resources. Also responsible for climate change adaptation and mitigation which can influence PAs	Enforcement of environmental regulations. Training and monitoring of development in land and marine resources projects. Support community and state environmental projects.
Conservation Society of Pohnpei	NGO in terrestrial and marine conservation in the state. Manages PAs and actively engaged in monitoring marine species, works on invasive species, monitoring siltation, and monitoring watershed.	Work with state and community-based partners to implement project activities; monitoring, development of management plans, implementation and monitoring of plans, eradication and management of invasive species, education and awareness. Identification of plant species. Provide information base for FSM Geospatial Information data.
Kosrae State		
Kosrae Island Resource Management Authority (KIRMA)	State government agency spearheading the implementation of sustainable land management and protected area work in partnership with the other stakeholders. Mandated to manage and monitor state-wide marine areas as well as to enforce protected areas. Sets regulatory framework. Includes a forest conservation unit and a marine conservation unit. Responsible for invasive species eradication work. Conducts biological/ecological monitoring. KIRMA focused on conservation and Pas.	Provision of regulatory services including prescription of buffer zones and water quality legislation, and issuance of permits. Work with relevant state and non governmental organizations and other partners on sustainable ecosystems management and conservation. Promote education and outreach on environmental issues in Kosrae.
YELA (Yela Environment Landowners Authority)	Yela Forest Management and Protection.	Continue working in collaboration with partners to expand the protected area to include upland forests all the way down to the reef (R2R approach). Possible project pilot site.
International Organizations		
The Nature Conservancy (TNC)	International non-government organization based in Pohnpei focusing on the Micronesia Challenge initiative.	Continue to provide technical support to the Micronesia Challenge initiative.

The National government Office of Environment and Emergency Management (OEEM) will be the main institution responsible for different aspects of project implementation. It will work in close cooperation with all other affected institutions.

2. Information dissemination, consultation, and similar activities that took place during the PPG

Throughout the project's development, very close contact was maintained with stakeholders at the National and State

levels. All affected National and State government institutions were directly involved in project development, as were key NGOs and CSOs. Consultations occurred with all of the above stakeholders to discuss different aspects of project design. A detailed record of all project preparation missions, consultations, interviews, meetings and workshops is on record.

The PPG phase included consultations with the project's key stakeholders at the National and State levels. The PPG consultation process included: (1) One field trip to each State comprising several focus meetings; one State-level stakeholder workshop; and, some PA site visits. (2) Two National PPG Meetings – an Inception Meeting to discuss the project concept and a Ratification Meeting to ratify the Strategy with stakeholder. Attendance registers of each stakeholder meeting are on record.

3. Approach to stakeholder participation

The projects approach to stakeholder involvement and participation during project implementation is premised on the principles outlined in the table below:

Principle	Stakeholder participation will:
Value Adding	be an essential means of adding value to the project
Inclusivity	include all relevant stakeholders
Accessibility and Access	be accessible and promote access to the process
Transparency	be based on transparency and fair access to information; main provisions of the project's plans and results will be published in local mass-media
Fairness	ensure that all stakeholders are treated in a fair and unbiased way
Accountability	be based on a commitment to accountability by all stakeholders
Constructive	Seek to manage conflict and promote the public interest
Redressing	Seek to redress inequity and injustice
Capacitating	Seek to develop the capacity of all stakeholders
Needs Based	be based on the needs of all stakeholders
Flexible	be flexibly designed and implemented
Rational and Coordinated	be rationally planned and coordinated, and not be ad hoc
Excellence	be subject to ongoing reflection and improvement

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

The FSM is a Pacific Island State where traditional cultures are still vibrant. Harvesting of reef fish and keeping of pigs for cultural purposes are central components of local cultural practice and identity. Unregulated, these practices have significant negative impacts on local ecosystems that result in undesirable social-economic impacts such as reduced fish stocks and polluted water resources. This project will address these issues by improving ecosystem and biodiversity management at two spatial scales – at the landscape-level through promoting integrated landscape management practices, and at the local-level by improving the representation and management effectiveness of the nations protected area system.

It is well demonstrated that well managed protected areas increase locally and regionally available harvestable natural resources. In the FSM, in particular the marine environment, involving communities in the effective management of protected areas, and especially promoting and securing rights of access to the benefits derived from these areas by developing protected area management plans, will in the medium term significantly increase local reef fish stocks. Whilst there are economic benefits derived from promoting sustainable fisheries through the development of an effective protected area system, by far the widest reaching benefit of this intervention will be at the societal level

through sustaining a heritage that is central to local cultural identity. Thus, the benefits of investing in the national protected area system will accrue to society broadly and not just the economic sectors.

At the landscape-level, development and the impacts of climate change present medium-term pressures on the environment of the FSM. Immediate pressures with significant social impacts are due to pigs. The keeping of pigs at the household-level is a widespread practice in the FSM. This is primarily for cultural rather than economic purposes. Pigs are an iconic symbol incorporated into most community cultural practices across all states in the nation, most notably funerals. Unfortunately, current husbandry practices are having significant negative impacts on local water resources leading to water-borne diseases such as Leptospirosis being present in most of the country. By working with individuals in communities the project will work towards adapting current husbandry practices to reduce effluent flow into local water sources. Besides the direct social benefits derived from cleaning water resources, there will be direct benefits for aquatic ecosystems, especially endemic aquatic biodiversity, and the mangrove and reef environment that are the ultimate recipients of this water.

The project aims to tackle the medium to long-term pressures on the environment through promoting a landscape approach to land-use planning and management through the development and adoption of integrated land-use management plans in all the High Islands of the FSM. Implementing these plans will benefit all of society in the FSM by promoting a future where impacts from pressures on the environment are understood, minimised and mitigated through informed forward planning.

A total of 86 national, state and community organisations were identified and consulted with during the PPG process. All of these stakeholders will be involved at some level in the implementation of this project. Most notable, in each state was the prominent involvement of the women's advisory councils. These are non-government organizations promoting the role of women in society. Culturally, women are central in promoting and maintaining sustainable land management and protected areas and other natural resource management, as they are directly involved in the harvesting of natural resources or management of arable lands. With the R2R project, the women's councils will champion community priorities and women's issues through working with relevant state agencies and other partners to promote sustainable land management and effective protected area management at the community level. Women will be direct recipients of training and other capacity building delivered by the project. Most importantly, women and women's interests are well represented within the stakeholder group that will be working with this project.

B.3. Explain how cost-effectiveness is reflected in the project design:

Pressures on biodiversity in the FSM continue to increase and are set to rise further. Without urgent action, globally important biodiversity is at risk and land degradation will increase. This in turn will erode the ecosystem goods and services that underpin local livelihoods. In addition, failing to act now will result in greater difficulties and substantially higher costs in securing biodiversity and sustainable land management goals.

One potential option for addressing biodiversity conservation and land degradation would be for the government to continue to operate on an ad-hoc species/site/problem centric basis as opposed to a holistic ecosystem-based approach at the landscape scale.

In a country such as the FSM, with increasing development pressure and demands on scarce resources, coupled with high alpha and beta diversity in the marine environment and high gamma diversity in the terrestrial environment, the impact of a silo approach and the ongoing costs related to their management, would not be a viable strategy on its own. A species/site/problem centric approach would not only ultimately fail to reach conservation and restoration targets, the constrained amount that would be achieved would come at significantly higher costs than are necessary.

The R2R project approach that has been selected recognizes these challenges and builds alternatives. It recognizes that responsibility for natural resource management and biodiversity conservation will straddle private, community and government landholders, and the imperative of supporting and incentivizing the conservation and sustainable management of these resources. At the same time, it also recognizes that without effective protected area management,

resource use planning, a system of co-management and incentives would not be sufficient to reduce and reverse current rates of biodiversity loss and land degradation.

The approach is not only considered a realistic means of achieving natural resource management and biodiversity goals in the FSM context, it is also the preferred approach from a cost-effectiveness point of view. This project will enable the willingness and energies of the majority of resource users and landholders to be harnessed and to participate in achieving conservation goals given the appropriate incentives to do so. The project seeks to achieve efficiencies through reducing conflicting land-uses and land-use practices, and improve the sustainability of terrestrial and marine management so as to maintain the flow of vital ecosystem services and sustain the livelihoods of local communities. The project approach also recognizes that, with more focus on ecosystem approaches at the landscape scale and the introduction of technological innovations, government institutions involved in natural resource management can realize greater effectiveness in reaching biodiversity and natural resource management goals.

C. DESCRIBE THE BUDGETED M&E PLAN:

The project will be monitored through the following monitoring and evaluation (M&E) activities. The M& E budget is provided in the table below.

Project start-up

A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- Plan and schedule Project Steering Committee meetings. Roles and responsibilities of all project organization structures should be clarified and meetings planned. The first Project Steering Committee meeting should be held within the first 12 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly

Quarterly monitoring and reporting activities include:

- Progress made shall be monitored in the UNDP Enhanced Results Based Managment Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).

- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Annually

Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements. The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR
- Portfolio level indicators (i.e. GEF focal area tracking tools) used by focal areas on an annual basis.

Periodic Monitoring through site visits

- UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Steering Committee may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Steering Committee members.

Mid-term of project cycle

The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation. The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the UNDP Evaluation Office Evaluation Resource Center (ERC).

The mind-term review will also include a Sustainability Assessment and Strategy conducted by the PIU, and involving all project partners and stakeholders. This analysis will explore interventions and mechanisms for securing the long-term sustainability of project interventions beyond the life of the project. Recommendations and practical measures for improving building in sustainability into project activities will be incorporated into project work-plans for the remainder of the project.

The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle. As per GEF guidelines, the project will be using the BD-1 Management Effectiveness Tracking Tool (METT); the LD-3 Land Degradation Tool; IW-1 International Waters Tool; and, the UNDP SLM and PA Capacity Development Scorecard that was adapted specifically for this project.

End of Project

An independent Final Evaluation will take place three months prior to the final Project Steering Committee meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response, which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also layout recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Learning and knowledge sharing

The project will facilitate two project-specific knowledge exchange forums. It is recommended that the first exchange emphasizes enhancing learning within the project and that it is held mid-term as part of an adaptive management process. The second exchange should be held at or near termination with a greater focus on sharing lessons beyond the project. At mid-term the project will conduct a Sustainability Assessment and Strategy. A key component of the assessment will be a lesson learning process and integrating these lessons into a strategy for securing and increasing sustainability of project interventions beyond the life of the project.

In addition, results from the project will be disseminated within and beyond the project intervention zone through existing national and regional information sharing networks and forums. The project will focus on facilitating horizontal learning between States and institutions as well as vertical learning between different spheres of government.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Communications and visibility requirements

Full compliance is required with UNDP's Branding Guidelines. These can be accessed at http://intra.undp.org/coa/branding.shtml, and specific guidelines on UNDP logo use can be accessed at: http://intra.undp.org/branding/useOfLogo.html. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: http://www.thegef.org/gef/GEF_logo. The UNDP logo can be accessed at http://intra.undp. org/coa/branding.shtml.

Full compliance is required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: http://www.thegef.org/gef/sites/thegef.org/files/ documents/C.40.08 Branding the GEF%20final 0.pdf. Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

M&E work plan and budget:

Type of M&E activity	Responsible Parties	Budget US$ *Excluding project team staff time*	Time frame
Inception Workshop and Report	▪ Project Leader ▪ UNDP CO, UNDP GEF	Indicative cost: US$20,000	Within first two months of project start up
Measurement of Means of Verification of project results.	▪ UNDP GEF RTA/Project Leader will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members.	To be finalized in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on *output and implementation*	▪ Oversight by Project Leader ▪ Project team	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	▪ Project Leader and team ▪ UNDP CO ▪ UNDP RTA ▪ UNDP EEG	None	Annually
Periodic status/ progress reports	▪ Project Leader and team	None	Quarterly
Mid-term Evaluation	▪ Project Leader and team ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team)	Indicative cost: US$30,000	At the mid-point of project implementation.
Sustainability Assessment and Strategy	▪ Project Leader and team ▪ Government representatives	Indicative cost: US$5,000	At the mid-point of project implementation after Mid-term Evaluation
Final Evaluation	▪ Project manager and team, ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. national and international evaluation team)	Indicative cost: US$30,000	At least three months before the end of project implementation
Project Terminal Report	▪ Project manager and team ▪ UNDP CO ▪ Local consultant	Indicative cost: US$3,000	At least three months before the end of the project
Audit	▪ UNDP CO ▪ Project manager and team	Indicative cost: per year: US$ 3,000	Yearly
Visits to field sites	▪ UNDP CO ▪ UNDP RCU (as appropriate) ▪ Government representatives	For GEF supported projects, UNDP costs are paid from IA fees and Government representatives from operational budget	Yearly

Type of M&E activity	Responsible Parties	Budget US$ *Excluding project team staff time*	Time frame
M&E and Knowledge exchange Forums	▪ Project manager and team. ▪ All sub project executants ▪ Government representatives	Indicative cost: US$45,000	Mid-point of implementation and at project termination
TOTAL indicative COST *Excluding project team staff time and UNDP staff and travel expenses*		US$ 148,000	

*Note: Costs included in this table are part and parcel of the UNDP Total Budget and Work Plan (TBW) in the PRODOC, and not additional to it.

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

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

NAME	POSITION	MINISTRY	DATE *(MM/dd/yyyy)*
Andrew R. Yatilman	Director, GEF Operational Focal Point	Office of Environment and Emergency Management, Federal States of Micronesia	5 August 2013

B. GEF AGENCY (IES) CERTIFICATION:

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency name	Signature	Date *(MM/dd/yyyy)*	Project Contact Person	Telephone	Email Address
Adriana Dinu, UNDP-GEF Executive Coordinator.		May 4, 2015	Johan Robinson, Regional Technical Advisor, EBD, UNDP	+66-2-304-9100	johan.robinson@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Please refer to Project Document, Section II, Strategic Results Framework.

ANNEX B: RESPONSES TO PROJECT REVIEWS

(from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Responses	Changes made in full project
GEF Secretariat Review		
1. Baseline and targets of indicators for each expected outcomes will have to be provided at CEO endorsement.	Baseline and targets were developed where feasible during the PPG. Important baseline (with corresponding targets) provided at CEO endorsement include: - METT scores for 40 target protected areas covering 24,986 ha - 50% SLM Capacity in FSM as measured by the SLM Capacity Development Scorecard - 50% PA Capacity in FSM measured by the PA Management Capacity Scorecard - US $ 9.2 million annual Government and Donor funding allocated to SLM - Coverage (ha) of statutory Pas in the High Islands (i) Legal status of 0 (0 ha) PAs verified; (ii) 3,154 ha existing marine PA; (iii) 4,444 existing terrestrial PA; (iv) Total 7,598 ha existing PA. - Mean % of total fish biomass of (i) *Cheilinus undulates* (EN) – Chuuk 1.14%; Kosrae 1.52%; Pohnpei 0.48%; Yap 2.47%; (ii) *Bolbometopon muricatum* (VU) Chuuk 0.22%; Kosrae 0%; Pohnpei 0.48%; Yap 4.70% - Mean Detection Rate of (i) Kosrae: *Zosterops cinereus* – 1.846; (ii) Pohnpei *Myiagra pluto* 0.7936. It was however not possible to determine the following baselines and such baselines will be determined during the first year of implementation of the project: (i) Area of intact forest on the High Islands of FSM; and (ii) Mean Detection Rated of (a) Chuuk: *Metabolis regensis*; (b) Yap: *Monarcha godeggroyi*; and (c) All States: *Ducula oceanica*.	Project Document Section II, Strategic Results Framework; CEO Endorsement Request, Annex A; and Biodiversity, Land Degradation and International Waters Tracking Tools
2. As mentioned in Item 6, the baseline of each indicator will have to be provided at CEO endorsement. The result of the selection process, and the list of targeted areas for new PA will have to be provided at CEO endorsement. Detailed information regarding the financial status of each concerned PA and the PA network will have to be provided at CEO endorsement.	The list of PAs targeted by this project was derived through an expert selection process considering existing status, known biodiversity value and ease of implementation or landowner willingness as criteria for selecting sites. TNC have a long history of working in the FSM identifying Areas of Biological Significance through participatory and scientific processes. These areas have formed the template determining the location of PAs in the FSM. Whilst the identification and selection of PAs for this project may	Project Document, Section I, Part I, Context and Global Significance, Protected Area Network; paragraphs 33 – 39; Annex 6 and 7.

Comments	Responses	Changes made in full project
	fall short of meeting quantitative systematic spatial biodiversity planning criteria, the areas identified are based on an explicit and participatory evaluation process that has considered the best available science. The project design also makes provision for the review of Areas of Biological Significance and hence PA development priorities through the spatial biodiversity assessment being conducted for the Strategic Environmental Assessment under Output 1.1 to develop integrated land-use management plans for the High Islands. As this methodology is consistent and synonymous with international best practice for systematic conservation planning and the approach can be applied to land-use and conservation planning and management. Biodiversity and context information gathered during the development of the SEA (Output 1.1.1), biodiversity information review (Output 1.1.2) and extensive environmental monitoring (Outputs 1.4 and 2.4.3) activities will feed back into the SEA and PA development providing an opportunity for new and best available scientific information to inform the identification of PA priorities based on achieving the Micronesia Challenge identified targets for conservation of biodiversity in the FSM. Historically, PAs on the FSM have been established and managed primarily by local communities. The State has had little direct involvement in PA management and financing. Therefore, establishing a detailed baseline of existing PAs is difficult as there is no PA registry, financial reporting, or consistent PA legislation. Establishing adequate PA legislation, management structures and sustainable financing in line with international best practice is the objective of this project.	
3. Initial information on the potential risks is given. Further detail, including mitigation measures, is expected at CEO endorsement.	The risks table was expanded with the following risks and the respective mitigation measures added: 1. Limited capacity within project partner institutions. This will affect partners' ability to carry out project activities within the project timeline. 2. Necessary policy changes to facilitate project implementation are not approved. The risk is that policy changes in terms of updating the PA Legislation with States falls outside OEEM's control. If the necessary policy changes are not approved, the current unclear legal status (i.e. gazetting) and legal mandate to manage PAs will persist. 3. Individual pig owners do not want to adopt SLM practices. This will affect project partners' ability to implement	See Project Document Section I, Part II, Key Indicators, Risks and Assumptions, Table 15 and CEO Endorsement Request, Part Ii, A6, Risks. See also Annex 5 summary of barriers to long term solutions.

Comments	Responses	Changes made in full project
	Component 1 project activities that seek to reduce pressures on biodiversity through better land/water and natural resource/management practices in water catchments. 4. Lack of effective enforcement of SLM and PA legislation: lack of effective enforcement within PAs will (1) limit the ability of fish populations to recover, and (2) allow continued degradation of watershed forest through sakau cultivation. In terms of SLM lack of enforcement of existing land-use/zoning laws will see continued settlement and piggeries with legally defined streamline setbacks and reduce efficacy of dry litter piggery interventions to improve water quality. 5. The effects of climate change further exacerbate loss of habitat and species from the High Island terrestrial and marine ecosystems, leading to an increase in the vulnerability of rare and threatened species. 6. Increasing the size of the PAN will displace exploitation, thereby intensifying ecosystem degradation outside of PAs. The mitigation strategies were added and improved on.	
STAP Scientific and Technical Screening of the PIF		
1. It is disappointing that in spite of the significant donor funding cited, including the establishment of the USA/FSM Trust Fund, that environmental services were not prioritized, given the critical dependence of SIDs in general (and Pacific Island Countries in particular) upon well managed watersheds and related ecosystems. The GEF intervention, as proposed within this PIF, has the potential to reverse land and water degradation but the evidence presented for the likely sustainability of the expected outcomes is weak.	The sustainability of the interventions has been strengthened during the PPG. Sustainability has been addressed at many levels in the project design. Integrated into all aspects of the project are key sustainability concepts of knowledge generation/management, lesson learning, outreach, capacity building and communication. At a fundamental level the project will strive to influence the highest levels of government to secure in the national mindset the importance of the natural environment to the social and economic wellbeing of the country. Success in this regard will be measured through better policies and increased baseline funding for environmental management broadly. The Making the Case component of the project will focus directly on this aspect. This output will gather data on the social, cultural and economic value of the natural environment to the country, and using these hard facts translated into appropriate language and messaging influence government thinking through, for example, targeting high-level "champions" in government that understand the value arguments for investing in sustainable land management and biodiversity conservation to influence government policy development and budgeting at the highest level. Various interventions of the project will also demonstrate the importance of the ridge to reef management of watersheds – these interventions will be widely	

Comments	Responses	Changes made in full project
	communicated and the benefits valuated and highlighted and grassroots outreach activities (e.g. site visits by school groups and current land owners/users) will aim to change the public's perception and reverse the current negative land degradation trajectory. Other key project interventions promoting sustainability concern the application of scientific knowledge for natural resource/biodiversity management by generating/managing/using scientific knowledge on biodiversity and environmental management to inform management and policy development. This is achieved through, for example, the monitoring, GIS management, ILMP and PA management plan components of the project. Additionally, building capacity broadly across SLM and PA sectors, and vertically from learners to top management will increase the sustainability of the project's interventions. The lack of scientific knowledge on biodiversity and SLM, and capacity are key barriers that this project will address.	
2. More detailed comments are provided below on the project components and on the expected linkages to the regional program. STAP advises that the Ridge to Reef approach should not be confined to the "high islands"; there is no reason why the concept cannot apply throughout, regardless of island status. Many of the threats are shared, namely invasive species, pollution of groundwater lenses and inappropriate land uses.	The project has limited resources and need to focus the resources in areas where it can make meaningful changes. The FSM consists of 607 islands, with the majority of human population living on the high islands (the target of the project). Although many of the threats are shared among the atolls and high islands, the land degradation issue is most pronounced on the high islands (due to the larger human population), and typically of small islands states, the terrestrial biodiversity has highest endemism on the older, larger islands (versus the newer atoll islands). Due to the different topographical features of high islands (with steep slopes) versus atoll (flat low lying islands), the land degradation also has a more profound impact on the surrounding coral reefs (due to erosion and effluent) on high islands than on the atoll islands. This is in line with the Ridge to Reef approach of the project. The PPG did not identify any outer islands for inclusion in this project. Whilst the integrated natural resource management principles underlying the R2R are globally applicable, every aspect of the outer islands situation is fundamentally different to that on the High Islands. Including multiple GEF strategic objectives into a single project already complicates this project. Adding outer islands would add further complexity to this project. Alien invasive species on outer islands are relatively a much greater environmental issue compared to the High Islands where land and water degradation is a more immediate priority. Institutionally, no NGOs have a regular or permanent presence on outer islands. Operationally, working in remote islands is very expensive, logistically complex and requires	N/A

Comments	Responses	Changes made in full project
	project staff to spend months travelling to project sites. The very unique situation of the out islands requires a project specifically developed to address the different environmental priorities, and institutional and operational context. Implementing the R2R approach in the FSM High Islands presents a valuable opportunity to highlight approaches to biodiversity conservation and interventions that work within the cultural, social, political and economic context of the FSM. These can be constant across islands with greatly varying environmental contexts (e.g. High Island vs. atoll). The lesson learning processes within this project will capture these lessons with a view to sharing them regionally through the regional R2R program, or applying them locally to outer island conservation.	
3. Component 1 addresses the barrier: lack of an over-arching framework for promoting sustainable development. It calls for Integrated Land Management Plans (ILMPs) to be formulated. These are to be used essentially to create a framework to capture choices for use of land and water, informed by constraints to those land use choices, namely areas that are considered important for biodiversity conservation reasons: the "Areas of Biodiversity Significance". The PIF states that Strategic Environmental Analysis will provide the necessary data for ILMPs. However, STAP is uncertain what baseline assumptions will drive the SEA work, and how these ILMPs will be â€˜community-led'. For example, if the SEA is merely a tool to mitigate existing sectoral impacts upon conservation areas then that would represent a major missed opportunity, which would be far better spent on re-examining land and water uses that complement and sustain ecosystem services and to map alternatives (including relocation of certain land uses) for intersectoral review. The outcomes of a more open-minded process will deliver far more than a set of constraints on land use focused on biodiversity conservation. The published literature on ILMP emphasizes the value of the approach to capture the multiplicity of options for land and water use resulting in scenarios that are not pre-determined. Additionally, participatory approaches will need to be developed that will empower local communities to take the lead in decision-making on land management. Experience elsewhere indicates that support will be needed for community-based organizations, as well as attention to farmer concerns such as security of land tenure. Well-conducted ILMP (spatial planning) should become a core process cutting across all government sectors	The approach to be used by the project regarding SEA will not merely mitigate the existing sectoral impacts upon conservation areas. Firstly, the project is advocating for an integrated approach addressing land degradation, biodiversity conservation and international waters issues. The conservation areas are a vital component of this strategy, but not the only one. The SEAs that will be conducted for the high islands of the FSM will emphasize the necessity of meeting balanced environmental, social and economic objectives in the land use plan. It will also consider a broad range of alternative scenarios and will be applied to policies, plans and programmes with a broad and long-term perspective. This is the exact reason why it is very important to integrate SEAs into ILMPs – without it there might be the possibility of merely “a set of constraints focused on biodiversity conservation”. Ideally, SEA should take place at the early stages of strategic planning and considers a broad range of alternative scenarios. Further, the implementation of the ILMPs relies much on the process followed during its development. In order to ensure that it is community-owned and defended, the community must be an integral part of the process. Community organizations will be capacitated to represent the community. There will be no changes in land tenure as a result of this project. A SLM coordination mechanism (multi-stakeholder planning platform called Technical Advisory Committees in this project) that brings together the different institutions with sectoral responsibilities, as well as Civil Society Organizations and private sector and community partners will lead the development of the development of the ILMPs in each of the four States.	Project Document, Section I, Part II, Project Goal, Outcomes and Outputs/Activities

Comments	Responses	Changes made in full project
4. An outcome of Component 1 actions may likely entail e.g. relocation of polluting land uses, and in situ land use change. Apart from support to pig farmers, there appear to be no market-based mechanisms or other incentives mentioned to effect this change, beyond the implied forest and wetland rehabilitation measures.	Any piggeries relocated will be to areas within the land-holdings of affected farmers. The project will assist financially with the relocation and construction of affected dry-litter piggery. A market-based approach would not be appropriate in the FSM context. Pigs are raised for cultural purposes and not for market therefore it is unlikely that market incentives will have any impact on husbandry practices. The project makes provision for a learning process to better understand the social, cultural, economic and institutional barriers to widespread uptake of alternative pig husbandry technologies (Output 1.4). Understanding and addressing the barriers underlying the current lack of technology up-take underpins the sustainability of the R2R interventions.	N/A
5. STAP welcomes the focus on capacity building to strengthen the effectiveness of PAs and their sustainability, and especially the focus on strengthening communities' knowledge and capacity to do so. The PIF describes a series of relatively detailed interventions and named stakeholders and partners, which is welcomed. Delivery of the actions is another matter, and while the PIF lists an impressive number of stakeholders with assigned roles, it is not clear if these roles have been agreed.	Stakeholder roles and responsibilities are elaborated in Table 6 in the ProDoc and have been confirmed in consultation workshops. Institutional roles and responsibilities with respect to PAs and SLM generally are not clearly defined within National and State governments. This overlap in function is recognised amongst stakeholders and within this project. This project is not going to change the fundamental institutional structure of the FSM. It is accepted that multiple government agencies will collaborate towards achieving the same project objective. In total 9 government agencies (national and state) will be directly involved in implementing this project (Table 10 in ProDoc).	Project Document. Section I, Part I. Stakeholder Analysis and Part II, Project Goal, Outcomes and Outputs/Activities.
6. A risk not described is that resulting extra PA areas may displace exploitation, thereby intensifying ecosystem degradation outside of PAs.	The following risk was added to the Risk Analysis (table 15 in ProDoc): *"Increasing the size of the PAN will displace exploitation, thereby intensifying ecosystem degradation outside of PAs."* The mitigation strategy as described in Table 15 states: *"The monitoring component of the project (Output 2.4.3) will include a Risk and Mitigation Strategy designed to quantify risks such as displaced exploitation (e.g. marine organism harvesting, sakau cultivation). Further, most of the protected areas to form part of the PAN will be community-managed, and before the actual proclamation there needs to be community buy-in. It should also be realized that over exploitation is a short term gain and in order to sustainably utilize the fishing and forestry resource and receive maximum returns from fisheries/forestry areas certain areas need to be set aside for non-consumptive uses e.g. fish spawning areas, water catchment areas etc. Further, the human population and demographics in FSM are currently not such that an increase in*	See Project Document Section I, Part II, Key Indicators, Risks and Assumptions, Table 15 and CEO Endorsement Request, Part II, A6, Risks.

Comments	Responses	Changes made in full project
	PAN area will lead to exploitation elsewhere."	
7. Support to or provision from local sources for knowledge management, outreach and communications, including translation, use in schools, appears to be missing from this project design. This is surprising and should be addressed in the full project brief. Without an explicit uptake and dissemination strategy, it is highly unlikely that the "paradigm shift" in attitudes and practices of environmental management will become embedded in local communities and government agencies.	It is recognized that without a fundamental shift in the national mindset regarding biodiversity conservation and sustainable environment management in the FSM that the long-term impacts of the project interventions will be limited. Whilst a complete shift in national mindset is unrealistic within the project scope, the project will make strategic interventions in this regard that will begin to leverage the desired "paradigm shift" required to achieve sustainable development and biodiversity conservation objectives. The project is designed to effect the desired paradigm shift by addressing awareness and attitudes at multiple levels in the FSM (institutional to community); addressing fundamental legislative bottle necks to achieve the R2R objectives; and, building the capacity of institutions, communities and individuals to better manage the natural environment. Specifically with regard addressing awareness and attitudes towards the natural environment, the Making the Case component of the project (Output 1.3) will gather information on the social, cultural and economic value of the natural environment, and interpret this information into accessible messaging tailored specifically for different target groups. These groups will include national and state legislatures, government institutions, communities and individual landowners. The Making the Case strategy will draw on the wealth of international experience in this sector that aims to develop arguments in support of investing in the natural environment that are based on scientific facts and, which are specifically tailored to the different target groups. Supporting the Making the Case activities will be a synthesis of biodiversity information for the FSM into biodiversity profiles for each State (Output 1.2). A fundamental bottleneck undermining environmental awareness and management is a lack of general knowledge of the biodiversity and ecosystem assets of the FSM. The biodiversity profile will inform the integrated land use management plans for the High Islands; be used as an education and training tool for learners and manages; and, an information source supporting the review of the ecosystem and species threat status assessments. The Making the Case arguments and biodiversity profiles will feed into the messaging and content of the various training and capacity building programs that the project will be undertaking. These programs will target institutions and managers responsible SLM and PA management; communities involved in PA management; and,	See Project Document Section I, Part II, paragraphs 210 – 212.

Comments	Responses	Changes made in full project
	individuals involved with SLM, specifically adaptation of piggery husbandry practices. These arguments will also be incorporated into the messaging and marketing material of the various NGO's partnering with this project. It is realized that presenting consistent and aligned messaging across all project partners will be important for broad-based awareness raising that is aligned with the overall message of the R2R programme. Lastly, through involvement with the regional R2R programme the lessons learned and material developed for the FSM will be shared with the wider PICT region.	
8. The PIF states that the project is well aligned with the GEF's Programme Framework Document for the regional programme "Pacific Islands Ridge-to-Reef National Priorities â€“ Integrated Water, Land, Forest and Coastal Management to Preserve Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods". That may be so, but the PIF is silent about how the project will interact with the regional program support project (GEF ID 5404).	The interaction with the regional Programme "Pacific Islands Ridge-to-Reef National Priorities "Integrated Water, Land, Forest and Coastal Management to Preserve Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods" will be on three fronts: (i) formal - Project Steering Committees; (ii) informal technical coordination; and (iii) capacity building and knowledge management interaction. UNDP will serve as the lead R2R Program Coordinating Agency. The R2R programme as a whole will be guided by a R2R Program Steering Committee (PSC), which will meet annually to review progress, provide strategic guidance and advice, and facilitate program level coordination and communication. The R2R PSC will include representatives for each PIC (preferably the Chairperson of the national inter-ministerial committee that is described below), the GEF agencies (UNDP, UNEP, FAO) and the SOPAC. The national FSM R2R Programme project will feature a representative, multi-stakeholder steering committee including relevant local and national government agencies, NGO/CBO, private sector and UN system participants (known as a National Technical Advisory Committee (TAC) building on the structures that have already been established in the FSM through the existing UNDP/UNEP/GEF IWRM project). This IMC will meet bi-annually to review progress, provide strategic advice and support adaptive project management project). This TAC will meet bi-annually to review progress, provide strategic advice and support adaptive project management. The regional project will provide overall R2R coordination support and will be executed through the South Pacific Applied Geoscience and Technology Division (SOPAC) of the Secretariat of the Pacific Community (SPC). A full time international staff person will be hired through the regional project to coordinate and support the implementation of the national R2R projects. The coordinator will be part of the broader regional R2R team that will provide technical and programmatic support not only for the regional project activities	See Project Document Section I, Part II, Output 1.2 paragraphs 198 - 205

Comments	Responses	Changes made in full project
	but also for the national R2R projects as may be requested by the countries. The FSM will employ a Project Manager that will oversee the implementation of the project nationally. There will be an informal interaction between the Project Management (FSM component) and the coordinator (Regional component) regarding work planning. The national project will share with the regional project any lessons learned and information obtained during implementation, while the regional project will undertake capacity development activities in which the national component will participate. Regional collaboration, lesson learning and capacity building has been built into the project activities as well as budget allocations made for participation of FSM nationals in regional R2R programme activities (see response to Question 9 below)).	
9. STAP recommended in its screening of the regional support project that it should include support for a multi-focal "PacIW:LEARN" for the region, which could act to sustain a peer to peer scientific and technical network for in-service training. This would satisfy the long-standing demand under the Mauritius Strategy for Implementation, at least in this Pacific SIDS area. This advice was provided for the reason that, given the complex multidisciplinary threats and barriers shared by many of the PICs to be overcome, the sharing of expertise between PICs would strengthen sustainability of individual projects within the Program, but also across the other GEF and non-GEF projects delivering against allied environmental targets. In this connection the inclusion in the present project of knowledge management, as mentioned above, is essential and STAP advises that the project brief should show how it could connect more formally to the proposed regional network as discussed above. Additionally, the baseline PacIWRM project's successful delivery of distance learning and twinning for IWRM capacity development is an excellent basis to build on regionally and nationally.	The project will facilitate the participation of national stakeholders in regional coordination on Ridge to Reef approaches, including participation in the capacity building and information sharing activities of the UNDP-GEF Regional R2R Project "Pacific Islands Ridge-to-Reef National Priorities – Integrated Water, Land, Forest and Coastal Management to Preserve Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods" of which SOPAC is the executing agency. The regional project will develop and deliver a post-graduate training program in Integrated Water and Coastal Management for project managers of the regional project's pilot activities and national STAR projects through a partnership of internationally recognized educational institutes. This will be complemented with a community-based certification programme in R2R planning and CC adaptation for stakeholders at project sites, which will be led and coordinated nationally by participants of the regional training programme. The Regional R2R project will fund the course development costs as well as the participation of its national pilot project managers, while the proposed FSM R2R project will fund the participation of its project staff / key stakeholders (estimated at 4-5 persons) in these activities. In addition, the national project will participate in the activities of the regional project to strengthen the scientific and technical linkages between Pacific Island Countries for Ridge to Reef approaches. Component 2 of the regional project will establish a Regional Scientific and Technical Committee (RSTC) that will serve as a forum for reconciling both sectorial and national interests and priorities, and will foster the incorporation of sound science into decision-making and national and regional planning. The FSM R2R project will participate in the RSTC, and will benefit from the work of that body to develop regionally appropriate knowledge tools to support evidence-based coastal and marine spatial planning in PICS.	See Project Document Section I, Part II, Output 1.2 paragraphs 198 - 205

Comments	Responses	Changes made in full project
	In addition, national stakeholders from FSM will participate in the Regional Scientific Conference on coastal and marine spatial planning in PICs, which will support the uptake of regionally accumulated scientific knowledge in policy-making and planning and will facilitate exchanges between government and the scientific community. The FSM R2R project will rely on guidance and support from the Regional R2R Project in developing knowledge management tools for Ridge to Reef approaches, including tools / processes to build on the previous regional project GEF-UNDP-UNEP Implementing Sustainable Integrated Water Resources and Wastewater Management (PacIWRM). The Pacific IWRM project supported water governance reform, with most of the participating PICs having established Inter-ministerial Water Committees, developed national water policies, and completed national diagnostic reports for Water, Sanitation and Climate. These accomplishments, as well as a number of successful demonstration projects of ICM and IWRM developed in the Pacific and elsewhere, will be adapted for use in training by Pacific islanders to build local capacity for Ridge to Reef approaches that link coastal systems and catchment areas. Finally, the national R2R project also will strengthen Knowledge Management Systems, particularly GIS and biodiversity information, for both SLM and Protected Areas. The project will support the establishment and management of databases and other information systems for Protected Areas in FSM, designed to support information sharing so that institutions and persons responsible for the management of PAs can share information, best practices and resources in managing these sites and planning for and implementing island-wide interventions that can benefit multiple sites. The information resources will include: information on relevant laws, regulations, policies, management plans and authorities; the consolidation of existing mapping and GIS information, and any additional data developed under activities 1.2.1 and 2.1.1. The project also will make sure that national information is shared with and incorporates regional information, in the scope of the regional R2R programme.	
One of the lessons learned from a related regional project on fisheries (GEF ID 2131 Oceanic Fisheries Management: Implementation of the Strategic Action Programme of the Pacific Small Island Developing States) in the region, coordinated through the Secretariat of the Pacific Community (SPC), is that each child project in a program through its full project brief needs to detail the	See response to STAP comment 9.	Same references as noted in responses to STAP comment 9

Comments	Responses	Changes made in full project
support relationship envisaged and responsibilities respectively of the (FSM) project unit and the regional unit.		
As a member of the R2R Program the present project also needs to show how the scientific and technical linkages outlined in the parent program translate into practical action to benefit the FSM. STAP has noted that the Mauritius Strategy for Implementation cites the concept of "SIDSTAP", the operationalization of the small island developing States roster of experts. While little progress has been achieved, as noted in regional meetings held prior to the Rio+20 Conference, the present project has the opportunity, at least alongside the cluster of 14 countries represented with the Program, to benefit from a strengthened set of scientific and technical linkages between the PICs, building upon the SOPAC mechanism. The project brief should therefore detail how the Science, Technology and Resources Network (STAR) of SOPAC could assist the present project to draw upon a regional multidisciplinary network similar to the SIDSTAP concept, augmented with SOPAC-STAR support and in coordination with the University of the South Pacific.	See response to STAP comment 9.	Same references as noted in responses to STAP comment 9
10. STAP advises the project proponents to consider the guidance offered through the joint GEF/CBD publication on Marine Spatial Planning in order to maximize the potential of the ICM/IWRM approaches planned to resolve unsustainable trajectories for biodiversity, land and water use within the coastal zones and related catchments concerned. At present one of the key deficits of the parent Program outlined in the R2R documents is the absence of a strategy for assisting the countries with planning within the Ridge to Reef approach towards a realizable and sustainable future, the present project should show how this strategic support will be realized.	The project addresses this issue in the core strategic principles guiding the elaboration of the R2R concept within the two components of the project. Through the overarching project framework; the project design including knowledge gathering and management mechanisms; capacity building components; making the case; on-the-ground activities; and, project budget allocation, effective strategic support for sustained intervention will be realized At the very core of this project is a spatial biodiversity planning (formerly systematic conservation planning) framework that will guide the development and implementation of both the SLM and PA activities. Applying this framework to biodiversity conservation and SLM outcomes provides for an explicit, data rich and target driven approach to conceptualising and planning for all project interventions in the landscape. At its core systematic spatial biodiversity planning links all spatial activates to achieving an explicit set of conservation targets or indicators that are aimed at giving quantitative effect to the principle of conserving both the biodiversity pattern and ecological processes necessary to maintain a functional and safe natural environment. Thus by using spatial biodiversity planning concepts, principles and methods to inform implementation the project will through design address biodiversity conservation issues at the landscape-scale. Regionally in the PICTs, planning for sustainable development overly emphasises the marine environment. This marine focus is	

Comments	Responses	Changes made in full project
	mirrored in the Micronesia Challenge and also local conservation thinking and activities. The marine realm underpins the cultural and economic fabric of the FSM, however, in the FSM there are no marine endemic species and whilst the extent of coral habitats are dwarfed by the vastness of the Pacific, they cover many millions of hectares in the region and for the most part so do the species. Conversely, the extent of terrestrial habitats (especially High Islands i.e. old islands) relative to marine habit is minuscule in comparison. The terrestrial environment, however, is where all the endemic and most threatened biodiversity of the FSM resides. From a biodiversity conservation perspective, terrestrial conservation planning and management is where the urgent intervention is required as this is where species extinction is most imminent. There are sustainable natural resource exploitation issues in the marine realm but no imminent species extinctions. Through this project where the R2R concept is being implemented within a spatial biodiversity planning framework strives to achieve a balance between resource management and biodiversity conservation objectives equally across all realms – terrestrial, fresh water and marine. At the basic planning level, the international spatial biodiversity planner leading the development of the ILMP will ensure that integrated landscape concepts are integrated into the development of spatial land use plans. This planning will also feed into and determine where rehabilitation and protected area development will be prioritised. This planning will be supported by effective information management especially spatial data management and gathering of new information through the comprehensive monitoring programmed that is linked to the MC monitoring outcomes. Provision is being made for the collation and interpretation of biological information to provide a clear assessment of the FSMs biodiversity assets. At the policy level, the Making the Case component of the project will target decision makers to effect changes in policies and baseline budgets. This will be foundational to the sustainability of the project interventions. This will be supported by a project component looking at updating the national and State PA laws in line with international standards. An extensive capacity building program is planned to build capacity broadly across all levels of society and government to tackle clear capacity gaps that have been identified as bottlenecks to achieving conservation outcomes.	

Comments	Responses	Changes made in full project
	On the ground the project will be piloting alternative agricultural techniques to reduce effluent entering fresh water ecosystems, and supported by capacity building and outreach at the community and individual level to improve SLM practices. Rehabilitation activities in critical biodiversity forests will contribute to achieving the SLM outcomes of the project. This rehabilitation will be based on scientific best available information in order to support the biodiversity conservation objectives of the project. The protected area network will be expanded to focus on gaps in the PAN in terms of achieving the MC targets as reviewed through the spatial biodiversity planning component of the project. This PA expansion will directly involve communities as most new PAs will in community owned land and run by community management bodies. Central to this involvement will be recognition and respect for community rights and responsibilities, and the safeguarding of these in the PA management plan. The project design achieves implementation of the R2R brief through strategic interventions at the policy, planning, management, implementation and monitoring levels. The project plans and implements these activities within an internationally accepted overarching framework, and provides the necessary capacity development support for these interventions to be effective. Project implementation is also nested within a regional program for exchange and collaboration. Through this regional program the project will support sustainable land use planning and management broadly in the region.	
Comments submitted by Council Members on the Work Program - Germany		
The GEF programmatic approach entitled "R2R Pacific Islands Ridge-to-Reef National Priorities - Integrated Water, Land, Forest and Coastal Management to Preserve Biodiversity, Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods" addresses – within its regional scope - similar issues as the national Micronesian project (GEF ID 5517) does. The latter's full proposal should therefore clearly identify the linkages to the parent Ridge to Reef Program (GEF ID 5395).	See response to STAP comment 9.	Same references as noted in responses to STAP comment 9
The PPG shall elaborate on how scientific and technical support of the parent R2R program can benefit FSM to fill identified capacity gaps and clarify the role of regional support structures such as the Secretariat of the Pacific Community's Applied Science and Technology Division (SPC/SOPAC).	See response to STAP comment 9.	Same references as noted in responses to STAP comment 9

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

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

None

B. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF:			
Project Preparation Activities Implemented	GEF/LDCF/SCCF/NPIF Amount ($)		
	Budgeted Amount	Amount Spent To Date	Amount Committed
Component A – Technical review	45,000.00	29,476.80	15,523.20
Component B – Institutional arrangements, monitoring and evaluation	35,000.00	22,598.88	12,401.12
Component C - Financial planning and co-financing investment	20,000.00	13,755.84	6,244.16
Component D – Validation workshop	15000	9825.60	5,174.40
Component E – Completion of final documentation	35000	22,598.88	12,401.12
Total	150,000.00	98,256.00	51,744.00

ANNEX D: CALENDAR OF EXPECTED REFLOWS

(if non-grant instrument is used provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A