

LAND DEGRADATION AND THE GEF

**A Guide to Developing Project Proposals and Accessing
Project Funding from the Global Environment Facility for
Sustainable Land Management**

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**IUCN – The World Conservation Union
GEF – Global Environment Facility**

Acknowledgement

This guide results from a consultative process between the GEF Secretariat and its Partner Agencies including the United Nations environment Programme (UNEP), the United Nations Development Programme (UNDP), the World Bank (WB), the United Convention to Combat Desertification (UNCCD) Secretariat, the Global Mechanism, the International Fund for Agriculture Development (IFAD), the Food and Agriculture Organization (FAO), the World Conservation Union (IUCN) and GTZ.

Message from the CEO and Chairman of the GEF

Throughout the world, land degradation is internationally recognized as a threat to the global environmental commons. It is associated with desertification, deforestation, loss of biodiversity, climate change, sedimentation, and pollution of international waters.

At the Second GEF Assembly in 2002, participants agreed to designate land degradation, primarily desertification and deforestation, as a new focal area of the GEF. This designation made sustainable land management a primary focus of the GEF, which is seeking to optimize GEF's work on land degradation in arid, semi-arid, sub-humid and humid areas in a more consistent, systematic, and integrated way.

In May 2003, the GEF Council approved the operational program on sustainable land management, a framework for GEF assistance to strengthen public policy and enabling environments for addressing land degradation, especially desertification and deforestation. The framework promotes a cross-sectoral and integrated approach to natural resources management within the GEF.

These guidelines will assist stakeholders in accessing GEF resources for sustainable land management. Following the various steps of the GEF project cycle and combined with technical information on GEF's approach to sustainable land management, the reader receives simple, but complete, guidance on how to successfully present a project proposal for GEF incremental financing under the GEF Focal Area Land Degradation (Desertification and Deforestation).

The GEF is fully committed to tackling the barriers to sustainable land management, which threaten our environmental and food security.



Len Good
Chief Executive Officer and Chairman
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Who Should Read This Guide?

Anyone who has ever thought, “I wish I could do something about the degradation of land resources I see around me”, should read this handbook.

People all around the world see the results of land degradation in their communities and live with its impacts every day. Whether it is desertification in Sub-Saharan Africa, soil erosion in the Caribbean, uncontrolled burning of forests in the Amazon, forest conversion for commercial cattle grazing or intensive agriculture, or other forms of land degradation, it harms the local and global environment and makes it harder for people to earn livings. Land degradation can lead to health and nutrition problems, contribute to poverty, cause migration of people, and upset longstanding social and economic systems that people depend on. It also has a negative impact on the ability of ecosystems to sustainably provide goods and services for the people who inhabit them.

Although focusing on the global environment, the Global Environment Facility (GEF) believes that the people living in communities affected by land degradation hold the key to reversing land degradation in their neighborhoods. GEF is committed to helping people directly impacted by land degradation – as well as governments and community-based and international organizations with expertise in this area – address the environmental and socio-economic deterioration they see in their locales.

The guide is designed to provide people and organizations that have ideas about how to prevent land degradation or rehabilitate degraded land with plain-language, step-by-step directions for accessing GEF funds. It is meant to be as “short and sweet” as possible, and is designed to avoid bureaucratic language and unnecessary detail as much as possible. It will hopefully provide you with helpful insights into how to turn your ideas into proposals that get GEF’s funding working to prevent further land degradation and rehabilitate degraded land in your community and around the world.

The guide is split into three sections. Section One gives the reader general information about the GEF, how it operates, and its partners. Section Two provides specific information about GEF’s program to promote Sustainable Land Management (SLM) projects and a step-by-step guide for detailing how to apply for some of this funding. The Third Section is an appendix with helpful materials at the end of the document.

Why Is This Guide Necessary?

Since its creation in 1991, GEF has developed a unique, sometimes quirky set of rules for applying for its funding and for determining which proposals will be funded. These rules have changed over time, and are still changing. Some NGOs have found GEF’s application process confusing and its decision-making process lacking in transparency, making it difficult to submit successful proposals to the GEF. GEF is committed to changing this dynamic starting with its newly focused projects on SLM.

In 2002, the governing body of the GEF decided to start funding projects focused on combating land degradation through promoting sustainable land management. GEF wants to make it easier for community groups and NGOs to access these new funds. This guide pulls together in one place the information community groups and NGOs as well as other key stakeholders need to understand about the process and submit winning proposals. This guide attempts to show you how to survey the GEF landscape ahead of time, allowing you to choose your route to funding. It will also provide you with landmarks to monitor your progress as you guide your project concept through to project document development.

A Quick Look Ahead:

Before delving into the details of applying for GEF financing, you may want to familiarize yourself in a general sense with GEF’s overall approach to Land Degradation and SLM. Appendix I at the end of this booklet contains the GEF Land Degradation Focal Area Operational Program on Sustainable Land Management (May 2003). This document is GEF’s roadmap for understanding and addressing land degradation issues.

Of particular interest are paragraphs 41 through 55, which outline the types of projects eligible for GEF funding in relation to Sustainable Land Management. These paragraphs should be the first stop for any organization thinking about applying for GEF funds in this area. They will give you a quick initial indication whether pursuing GEF financing makes sense for you. If so, please dive in and begin reading these guidelines. Good luck!

Section I

INTRODUCTION TO THE GEF

THINK OF IT AS A WARM-UP

Ok, let's get right to the point. How does one get money from the GEF? To be fair to all of our readers, let's start at the beginning.

STEP 1:

So, you have a general idea for a project to protect land from degradation or restore degraded land, or maybe you already have a project idea developed?

If you have a project concept or even a fully developed project, read on, because this guide will first explain the basic criteria used to determine whether GEF will even consider funding your project. Second, it will explain how you actually go about customizing your idea to fit GEF's specific project development criteria (once you have decided that you want to try for GEF financing and that your idea is eligible for GEF funds).

HOW FAR WILL THIS GUIDE TAKE YOU?

This guide is intended to help you through all the preparatory steps – from developing your project concept to the point where your project proposal is being written with the active support and involvement of one of the Implementing Agencies (IA) and/or Executing Agencies (EA) (more on them later).

DEFINITION:

IMPLEMENTING AGENCY (IA)

The organizations primarily responsible for carrying out the work of the GEF: The World Bank, UN Development Programme (UNDP), and UN Environment Programme (UNEP). NGOs or local community groups seeking GEF funding must form a partnership with one of these agencies.

DEFINITION:

EXECUTING AGENCY (EA)

Organizations that can take a lead, partnering role with NGOs in GEF projects, sometimes with the cooperation of an IA and sometimes on their own. EAs include Regional Development Banks, the UN Food and Agriculture Organization (FAO), the UN Industrial Development Organization (UNIDO) and the International Fund for Agricultural Development (IFAD). A complete list of IAs and EAs and their access to GEF resources is in Table 1.

DEFINITION:

LAND DEGRADATION

GEF defines land degradation as, “any form of deterioration of the natural potential of land that affects ecosystem integrity either in terms of reducing its sustainable ecological productivity or in terms of reducing its biological richness and maintenance of resilience.”

Step 2:

DEFINITION:

CO-FINANCING

means that all GEF projects must have a cost-sharing partner, which may contribute in cash or in-kind contributions (e.g., staff time, office space, materials). GEF defines co-financing to include: grants, concessional or market rate loans, credits, equity investments, and committed in-kind support. To be included as co-financing, in-kind contributions must: 1) be dedicated uniquely to the GEF project, 2) be able to be accurately valued, and 3) be well-documented in case of an audit. Cost-sharing partners could include the Implementing Agency, Executing Agency, the NGO proposing the project, a government, bilateral agencies, research institutions, the local community or other interested partners and stakeholders.

What Exactly Is the Global Environment Facility?

In basic, informal terms, the Global Environment Facility (commonly referred to by its acronym “GEF” and pronounced like the man’s name “Jeff”) is an international funding mechanism (i.e., pot of money) with some complex rules and regulations on how the money is to be spent. The GEF was created in 1991 to provide partial funding for projects and activities to protect the global environment. Eligible recipients of GEF funding include governments, NGOs, and community groups in developing nations and countries in transition as well as international organizations coordinating regional and multicountry programs. Since 1991, GEF has provided governments and NGOs over \$4.0 billion for over 1,400 such projects in grants ranging from \$10,000 to \$40 million.

What does it fund?

The GEF provides funding to eligible countries for projects that achieve global environmental benefits in six main program areas (known in GEF parlance as “Focal Areas”): Biodiversity, Climate Change, International Waters, the Ozone Layer, Persistent Organic Pollutants, and Land Degradation (Desertification and Deforestation).

It is critical to understand that GEF does not fund the whole cost of projects. It is essential that projects proposed to the GEF have a co-financing or sometimes cost sharing element. Usually the Implementing Agency, Executing Agency, or the NGO proposing the project provides co-funding. Other interested partners such as bilateral agencies or research institutions often provide additional co-funding. This co-funding does not always have to equal 50% of the project costs, although for Sustainable Land Management (SLM) projects, the GEF has an informal target for co-financing of at least one to three (i.e., GEF provides one dollar of every three needed for the project). Co-financing can include either cash or in-kind contributions. SLM projects tend to have strong local and national benefits and GEF generally expects strong baseline funding from other sources.

It is also essential to understand that GEF only funds the incremental cost of the project. “Incremental cost” is a somewhat complex topic that will be dealt with in greater depth in Step 14, but in general this means that GEF will only provide grants equal to the difference in cost between a project with global environmental benefits and an another project without such benefits. For example, GEF cannot fund a project to develop date production capabilities in the Sahel, but it may be willing to provide additional funds to make sure that the methods of production of the dates help restore degraded land (and thus ecosystem functions and services). This extra cost of making the project environmentally-friendly is the “incremental cost.”

The GEF's Principal Players

When GEF was established, participants decided to use existing international organizations to implement GEF activities “on the ground.” A new office, the GEF Secretariat, was established to oversee and direct the GEF, and new staff were hired at the three international organizations that implement the GEF, the World Bank, the United Nations Development Programme (UNDP), and the United Nations Environment Programme (UNEP).

In GEF language, these three agencies are known as “Implementing Agencies” or IAs. Many GEF projects are implemented in conjunction with one of these IAs.

In 1999, the GEF began allowing other international agencies – called Executing Agencies with Expanded Opportunities (EAs) – to play a major role in GEF projects. A list of EAs is below, but in short, the Regional Development Banks, the UN Food and Agriculture Organization (FAO), the UN Industrial Development Organization (UNIDO) and International Fund for Agricultural Development (IFAD) have direct access to some types of GEF funding for planning and implementing sustainable land management projects.

In addition to GEF's own rules and regulations, each organization brings to the table its own culture and its own programmatic priorities, making GEF an organizational mix.

THE GLOBAL ENVIRONMENT FACILITY ITSELF

GEF Council

The GEF comprises 176 member countries. These countries are in turn represented on the GEF Council by 32 representatives and constituencies (16 from developing countries, two from countries in transition, and 14 from developed countries). The GEF Council determines the guidelines for GEF's program activities (i.e., approves the broad technical guidelines under which GEF funding for land degradation activities is allocated). The GEF Council approves all Full-sized Projects (projects over US\$1 million) and non-expedited enabling activities before they can be implemented. It meets twice a year in Washington, D.C. Medium-sized Projects (those needing up to US\$1 million in GEF resources) enjoy an expedited procedure allowing the CEO to approve projects directly without direct review by the Council.

GEF Secretariat

As the gatekeeper to GEF funding, the staff of the GEF Secretariat oversees the grant-making program, proposes grant-making policy, and implement the GEF Council's directives and approved policies. The GEF Secretariat works closely with the Implementing Agencies and Executing Agencies in developing the overall GEF program. Every preparatory project and every Full-sized Project and Medium-sized Project document need to be reviewed and approved by the Secretariat. The GEF

Secretariat answers to the GEF Council. The Secretariat's perspective is crucial, as it has veto power over any project submitted for approval by any one of the IAs and EAs. It is located in Washington, D.C. and currently has a staff of about fifty.

Box 1: The GEF in a Nutshell

GEF Mission. GEF provides partial financing for projects to achieve global environmental benefits in the areas of Biodiversity, Climate Change, International Waters, the Ozone Layer, Persistent Organic Pollutants, and Land Degradation (Desertification and Deforestation).

Incremental Costs. The GEF provides grants only to cover the incremental costs of a project – the difference in cost between a project with global environmental benefits and another project without such benefits. Some other entity – perhaps the Implementing or Executing Agency or an NGO – must provide the remainder of the funding in cash or in-kind.

Types of Grants. There are three major types of GEF grants – Small Grants (under US\$50,000), Medium-sized Grants (US\$50,000 to US\$1 million), Full-sized Project Grants (over US\$1 million).

Eligible Recipients. Non-Governmental Organizations (NGOs), local community groups and governments may apply for GEF grants for projects in GEF-eligible countries.

Eligible Countries. GEF-funded projects can be implemented in any countries that has ratified the relevant treaty (e.g. in the case of land degradation, mainly the Convention to Combat Desertification and are eligible to borrow funds from the World Bank or receive technical assistance grants from the UN Development Programme (UNDP).

Implementing Agencies (IA). The organizations primarily responsible for carrying out the work of the GEF: the World Bank, UNDP and the United Nations Environment Programme (UNEP). NGOs and local community groups must partner with one of these agencies to implement a GEF co-funded project.

Executing Agencies (EA). Additional agencies that NGOs can partner with to receive GEF funding: African Development Bank (AfDB), Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IADB), International Fund for Agriculture Development (IFAD), UN Food and Agriculture Organization (FAO), and UN Industrial Development Organization (UNIDO). For FAO and UNIDO, one of the IAs must still be involved in the project. See Table 1 for more information on EAs.

Box 2: Useful Websites: Implementing and Executing Agencies

- Global Environment Facility (GEF): <http://www.thegef.org>
- UN Environment Programme's Division of Global Environment Facility Coordination: <http://www.unep.org/gef/content/index.htm>
- UN Development Programme-GEF Team: <http://www.undp.org/gef/>
- World Bank's GEF: <http://www.worldbank.org/gef>
- Food and Agriculture Organization (FAO): <http://www.fao.org/forestry/index.jsp> and <http://www.fao.org/ag/>
- UN Industrial Development Organization (UNIDO): <http://www.unido.org/en/doc/4731>
- Inter-American Development Bank (IADB): http://www.iadb.org/NEWS/Display/PRView.cfm?PR_Num=114_04&Language=Spanish (Spanish language version)
- Asian Development Bank (ADB): <http://www.adb.org>
- African Development Bank (AfDB): <http://www.afdb.org>
- European Bank for Reconstruction and Development (EBRD): <http://www.ebrd.com/>

UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

UNDP develops and implements GEF projects that complement its mission to promote sustainable human development programs in more than 165 client countries around the world. The UNDP-GEF program is composed of a GEF Central Unit located in the Sustainable Energy and Environment Division of UNDP's Bureau for Policy and Program Support at its headquarters in New York. UNDP-GEF Regional Coordinators are posted in each one of UNDP's five Regional Bureau offices in New York (Africa, Arab States, Asia and the Pacific, Europe and Commonwealth of Independent States, and Latin America and the Caribbean). The Regional Coordinators work closely with each UNDP country office and are responsible for developing each GEF project in their region and securing its approval from GEF.

If you are interested in partnering with UNDP as your IA, you should begin by contacting the UNDP country office in the country (or countries where your project will be implemented). You can also contact directly the UNDP Representative in New York responsible for the country where your proposed project is located.

UNDP's GEF niche

UNDP maintains a network of 166 field offices and the many years of experience with capacity building programs in developing countries. In addition, UNDPs corporate program has emphasized “sustainable human development” in recent years. This translates into UNDP supporting sustainable farming, fishing and other types of economic development activities that make it easier for UNDP to find funds of its own to co-fund your project concept. UNDP-GEF projects in the program area of land degradation support countries in promoting sustainable uses of land, increase the institutional capacity and improve policies for sustainable land management.

UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP)

The UNEP implements GEF national, regional and global projects specializing at the regional and global levels. These projects complement its mission to increase awareness of and leverage strategic action toward lessening environmental degradation and addressing a variety of other pressing environmental issues around the world. UNEP's GEF office is located in UNEP Headquarters in Nairobi, Kenya. UNEP-GEF has a liaison officer in several of UNEP's six regional offices who serves as the GEF officer for his or her region. UNEP Regional Offices that have UNEP liaisons are located in Mexico (Latin America and the Caribbean), Switzerland (Europe), Kenya (Africa), United States of America (North America), Bahrain (Western Asia), Thailand (Asia and the Pacific). UNEP has country offices in Brazil, Russia and China.

If you are interested in partnering with UNEP as your IA, you should begin by contacting the GEF Liaison in the UNEP regional office where your proposed project

is located. If there is no UNEP-GEF liaison in your region or country, contact the UNEP-GEF office in Nairobi directly.

UNEP's GEF niche

UNEP specializes at the regional level in raising awareness of land degradation issues, targeted research, training programs, multi-country coordination mechanisms, and capacity building related to environmental law and innovative technologies. UNEP facilitates regional priority-setting and action-planning and provides links between GEF activities and existing global, regional and national environmental assessments.

THE WORLD BANK

The World Bank implements GEF projects that usually complement its regular loan making programs in client countries. The World Bank has a central GEF office located in the Global Environment Coordination Division in Washington, D.C. Its staff includes five regional coordinators and seven technical specialists, and the division works closely with their counterparts in other World Bank country offices. Together, they work with client country governments, NGOs and local community groups to develop GEF projects that mainstream global environmental concerns into World Bank loan initiatives in those countries.

If you are interested in partnering with the World Bank as your IA, you should begin by contacting the staff in the World Bank Office in your country.

The World Bank's GEF niche

In theory, the World Bank is supposed to undertake investment-related projects under the GEF, while the UNDP undertakes technical assistance and capacity building. In reality, there is little difference in the type of projects the two Implementing Agencies submit to GEF. You should be aware of one factor that distinguishes the World Bank's niche from UNDPs. The Bank tends to deal with projects with larger budgets than UNDP and doesn't usually handle smaller projects. In addition, the Bank is fairly centralized in Washington, D.C., and tends to have less of an on-the-scene presence. Although the World Bank provides loans for single countries only, it can also support regional partnerships that are rooted in strong country-based initiatives such as the Nile Basin Initiative and the Black Sea-Danube Partnership.

EXECUTING AGENCIES (EA) WITH EXPANDED OPPORTUNITIES

In 1999, the GEF Council expanded opportunities for seven additional multilateral organizations to contribute to the implementation of GEF projects. GEF has recognized that these organizations have special expertise and close contacts in recipient countries that would increase its capacity to deliver additional innovative, diverse and high-quality projects. In addition, EAs can bring their own co-funding to the

table for projects, expanding the overall pool of funds for GEF-eligible activities. These Executing Agencies are:

- The African Development Bank (AfDB)
- The Asian Development Bank (ADB)
- The European Bank for Reconstruction and Development (EBRD)
- The Inter-American Development Bank (IADB)
- The International Fund for Agricultural Development (IFAD)
- The UN Food and Agriculture Organization (FAO)
- The UN Industrial Development Organization (UNIDO)

The project proponents including NGOs and local community groups can contact any of these Executing Agencies directly to begin the process of applying to GEF for preparatory and project funds.

Executing Agencies have varying degrees of access to different types of GEF funding. All EAs can access preparatory funding directly. But only some can access project funding, and some are limited to project funding of a certain type. Where an EA cannot directly access funds from GEF, it must partner with an Implementing Agency to gain access. The box below gives an overview of how the various EAs and IAs can access GEF funding:

Table 1: Implementing Agency and Executing Agency Access to GEF Resources

Implementing Agency	Access to PDF B Resources	Access to Project Resources
United Nations Development Programme (UNDP)	Direct Access	Direct Access
United Nations Environment Programme (UNEP)	Direct Access	Direct Access
World Bank	Direct Access	Direct Access
Executing Agency	Access to PDF B Resources	Access to Project Resources
Asian Development Bank (ADB)	Direct Access	Direct Access
African Development Bank (AfDB)	Direct Access	Indirect Access
European Bank for Reconstruction and Development (EBRD)	Direct Access	Indirect Access
Inter American Development Bank (IADB)	Direct Access	Direct Access
Food and Agriculture Organization of the United Nations (FAO)	Direct Access for POPs projects	Direct Access for POPs enabling activities Direct access for POPs projects

Executing Agency	Access to PDF B Resources	Access to Project Resources
International Fund for Agricultural Development (IFAD)	Direct access for Land Degradation/Sustainable Land Management projects	Direct access for Land Degradation (LD)/SLM activities (Note: LD has no funding for enabling activities)
United Nations Industrial Development Organization (UNIDO)	Direct access for POPs projects	Direct Access for POPs enabling activities Direct access for POPs projects
<p>Source: Adapted from GEF Council Document (GEF/C.22.Inf.9) "GEF Project Cycle: An Update."</p> <p>Note: <i>Direct Access</i> means that the Implementing Agency or Executing Agency can directly submit proposals to the GEF Secretariat. <i>Indirect Access</i> means that the Executing Agency can submit the proposal only through one of the Implementing Agencies.</p>		

Warning: Despite efforts to facilitate and streamline Executing Agency (EA) participation, this system of indirect access to GEF resources for some EAs adds a whole new layer of bureaucratic activity that adds to overhead costs, takes time, and can lead to frustration for you. If one of the EAs is ideally suited to participating in development and implementation of your project idea, contact them and discuss frankly how a partnership with them may help advance your project idea (as opposed to approaching an Implementing Agency directly).

THE UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION (UNCCD) AND THE GLOBAL MECHANISM

The GEF's Land Degradation program activities focus on two types of land degradation: desertification and deforestation. Program activities addressing desertification focus on meeting the objectives of the UN Convention to Combat Desertification (UNCCD). In 2003, GEF was named as a financial mechanism of the UNCCD. Countries affected by desertification usually have developed national action programs to combat desertification (NAP) that identify key national priority areas. GEF projects under the Focal Area Land Degradation focus on the implementation of sustainable land management priorities identified in NAPs or other relevant development frameworks related to land management.

The international community has created another means of coordinating and financing activities associated specifically with desertification: the Global Mechanism (GM). The GM is housed at the International Fund for Agricultural Development (IFAD) in Rome, but is a freestanding institution of its own. It was established in conjunction with the UNCCD to mobilize financial resources to combat desertification and to "channel their flow... ensuring a holistic and equitable approach to resources distribution." The GM works in the following three areas:

- *Mainstreaming*: making desertification a political priority for both affected nations and donor countries.
- *Partnership building*: analyzing demand for desertification activities with available funding and facilitate investment of appropriate resources to address the problem.
- *Multiplier Effect*: the GM uses its own limited resources to foster partnerships and serve as a catalyst to leverage other resources.

In practice, the amount of funding the GM has to allocate is very small. With the creation of a GEF focal area on land degradation, the financing available for land degradation projects focused on desertification through the GEF is fully complementary to the funding leveraged through the GM. For more information on the GM, visit: <http://www.gm-uncdd.org/default.html>

SCIENTIFIC TECHNICAL ADVISORY PANEL (STAP)

Appointed by the Executive Director of UNEP, the Scientific Technical Advisory Panel (STAP) is a 15-member panel of eminent scientists that provides scientific and technical advice to GEF on the formulation of policies and programs. The panel maintains a roster of scientists from all over the world who are called upon to review all Full-sized Project proposals (those asking more than US\$1 million from GEF). There is also a Targeted Research Committee chaired by the STAP Chair, which reviews targeted research project proposals. Additional information is available at :

<http://stapgef.unep.org>

GEF FOCAL POINT IN-COUNTRY

Each country participating in GEF has nominated a GEF Operational Focal Point. This government official is usually stationed in the Ministry of Foreign Affairs or Ministry of Environment (or a related ministry). The GEF Operational Focal Point is very important. This person's written endorsement is required for every request for funding that is submitted to GEF. A list of GEF country focal points is available at: http://www.gefweb.org/participants/Focal_Points/Focal_1/focal_1.html

Note: Countries also have a GEF Political Focal Point responsible for the nation's official activities relating to the GEF Secretariat. This individual is different from the operational focal point responsible for reviewing and coordinating GEF project proposals benefiting that country. Use the sources mentioned above to identify the appropriate person for you to contact.

Step 3:

Researching the GEF. How Do I Find Out More About the GEF?

This guide is designed to help you navigate your way across the GEF landscape with efficiency and efficacy. Because of space limitations, it is not intended to serve as a replacement for existing information on GEF. There are many other reference documents, case studies, and other information published by the GEF, the IAs, EAs and others of which you should at least read a few. Indeed there are some key documents that you must have read in addition to this guide in order to facilitate your application process. These are listed in Box 3. Most are available on line at: <http://www.thegef.org>

Box 3: GEF Documentation: What's Useful and How to Get It

Operational Program on Sustainable Land Management (OP 15), GEF (December 18, 2003)
http://www.gefweb.org/Operational_Policies/operational_programs/operational_programs.html

GEF Project Cycle
http://www.thegef.org/Documents/Council_Documents/GEF_C22/proj_cycle.html

Progress Report to the GEF Council about Status of Implementation of OP 15
http://www.thegef.org/Documents/Council_Documents/GEF_C23/C.23.Inf.13.Rev.2_Progress_Report_OP15_FINAL-revised.doc

Medium-sized Project (MSP) Guidelines
http://www.thegef.org/Documents/Medium-Sized_Project_Proposals/MSP_Guidelines/msp_guidelines.html

Step 4:

Eyes Wide Open: Some Caveats on the GEF Itself

Are you sure you want to pursue financing for a project in the program area Land Degradation (Desertification and Deforestation)? Before you proceed any farther, you should understand a few points.

GEF is in essence a co-funding program. Put aside your thoughts of GEF being like a big foundation or bilateral grant-making entity. IT IS NOT.

What does this mean for you? It means that GEF, in most cases, will not be the only financier of your project. It means that you must be concerned with and understand a fancy and complex term called “incremental cost.” It means that you must take the incremental cost approach to developing a “bundle” (or set) of activities to that will lead to the improvement and/or stabilization of the ecosystem health through protecting land from degrading or rehabilitating degraded lands, because GEF will only pay for those incremental costs.

What do we mean by a bundle? Any proposal submitted to GEF can logically be considered a bundle of smaller, integrally related projects because you will be asking GEF to fund only about one-half of the pieces in that bundle (or less).

Activities in the bundle that will directly impact the ecosystem’s health will be financed by GEF. Activities leading to improved livelihoods will be supported by other donors (GEF calls this “baseline funding”). Costs for activities that achieve both livelihood and global environmental benefits will be shared by GEF and other donors. The baseline needs to be funded by other sources (government, bilateral programs, the agencies themselves). Incremental cost is a whole subject in itself and is discussed later in more detail.

GEF’s Land Degradation Program is new and many details are just being worked out

For years the GEF has helped fund projects that have addressed land degradation as a cross-cutting issue (e.g. as a threat to biodiversity or international water bodies), but land degradation has only become an official GEF focal area itself in 2002. Now that GEF can fund projects that are focused solely on protecting and restoring land, it is in the process of working out its objectives, program assumptions, and expected outcomes. Some of the latest information about GEF’s plans regarding land degradation, specifically desertification and deforestation, can be found in the document Operational Program on Sustainable Land Management (OP 15), in Appendix I. It is also available at the GEF website at:

http://www.gefweb.org/Operational_Policies/operational_programs/operational_programs.html

GEF's Sustainable Land Management Program is built upon a conceptual framework that promotes the landscape approach and integrates ecosystem-based concerns with human activities based on land use

Terms such as “long-term global environmental benefit”, “global significance” and “incremental cost” and “baseline” are absolutely central to GEF’s program. You will see them used extensively later in this document. THEY CANNOT BE DEFINED IN AN ABSOLUTE SENSE. If you decide to proceed, you will need to accept this and get used to dealing with a fair amount of subjectivity, uncertainty, and ambiguity. For good or bad, applying institutions or local community groups have found that this is a part of working with GEF. Even GEF’s own people do not have an absolute benchmark to which they can reliably refer – it is a project-by-project decision.

Although it is improving, the GEF project development and approval process can be slow

Depending on the type and amount of financing you are seeking from the GEF, the process may take you between two and twenty-four months. There is little you can do to expedite the process, but the better you know GEF’s procedures and policies, the better able you will be to provide GEF with the information it needs and the less likely you are to extend the process even longer.

GEF does not fund research for research's sake

We all know that research into our world's environmental problems is sorely needed. But precisely because it is such a huge, worldwide need, GEF is careful about what type of research and how much of it is supported by GEF financing. GEF will not fund just any research project related to the environment. GEF only funds “targeted research”. A targeted research project addresses issues of direct and central concern to the enhancement of GEF programs. Targeted research is NOT adaptive research, demonstration, assessments, or lessons learned-extraction within the framework of a project.

Step 5:

Time to Decide – Does My Project Idea Fit Under the Land Degradation Focal Area or one of GEF's other Focal Areas – Biodiversity, International Waters, or even Climate Change?

GEF funds projects that address a wide array of environmental threats ranging from ozone depletion to the degradation of international water bodies and to land resources. In total, GEF has six program areas (or focal areas) and fifteen “operational programs”, of which “Sustainable Land Management” is only one. Although many environmental threats are cross-cutting (for example desertification that harms an endangered species or deforestation that results in erosion runoff that harms downstream waters), you must choose which one of the GEF focal areas to apply to for funding.

Since you are reading this booklet, you probably have a good idea that your project fits under GEF's Focal Area Land Degradation (Desertification and Deforestation) and its Operational Program “Sustainable Land Management”. Nevertheless, you should take a moment and look at the specifics of the Operational Program “Sustainable Land Management” for a list of the type of activities that are supported by GEF (in Section Two and also in Appendix I, paragraphs 41 – 55).

You may also want to quickly glance at Table 2 which lists some other GEF focal areas that may fund activities related to land degradation. If you think your project might better fit under one of these other operational programs, get more information about it at the GEF website:

http://www.gefweb.org/Operational_Policies/Operational_Programs/operational_programs.html

In the future, GEF plans to have an internal mechanism for channeling project ideas and proposals to the appropriate focal area. For now you will be responsible (with the help of GEF and perhaps the EA or IA you select) for deciding which focal area(s) your project best fits.

Table 2: GEF Focal Areas and Operational Programs With Possible Land Degradation Components

Biodiversity Focal Area

OP 1 Arid and Semi-arid Zone Ecosystems
OP 2 Coastal Marine, and Freshwater Ecosystems
OP 3 Forest Ecosystems
OP 4 Mountain Ecosystems
OP 13 Agricultural Biodiversity



Table 2: Continued

Climate Change Focal Area

OP 5 Removal of Barriers to Energy Efficiency and Energy Conservation

OP 6 Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs

International Waters Focal Area

OP 8 Waterbody-based Operational Program

OP 9 Integrated Land and Water Multiple Focal Area

OP 10 Contaminant-based Operational Program

Multifocal Area

OP 12 Integrated Ecosystem Management

Land Degradation Focal Area

OP 15 Sustainable Land Management

Section II

Land Degradation

Developing Your Project Idea Further. How to Make it Happen.

This section describes the key preparatory steps you must take in order to develop a successful project in the Focal Area on Land Degradation (Desertification and Deforestation) for GEF funding. It will provide you with a clear perspective on how GEF operates its Sustainable Land Management (SLM) program, what GEF will provide funding for, and the process NGOs and local community groups must follow to apply for GEF funding to control/prevent land degradation and to restore degraded landscapes. This section will also highlight potential obstacles so you can be prepared to overcome or avoid them and move smoothly through the project development process.

The steps described in this section are intended to be linear, and if followed, will take you successfully down the path from project concept to the initial stages of writing your GEF Project Document. Following these steps will help you decide if your project and the GEF are a good match and improve the chances of your Project Document being developed without any fatal accidents or frustrating delays.

DEFINITION:

In GEF-speak, the final project proposal a proponent as an NGO or local community group submits to the GEF is referred to as a “project documents package.” This “documents package” consists of several parts, depending on the sized project you are applying for. For a Full-sized project, the project documents will include: a Project Executive Summary (PES) of no more than 10 pages, a longer Project Document, annexes, perhaps maps, and a copy of your Operational Focal point endorsement. Medium-sized Projects do not require a Project Executive Summary. Small Grants Program Projects do not need any of this documentation (see Box 4).

Step 6:

Background on Land Degradation and GEF's Program Area Land Degradation (Desertification and Deforestation)

This step explains GEF's history working on land degradation and its assumptions about the issue and its role in addressing it. It will be very helpful for you to understand GEF's bedrock beliefs about land degradation and the best way to stop it before you prepare your project for GEF consideration.

The Global Environment Facility, established by donor governments in 1991, helps developing countries and countries in transition fund projects and programs to protect the global environment. As consensus built in the 1990s around the need for action on land degradation, specifically desertification and deforestation, GEF responded using its own unique system and vantage point. Consequently, GEF's work on this issue focus on the core causes of land degradation and its impact on the global environment. GEF has also developed a set of guideposts that it uses to understand and address this problem.

LAND DEGRADATION: GLOBAL IMPLICATIONS OF DESERTIFICATION AND DEFORESTATION¹

Land degradation is a worldwide phenomenon impacting nearly every country, including about 80 developing nations. No continent is unaffected. About 23% of globally used land (nearly 2 billion hectares) has been or is being degraded. It is estimated that 16% of cropland and a much higher percentage of all agricultural land has been significantly degraded. Water erosion has generated the most degradation, followed by wind erosion, soil nutrient depletion, and salinization resulting from overgrazing, deforestation, and increased agricultural activity.

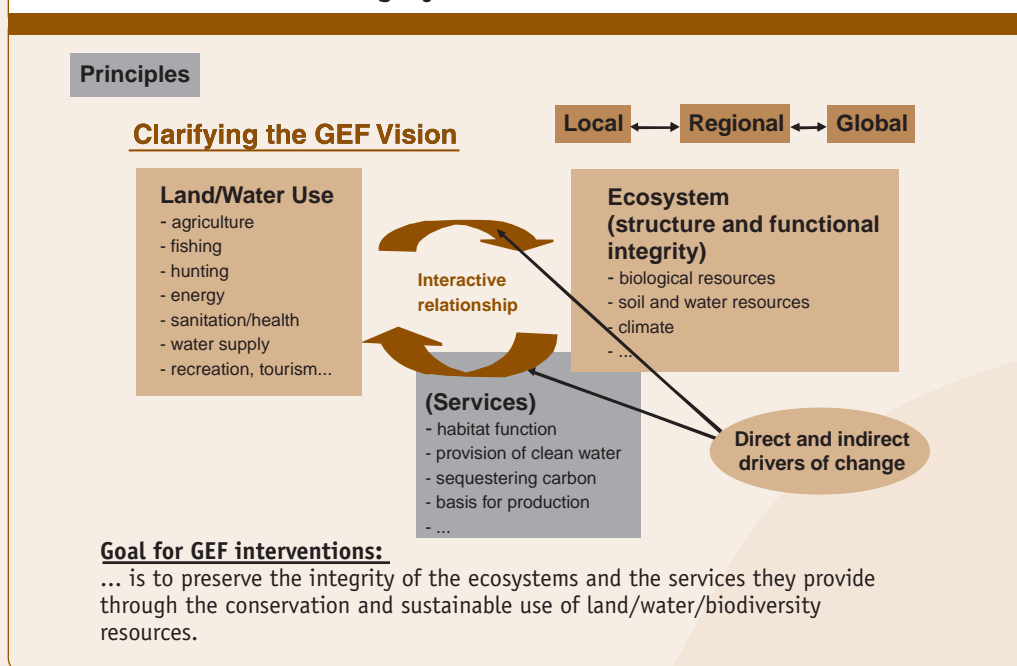
Land degradation has severe social-economic and environmental impacts. More than 1 billion people are at risk of serious declines in productivity and livelihoods as a consequence of land degradation. In Africa alone, at least 36 countries are affected by desertification. Land degradation is associated with loss of topsoil, sedimentation of distant waterways, increased carbon emissions effecting climate change and loss of carbon sequestration potential, impaired watershed and waterbody function, and changes in natural habitats leading to loss of genetic stock and biodiversity.

This degradation also has huge monetary costs. Estimates of the annual cost of soil erosion range from US\$26 billion to US\$28 billion and the annual value of nutrients lost through sediment loss and nitrogen in water runoff alone tops \$5 billion, or 0.4% of the annual value of all global agricultural production.

Substantial resources, innovative solutions, and the input of locally effected communities will all be necessary to stem the spread of land degradation and to begin restoring degraded lands.

¹ UNEP, 1997. World Atlas of Desertification, 2nd Edition, London.
International Food Policy Research Institute, 1999. Soil Degradation: A Threat to Developing-Country Food Security by 2020. Washington, DC.

Chart 1: Relationship between land use and ecosystem structure and functional integrity



CAUSES OF LAND DEGRADATION AND BARRIERS TO SUSTAINABLE LAND MANAGEMENT

Land degradation damages soil structure and leads to the loss of soil nutrients through processes such as wind and water erosion; waterlogging and salinization; and soil compaction. The main causes of land degradation are inappropriate land use, mainly unsustainable agricultural practices, overgrazing, and deforestation. The following is GEF's list of the causes of land degradation, especially desertification and deforestation. This is important because GEF wants to fund projects that address the core causes of land degradation as it sees them. GEF wants to provide funding to projects that effectively address these core causes.

Unsustainable Agricultural Practices leading to decreasing soil fertility. These practices are characterized by:

- Inefficient and wasteful use of land and water resources;
- Inappropriate crop intensification, especially under mono-cropping systems;
- Expansion of agriculture into marginal lands;
- Use of farm machinery and farming practices that are not suitable for local soil and water conditions.

Overgrazing leading to loss of vegetative cover and soil compaction due to trampling, both of which make land more vulnerable to wind and water erosion. Overgrazing is characterized by:

- The breakdown of traditional land management protocols that regulate grazing;
- Weak policy and institutional capacity to manage rangeland sustainably;
- Shrinking rangeland amid rapidly growing human and livestock populations;
- Increased demand for other land uses such as agriculture, industry, and infrastructure development;
- Development of settlements for pastoralists and associated unplanned land and water development;
- Limitations of the movements of nomadic pastoralists along traditional corridors cross national boundaries.

Deforestation and Forest Degradation resulting in forest cover loss, leading to further land degradation. The major causes of deforestation are over-harvesting of fuel wood, conversion of woodlands for large-scale crop and livestock production; illegal logging, and fires set to clear land or facilitate hunting. The main reasons for forest destruction are:

- Economic incentives for inefficient and wasteful logging practices;
- Agricultural subsidies that encourage conversion of woodland to cropland or pasture;
- Lack of government and local institutional ability to effectively manage forests.

BRIEF HISTORY OF GEF LAND DEGRADATION PROJECT FUNDING

By the terms of its original charter, GEF was not permitted to fund projects solely focused on land degradation. It could, however, fund projects that addressed land degradation in pursuit of other environmental objectives (for example, a program to protect an endangered species that also helped to restore its habitat, a woodland ecosystem, could be funded under GEF's Biodiversity mandate). Over the intervening years, GEF funded dozens of projects that helped address land degradation through its programs on biodiversity, climate change, and international waters.

As the critical global nature of land degradation and the constraints in the degree that GEF could respond became clearer, the GEF Assembly decided to make land degradation, specifically desertification and deforestation, its own discreet focal area at GEF, with its own budget, objectives, and staff.

GEF'S INITIATIVE TO FUND PROJECTS UNDER THE FOCAL AREA LAND DEGRADATION (DESERTIFICATION AND DEFORESTATION)

In October 2002, the GEF Assembly designated land degradation, primarily desertification and deforestation, a focal area of the GEF. The Assembly's decision was partly driven by the existence of the United Nations Convention to Combat Desertification (UNCCD), which creates a global framework for addressing desertification issues. GEF has since been named a financial mechanism of the UNCCD, meaning that GEF initiatives addressing desertification will be consistent with the

objectives of the Convention. With regards to sustainable forest management issues, the GEF works closely together with the UN Forum on Forests (UNFF), an intergovernmental policy forum to promote the management, conservation and sustainable development of all types of forests and strengthen long-term political commitment to this end.

Learn more about the UN Convention to Combat Desertification at <http://www.unccd.int/> and the UN Forum on Forests at <http://www.un.org/esa/forests/>

DEFINITION:

The GEF designates broad “focal areas” that identify problems (Land Degradation, Climate Change, Biodiversity) and one or more “operational programs” (OPs) (Sustainable Land Management) under each focal area designed to address the problem. In GEF terminology, it operates a Focal Area on Land Degradation that is supported by an Operational Program on Sustainable Land Management; you will apply for funding from GEF under Operational Program 15 on Sustainable Land Management.

This new focus on land degradation (desertification and deforestation) allows the GEF to fund **“activities that address the root causes and negative impacts of land degradation on ecosystem stability, functions, and services, as well as on people’s livelihoods and economic well-being through sustainable land management practices.”**

GEF CREATES ITS PLAN FOR FUNDING SUSTAINABLE LAND MANAGEMENT

During its May 2003 meeting, the GEF Council approved the Operational Program 15 “Sustainable Land Management” (OP 15) under the Focal Area “Land Degradation (Desertification and Deforestation)”. Early indications are that there is a large demand for funding for projects under this focal area. GEF has committed itself to meeting the needs and expectations of interested parties both with adequate funding and with accessible and understandable information, and where possible streamlined procedures. These guidelines are part of that effort.

Given the vast array of needs to combat land degradation around the world, GEF has set priorities for its funding during the first three years of the program (2004-2006). GEF grants will focus mainly on a band of sustainable land management activities that are closely linked to implementation of country-driven priorities on combating land degradation and which include one or more of the following types of major activities:

- Activities that emphasize the **integration of global environmental concerns into local, national, and regional development activities** which focus on achieving results on the ground. There will be an emphasis on cooperation and coordination of sectoral programs and policies in the following areas: regeneration of forests and grasslands, sustainable use of biomass energy, soil conservation to improve carbon storage, and integrated land use planning.
- **Strengthening public policy and enabling environment for addressing land degradation** including promoting integrated and cross sectoral approaches to natural resource management. As a start, the following key policy areas are identified by GEF: policies that promote sustainable land management, policies

that reduce land and resource tenure insecurities, and policies that encourage decentralization.

- **Engaging key stakeholders and facilitating the mobilization of resources to address land degradation.** This would include engaging government and groups in civil society and would entail parallel support for capacity strengthening to undertake activities that address land degradation, and institution building.

GEF has also developed a set of informal objectives for the first three years of the sustainable land management program. Proposals that meet some of these criteria are much more likely to be chosen for funding from GEF.

- Developing a portfolio that **identifies root causes and remove barriers to sustainable land management in representative non-protected ecosystems** affected by land degradation;
- Helping people, particularly local communities, **to design initiatives which protect and sustainably manage non-protected and inhabited dryland and forest ecosystems** through targeted and cost effective projects or programs at the local level;
- **Integrating conservation and sustainable use of land resources into overall national and sub-regional strategic frameworks**, and where appropriate, sustainable development plans, policies and programs;
- **Building institutional capacity**, from the community level to the national level where appropriate, to effectively address land degradation;
- **Integrating efforts to achieve global environmental benefits in three other GEF focal areas** – biodiversity conservation, climate change, and international waters;
- Targeting and designing GEF activities which **compliment recipient country's agreed sustainable land management objectives**, particularly at the community level, in strategic and cost effective ways;
- **Building a targeted research base** on the role of integrated land management in combating land degradation in targeted ecosystems.

EXPECTED OUTCOMES

Successful proposals will help:

- The governments of developing countries and individuals within the countries improve their ability to plan and implement sustainable land management programs that achieve global environmental benefits within the context of sustainable development;
- Make the policies, regulations, and economic incentives within the country more conducive to sustainable land management practices;
- Improve the economic productivity of land under sustainable management.

Step 7:

Coarse Filter Criteria: Does My Project Meet Basic GEF Criteria?

An important question to ask yourself before proceeding further is, “What do the GEF people look for when they conduct a 'coarse filter' review of a sustainable land management project concept?” Many project concepts are either rejected outright by GEF, or worse yet, are stuck somewhere in the system because the project concept developers did not ask this question. You should know the seven general criteria GEF applies to determine eligibility for all proposals made to it under the Land Degradation proposals.

1) The Eligibility Test: Is the Country Where Your Project Will be Implemented Eligible for GEF Support?

In order for a country to be eligible for GEF financing for land degradation, the country must:

- be a party to the United Nations Convention to Combat Desertification (UNCCD) and the other UN Conventions on Biological Diversity (CBD) and Climate Change (FCCC) if relevant to a focal area other than land degradation (**Note:** For the most up-to-date list of signatories see the UNCCD website at: <http://www.unccd.int/convention/ratif/doiif.php>);
- be eligible for assistance from the World Bank or UNDP technical assistance grants.

2) The Global Significance Test: Will Your Idea Have a Significant Global or Regional Impact in Reducing or Preventing Land Degradation?

The proposed intervention must be concerned with land degradation that is of global significance. Determining what is of global significance with regards to land degradation is at this point an inexact exercise since the scientific-technical background is still weak. Unsustainable land use practices are among the main drivers of a number of global environmental problems such as the loss of topsoil, the loss of biodiversity, increased carbon emissions and loss of carbon sequestration potential, and the degradation, including the sedimentation of national and transboundary bodies of water (groundwater, fresh surface water, and coastal waters). In reality, most land degradation that entails soil erosion, loss of vegetative cover, or degradation of waterways will meet the global significance test under GEF's definition.

3) The “Strategic” Approach Test: Is Your Project Concept Strategic in Its Approach?

The proposed project should be strategic, not a gap-filling measure such as a request for providing operating funds for a program or budget support. In general, GEF considers a project concept to be “strategic” if:

- The concept fits into an overall national or regional framework of proposed needed action. For example, say there exists a regional strategy agreed to by several countries for combating land degradation (usually desertification) . A “strategic” project would be developed based upon this regional strategy and has to identify how it fits the priority areas identified in and the objectives of the framework;
- The concept clearly identifies the land degradation threat, barriers for sustainable land management and how the threat and the barriers will be removed. In other words, the concept should provide information that a thoughtful analysis of the situation has been undertaken, rather than proposing a preconceived solution to a preconceived problem.

4) The National Priority Test: Does your project fit with stated national priorities of the host country?

One of GEF’s primary rules is that all projects must be country-driven and consistent with national priorities. You will have to prove that there is a demonstrated national commitment to the objectives and the envisaged strategy presented in the project concept. You need to do this in two ways: 1) You will need to get your national GEF Operational Focal Point to provide a written endorsement of your project before the Implementing Agency can formally submit it to GEF for funding, and 2) It is essential to show that your concept addresses priorities defined in national policies, strategies or action plans of various sorts. Examples of these are: national, subregional, or regional action plans prepared pursuant to the UN Convention to Combat Desertification, or other relevant official policies, laws or program strategies, e.g. related to forest issues.

5) Co-funding Test: Does Your Project Concept Have Co-Funding From Other Sources? If Not, is There a Good Potential for Co-Funding?

Remember that GEF financing is incremental financing. GEF is required to leverage other sources of money to assist in the global battle to stop and reverse land degradation and its negative impacts on the ecosystem health. This is why the majority of projects submitted to and approved by GEF have co-funding built into them that will finance the baseline which focuses on sustainable livelihood issues. Co-funding may be in cash or in kind. Co-funding could be the time community members spend planning and working on a project, materials provided by the community, or even office or storage space. Co-funding could also be provided by bilateral agencies in form of their projects with a sustainable livelihood focus. Information on these projects will have to be provided in order to present reasoning that these initiatives are truly promoting baseline activities of the GEF project.

6) The Complementarity Test: Is Your Project Concept Complementary to One of the Implementing Agency's Regular Programs?

Does the project concept offer some chance for UNDP, UNEP, the World Bank, or one of the Executing Agencies to co-fund some of the proposed activities? This is important because GEF likes to see the IAs or EAs co-fund GEF projects with their own regular program resources.

For example, if the World Bank presents a project document to GEF for Mexico, GEF looks favorably on the World Bank's Mexico lending program providing some co-funding to the GEF project. Why does GEF like to see this? Because, if an Implementing Agency or Executing Agency co-funds a project with some of its own funds, it is an indicator of commitment. Plus, GEF is dedicated to leveraging as much funding as possible to the cause of sustainable land management.

7) The Conventions Test: Is your Project Compatible with the Relevant International Conventions on Land Degradation?

GEF support for sustainable land management projects seeks to be consistent with the work program priorities of the United Nations Convention to Combat Desertification (UNCCD) and the program priorities on sustainable land management in the Convention on Biological Diversity (CBD) and the UN Framework Convention on Climate Change (UNFCCC). At a basic minimum, the country where you propose implementing your project must be a signatory to the UN Convention to Combat Desertification. Additionally, your proposal will be helped greatly if it comports with the goals and methods outlined in all three conventions and will promote synergies among them.

Table 3: The Coarse Filter Test

Yes	No	1) The Eligibility Test Is your idea eligible for GEF support?
Yes	No	2) The Global Impact Test Will your idea have a significant global or regional impact on combating land degradation?
Yes	No	3) The "Strategic" Approach Test Is your project concept strategic in its approach?
Yes	No	4) The National Priority Test Your idea must be "country driven"
Yes	No	5) Co-Funding Requirement Your idea must be able to attract other funders
Yes	No	6) The Complimentarity Test Does your idea compliment one of the Implementing Agency's programs?
Yes	No	7) The Conventions Test Is your project compatible with the relevant international conventions on land degradation?

Step 8:

Does your idea fit the type of activities that GEF can fund under its operational program for Sustainable Land Management?

Once you've considered the coarse filter criteria, and decided that your concept indeed does meet them, then you need to consider your concept in light of the specific types of projects that GEF has identified as eligible to receive its funds under this operational program. The complete, detailed list of Eligible Activities is found in Appendix I, starting in paragraph 41. In a nutshell, the following types of activities are eligible for GEF funding:

■ **Capacity Building** at the local, national, and regional levels aimed at creating the appropriate enabling environment and institutional capacity to support sustainable land management. GEF can provide the incremental costs associated with projects in the following areas:

- Mainstreaming sustainable land management into national development priorities;
- Integration of land use planning systems;
- Agreements and mechanisms for management of transboundary resources, especially building on existing national policies to create new agreements of means to manage cross-border natural resources through sustainable land management.

■ **On-the-Ground Investments**

● **Sustainable Agriculture**

- ◆ Adoption of improved tillage measures that do not adversely impact the stability of soil structure;
- ◆ Establishment of windbreaks, buffer strips, and filter strips to reduce water or wind erosion;
- ◆ Protection from farming or rehabilitation of riverine or coastal wetlands to stabilize hydrologic flows;
- ◆ Introduction of indigenous crop varieties to reduce the risk of crop losses;
- ◆ Improved management of agricultural waste to improve soil and water retention.

● **Sustainable Rangeland/Pasture Management**

- ◆ Strengthening of viable traditional rangeland management systems;
- ◆ Establishment of mechanisms to help resolve wildlife-livestock-agriculture conflicts;
- ◆ Enhancement of range management systems;
- ◆ Introduction of indigenous plants for restoration of rangeland;
- ◆ Development of community-based rangeland fire management programs;
- ◆ Introduction of indigenous livestock varieties to minimize loss because of their natural adaptations;
- ◆ Establishment of windbreaks to reduce water and wind erosion;

- ◆ Protection and/or restoration of riparian forest or woodland;
- ◆ Protection and/or restoration of the natural vegetation of groundwater recharge areas.
- **Sustainable Forest and Woodland Management**
 - ◆ Strengthening indigenous forest/woodland management systems;
 - ◆ Use of indigenous multiple use tree species to restore degraded areas;
 - ◆ Restoration and protection of degraded ecologically sensitive areas;
 - ◆ Protection and/or restoration of riparian forest and wetlands, and groundwater recharge areas;
 - ◆ Improvement of forest health, controlling damaging invasive species, strengthening forest inventory, monitoring, assessment, and sustainable harvesting practices, establishment of community woodlots to provide fuel wood as an alternative source to natural forests and woodland;
 - ◆ Piloting of mechanisms to compensate local communities that protect ecosystem stability, functions, and services in watersheds to ensure stable flow of high-quality water downstream.
- **Targeted Research** that is aimed at providing information, knowledge, and tools to improve the quality and effectiveness of GEF projects and programs, specifically to:
 - Better understand the policy and institutional failures that drive land degradation;
 - Facilitate the refinement and adoption of innovative sustainable land management practices and technologies, such as partnerships with small farmers, pastoralists, and other natural resource users and stakeholders to demonstrate under field conditions cost effective:
 - ◆ Agronomic practices to improve soil fertility management as alternatives to shifting agriculture;
 - ◆ Methodologies for valuing environmental services;
 - ◆ Tillage methods that have minimal impacts on soil structure and improve soil and water conservation;
 - ◆ Systems to improve livestock production in areas with limited rangeland/pasture.

Remember: your concept must be consistent with the specific guidance given by the GEF for activities under its Sustainable Land Management program in a country that is eligible for GEF support.

In addition to these specific areas GEF would like to fund, GEF has indicated some other consideration and criteria that it will use to select projects to fund. Proposals that help GEF meet the goals and objectives outlined below will have a leg up for funding. These include:

Strategic Considerations

To the extent possible, proposals should:

- Reflect the impact of land degradation on the ecosystem health;
- Reflect the linkage between poverty and land degradation;
- Meet the priorities and absorptive capacity of the recipient country, including the intended beneficiaries;
- Incorporate scientifically-sound and cross-sectoral approaches to land management that integrate ecological, economic, and social dimensions of land degradation issues into project design;
- Include effective participation of stakeholders, including women, in all stages of development and implementation;
- Envision early intervention in areas vulnerable to land degradation as a means of prevention, where appropriate;
- Take into account the enabling environment in a locality, country, and region, including policies, regulations and economic incentives and seek to create an improved enabling environment, as appropriate;
- Incorporate appropriate capacity building at the community and national levels for successful implementation of on-the-ground activities;
- Work to facilitate innovation, demonstration, and replication of good sustainable land management practices, including indigenous management systems;
- Promote synergies among the program priorities on sustainable land management of the UN Convention to Combat Desertification (UNCCD), Convention on Biological Diversity (CBD), UN Framework Convention on Climate Change (UNFCCC), and other relevant conventions, as well as the Collaborative Partnership on Forests, of which GEF is a member.

Step 9:

Choosing a Funding Pathway – Options for Pursuing Funding from the GEF

TAKE A FEW MINUTES TO FAMILIARIZE YOURSELF WITH THE DIFFERENT FUNDING PATHWAYS

This is the first point where you should be able to see around the bend to what the rest of the project development process entails. Remember, your goal is to get a co-funded Project Document approved by GEF. In order to make this happen, you'll have to choose what kind of Project Document you will produce and how you will go about preparing it. In other words, you need to choose a pathway and a route along that pathway.

DEFINITION:

PROJECT CYCLE

The “Project Cycle” at GEF – the various steps that projects have to pass through in order to obtain financial support from the GEF – is evolving. In November 2003, the GEF Council updated and clarified aspects of the project cycle in a written document titled “GEF Project Cycle: An Update” (GEF/C.22/Inf.9). The document can be viewed at: www.thegef.org/Documents/Council_Documents/GEF_C22/gef_c22.html. Its annexes also provide updated templates for most of the major documents you will have to prepare for your project submission to GEF.

Various pathways have been developed by GEF for different kinds of proposals, different kinds of projects, and different kinds of organizations seeking funds. If you are a community group seeking \$50,000, the Small Grants Program (SGP) may be ideal for you (it has a simplified application process and relatively quick turnaround). In this case you have to directly contact UNDP since it is managing the SGP. If you are a coalition of NGOs seeking \$1 million or more, the Full-sized Project pathway will be the best approach. The Medium-sized Project pathway is the one to use for projects between these two examples. There is a pathway suited to anyone applying for funding to the GEF for eligible land degradation projects.

GEF FUNDING PATHWAYS AND ROUTES

GEF has three different pathways by which you can access GEF funds. Before you go another step, you should read this explanation very carefully. This will help you decide just which pathway and which route along that pathway to take in your pursuit of GEF financing. These different pathways have different minimum and maximum funding levels and each pathway has different requirements (not surprisingly, the more funding you are asking for, the heavier the requirements and the longer the turnaround time). Each pathway has different preparatory routes you can follow (GEF may even give you a grant to help you prepare your proposal!). These routes differ according to the amount of preparatory funding and time you need to develop a project document.

GEF has established three funding pathways to serve its land degradation portfolio. The three funding pathways are:

- 1) Full-sized Projects
- 2) Medium-sized Projects
- 3) The Small Grants Program

Table 4 provides a comparable summary of these three different funding pathways. Each column in the table covers one of the three pathways, summarizing the procedural and major content requirements for each pathway, the various preparatory routes along each pathway, and the funding available along these preparatory routes

through different combinations of what are called, in GEF-speak, “Block As,” “Block Bs,” and “Block Cs.”

CHOOSING THE RIGHT FUNDING PATHWAY: MONEY IS THE KEY

The easiest criterion you can use to help you focus on one pathway is how much money you think your project will require once it is fully developed.

Full-sized Project (FSP) Pathway

If you think that the project will be fairly large and will require more than US\$1 million GEF support, then you are definitely thinking about the Full-sized Project pathway.

Medium-sized Project (MSP) Pathway

If the project will require less than US\$1 million GEF support, but more than US\$50,000, then the Medium-sized Project pathway is your pathway. It is designed to have few requirements and to be completed more quickly than the Full-sized Project pathway.

Small Grants Program (SGP) Pathway

If you are a local NGO or community organization and you are looking for support for a community-oriented land degradation project up to US\$50,000, please proceed directly to the more detailed description of the SGP in Box 4. Small Grants have fewer rules and requirements, so they are generally easier to access for small, local groups. The SGP is a decentralized GEF program managed by UNDP. If this is the best pathway for you, go directly to Box 4 for information.

DEFINITION:

PREPARATORY ROUTE:

For some of GEF’s funding pathways, GEF may be willing to provide you with a cash grant to develop your idea more fully and to draft your final Project Document (proposal). These funds need to be matched by co-funding resources. The preparatory funds are not available for all types of GEF grants, so check Table 4 for more information.

Table 4: GEF Funding Pathways

	Pathway 1: Full-sized Projects	Pathway 2: Medium-sized Projects	Pathway 3: Small Grants Program (SGP)
Pathway Description	The GEF funding pathway for projects over US\$1 million going through the entire GEF Project Cycle Time needed: 12-24 months	Somewhat simpler pathway for projects up between US\$50,000 and US\$1 million following expedited procedures. Time needed: 4-12- months	Pathway for local communities and NGOs to receive between US\$1 and US\$50,000 following expedited procedures Time needed: 2-12 months
Concept Paper Project	Required No preparatory funding available from GEF	Required No preparatory funding available from GEF	Required No preparatory funding available from GEF
Development Facility (PDF) Block A	Up to US\$50,000 to prepare a Block B proposal or full-sized project proposal. Needs co-funding resources.	Up to US\$50,000 to prepare a MSP. Needs co-funding resources.	No PDF Block A. Instead Community-based Assessment & Planning Grants. On rare occasions, up to US\$2,000 is available to assist in preparing proposal

Table 4: Continued

	Pathway 1: Full-sized Projects	Pathway 2: Medium-sized Projects	Pathway 3: Small Grants Program (SGP)
Project Development Facility (PDF) Block B	Up to US\$350,000 to prepare single-country full-sized project. For regional projects, funds up to US\$700,000 can be requested. Needs cofunding resources	Not applicable	Not applicable
Project Development Facility (PDF) Block C	Up to US\$1 million to complete technical design and feasibility work for large projects	Not applicable	Not applicable
Project Document Package	GEF funding US\$1 million and higher Full-sized Project Format - Document - Project Document - Annexes - Maps - Endorsement letter - Indicative letter on cofinancing	GEF funding up to US\$1 million Medium-sized project Format - Project Document - Annexes - Maps - Endorsement letter - Letter of commitment on cofinancing	GEF funding up to US\$50,000
Overall Requirements	<ul style="list-style-type: none"> - National GEF Focal Point endorsement - Co-funding - Incremental cost analysis - Approval of GEF Council required - Scientific Technical Advisory Panel review (roster review) - More detail in project development - Eligible organizations for funding: NGOs, government, community groups, others - More time – min. 12 months, max. 24 months - Global benefits have to be presented - Adherence to OP 15 criteria 	<ul style="list-style-type: none"> - National GEF Focal Point endorsement - Co-funding - Incremental cost analysis - Approval by CEO - Eligible organizations for funding: NGOs, government, community groups, others - Less time - min. 4 months, max. 9 months - Global benefits have to be presented - Adherence to OP 15 criteria 	<p>This funding pathway is only open to community based organizations (CBOs) and local NGOs in countries with access to the Small Grants Programs (see Box 4)</p> <ul style="list-style-type: none"> - Will be discussed by national SGP committee - Globally significant impact - Meets GEF's requirements for land degradation projects - Co-funding – can be in kind (i.e., community time or materials) - Check with national SGP coordinator (UNDP) in your country for other requirements - Adherence to OP15
Project Document Content and Design Criteria	<p>See detailed Operational Program descriptions available from GEF for list of fundable activities and preferred approaches:</p> <ul style="list-style-type: none"> -Incremental cost analysis -Integrated, innovative approaches to natural resource management -Must be designed to ensure sustainability 	<p>See detailed Operational Program descriptions available from GEF for list of fundable activities and preferred approaches :</p> <ul style="list-style-type: none"> - Incremental cost approach - Integrated, innovative approaches to conservation and development - Must be designed to ensure sustainability 	<p>See SGP description for details on types of projects funded</p> <ul style="list-style-type: none"> - Must meet national priorities - Must facilitate community participation in all projects - Improve local employment opportunities and access to technical assistance

Table 4: Continued

	Pathway 1: Full-sized Projects	Pathway 2: Medium-sized Projects	Pathway 3: Small Grants Program (SGP)
	<ul style="list-style-type: none"> - Must be replicable - Participatory approach - Logical or result-based framework - Monitoring and Evaluation system with measurable performance indicators at objective and outcome levels 	<ul style="list-style-type: none"> - Must be replicable - Participatory approach - Logical or result-based framework - Monitoring and Evaluation system with measurable performance indicators at objective and outcome levels 	
Preparation Routes	Concept Paper > Block A > Block B > Block C > Final Project Document Council will approve the project and CEO endorses final document Note: There are 5 different possible routes along this pathway (See Table 5)	Concept Paper > Block A > Medium-sized Project Document; GEF CEO has the delegated authority to approve MSPs up to US\$1 million (See Table 5 for details) Note: There are two different routes along this pathway	Concept Paper > Project Proposal

Box 4: UNDP-GEF Small Grants Program (SGP)

The Small Grants Program (SGP) was created by GEF to support local, community-level and community-inspired action to preserve the environment at the local level. The program is decentralized and managed by UNDP.

Note: You must be an NGO or community group located in one of the countries listed below where an SGP is operational in order to apply to the SGP. If you are not in one of these countries, please check the GEF-UNDP Small Grants Program website: <http://sgp.undp.org>. GEF is working hard to expand the list of eligible countries and yours may have recently become eligible.

If you are in an eligible country and you are a local NGO or community group, then you need to contact the UNDP office in your country, or the office in New York listed below for more information. Each country program has different criteria that we do not have space to tell you about here.

The following are some guidelines that all project under the Small Grant Programs have to consider.

- To be eligible for SGP support, your project concept must fit the GEF/SGP country program strategy and country-specific criteria (as determined by each national steering committee)
- In addition, project proposals must meet GEF's overall eligibility as well the Operational Program-specific criteria for sustainable land management (see the main text of this guide)

Box 4: Continued

Several different kinds of activities are eligible for funding under the GEF/SGP:

- Community-based assessment and planning (only for very promising activities);
- Pilot demonstration activities (these kinds of activities are the bulk of what SGP funds): project would test or demonstrate innovative, community-level approaches to conserving the global environment;
- Capacity development: project would provide technical assistance and training activities to community-based organizations and/or NGO capacity;
- Monitoring and analysis: support for NGOs or Universities to analyze SGP activities and identify successful or unsuccessful activities and draw lessons from these activities;
- Dissemination, networking and policy dialogue: project would be designed to promote a supportive policy environment for community-level action in GEF program areas.

For more information on SGP visit the UNDP-SGP website at: <http://sgp.undp.org/> or write:

UNDP-GEF
Small Grants Program Coordinator
UNDP-GEF
304 E. 45th Street
10th floor
New York, New York 10017
Fax: 212-906-6690

For specific information on your country's SGP, contact the SGP office in your country. A full list of contacts is available at:

<http://sgp.undp.org/index.cfm?module=ActiveWeb&page=WebPage&s=Contacts>

Step 10:

Time to Write Two Pages of Your Best Stuff!

Now that you have an idea of the different pathways available under GEF's funding program, the next step is to write a concept paper, the first written document you have to produce for GEF (more will follow!).

A concept paper is your first opportunity to explain to GEF (and the Implementing Agency or Executing Agency you will be working with) what your project proposes to do (current situation, objective, strategy), your partners, funding needs, co-funding prospects, and other relevant details. You should be drafting this initial document with a GEF funding pathway in mind. This will help you anticipate what additional requirements will be needed in the future.

As the first step along the pathway for GEF's funding for SLM, the concept paper is extremely important. Make sure you take enough time to do a good, thorough job. The concept paper format and a model concept paper are included in Annex II. Refer to that sample as you write your concept paper. It may be tough, but keep the length to between two and five pages. You will have plenty of opportunity to elaborate later.

Use this process of developing your concept paper as an opportunity to clarify in your own mind the most important elements of your project idea. IF YOU CANNOT STATE BRIEFLY AND CLEARLY WHAT IT IS YOUR PROJECT IDEA PROPOSES TO DO, THEN CHANCES ARE YOU NEED TO DO SOME MORE THINKING ABOUT IT.

Box 5: Concept Paper Checklist

- Review coarse filter criteria and determine that your project is eligible for GEF funding.
- Develop support and participation of stakeholders.
- On a preliminary basis, present the current situation in the future project area, identify an objective of the project and a strategy to achieve it.
- Write concept paper. A detailed form and guidelines to assist you in developing your concept paper is available on-line at:
http://www.thegef.org/Documents/Council_Documents/GEF_C22/annexes.html
Select "Annex F" to see the form for Full-sized Projects and "Annex J-1" for Medium-sized Projects.

Many of the required sections are self explanatory. The others need your careful attention, including:

- Country ownership, including country eligibility and "drivenness";
- Program and Project Conformity, including project design, sustainability, replicability, and stakeholder involvement;
- Financing, including co-financing;

Box 5: Continued

- Institutional Coordination and Support, including core commitments and linkages and implementation and execution arrangements;
- Secure written endorsement of your country's GEF focal point (This is only required at this time if you ask for preparatory funds as well);
- Submit concept paper to an implementing agency.

Step 11:

Submit your concept paper to one of GEF's Implementing Agencies or Executing Agencies

Now that you have developed a crisp, concise concept paper you need to get the buy-in of one of GEF's Implementing Agencies (IAs) or one of GEF's Executing Agencies (EAs).

Based upon the information given earlier about the Implementing Agencies and Executing Agencies (see Box 1), decide which one you think your idea would best complement and present or send them the concept paper.

After you've submitted the concept paper, and it has reached the IA or EA headquarters offices you should expect to hear back from them within three to four weeks. Remember that the IA or EA will be reviewing your concept paper based on the coarse filter criteria described earlier and the general project idea (your objective and proposed strategy). For your reference we have included the GEF template for developing a concept paper in Appendix II.

What to Do, What to Expect, and How Much Time Should It Take. Be prepared for the following scenarios:

NO RESPONSE

If you don't hear back within one month, send an e-mail message, a fax, or telephone the Agency and ask them what's going on with your concept paper. If you still get no response, then e-mail, fax or telephone the public affairs person at the GEF Secretariat and ask them to follow-up for you.

NEGATIVE RESPONSE

If you do hear back from the Implementing Agency and the response is negative, you have two choices. If you feel that the rationale given by the agency for rejecting your concept paper is weak, or if no reason is given at all and you still think you have a winner of a concept, send it to another Implementing Agency, as it may fit better under their mandate. If this does not work, you can also send it to the GEF Secretariat directly; tell them what happened and ask them to give you a second opinion. Remember, when dealing with large international agencies such as the UN and the World Bank, a broad base of support always helps. Develop as much support within your country as you can for your project concept. This is a reality that you should not overlook.

POSITIVE RESPONSE

Congratulations! Move on to the next step.

Step 12:

Your Concept Paper Is Approved. What now?

Now it is time to choose your “preparatory route” (i.e., how you will prepare your Project Document and whether you will receive funds to do it.)

Now that your concept paper has been approved for consideration, the real work begins. You’ve overcome your first major obstacle on the path to the development of your project document and GEF funding. Remember, the approval of your concept paper does not guarantee funding from GEF. You still have a lot of work to do in fully developing your proposal.

To help you do this work, GEF has created three different sizes of project development grants (money to help you develop the Project Document to GEF’s liking).

- “Block A” grants are made available from your partnering IA or EA and provide up to US\$50,000 in funding. These grants are available only for Full-sized Projects and Medium-sized Projects and are not available for proposals under the Small Grant Program.

- “Block B” grants provide up to US\$350,000 for single country projects or up to US\$700,000 for regional projects in funding from GEF. These grants are available only for preparation of Full-sized Project program briefs and are not available for Medium-sized Projects or the Small Grant Program.

- “Block C” grants provide up to US\$1 million to provide additional financing where required for large projects – usually infrastructure projects – where considerable technical design and engineering work is required. They are available only for Full-sized Projects, and only in certain circumstances.

- Community Based Assessment and Planning Grants may be available for Small Grants Program applicants. On rare occasions, up to \$2,000 may be available to assist in preparation of a Small Grants Program proposal.

Block A

Block A is short for “Project Development Facility ‘A’ Grant”. This is a grant of up to US\$50,000 that is made available by the IAs/EAs to assist project proponents in doing preliminary preparatory work on the development of a project proposal. In most cases a Block A is used at the early stages of project proposal development; the major issues need to be clarified in order to determine whether to proceed with additional project development activities. In most cases, a Block A produces a Medium-sized project proposal. For these types of projects, the Block A can gather enough information to

develop the project document directly. In most cases, a Block A produces a MSP proposal and/or and Block B proposal for additional, more detailed project proposal development work for those applying for Full-sized Program financing.

BLOCK B

Block B is short for “Project Development Facility ‘B’ Grant”. This is a grant of up to \$350,000 for single country projects or up to US\$700,000 for regional projects that is made available by GEF to assist project proponents in doing advanced, detailed preparatory work on the development of a project proposal. If you are applying for a Block B then you already know many of the details related to what your project proposal will do. In fact, usually, a Block B produces a Full-sized Project Document.

BLOCK C

GEF also makes available a third level of PDF funding available for very large projects that require extensive technical preparation. GEF’s CEO may authorize up to US\$1 million under a PDF C for projects that have already been approved by the GEF Council, are large in scale, and where all pre-conditions for project preparation have been met, including national consultations, technical and engineering pre-feasibility work, and country commitment. PDF C funding is normally provided to compliment other sources of financing for preparation of the Project Document.

Community Based Assessment and Planning Grants

Small amounts of funding may be made available to community-based NGOs for community based assessment and planning grants to help prepare a Small Grant proposal. Ask your UNDP-GEF country representative for more information if you think you need this type of preparatory funding.

HOLD ON!

Before we go any further, let's back up a few steps. Remember, in Step 3, you were introduced to the three pathways available under GEF as described in Table 4. You were also told that each pathway has different routes to submitting the project document. Now is the time to choose one of those routes along one of those pathways.

Now is the time to apply the information on funding pathways because your next step now will depend upon which pathway you have chosen. If you have decided to go for a Full-sized Project of US\$1 million or more in GEF funding then, as you see in Table 5 you have five different possible preparation routes. If you have decided to go for the Medium-sized Project, then you have two possible routes (simpler). The Small Grants Program is simpler still with just one straight pathway.

From here on, we will focus on the two complicated pathways. So, once again, which funding pathway are you going to take? 1) Full-sized Project, or 2) Medium-sized Project?

As you will see in Table 5, there are seven possible routes. You will also see that each route shares the same beginning and ending; the concept paper is the beginning and the Project Document is the end.

The steps along the pathway in between the beginning and the ending are what you need to consider now, based primarily on how much assistance you need in order to provide GEF with a Project Document that is sufficiently detailed. Some routes have more steps than others because some project concepts need more assistance to be developed into Project documents than others. In other words, each route is simply a different combination of the Block A, Block B, and Block C grants. Some routes use both in order to develop a Project Document. Other routes use only one, or none at all. It all depends upon how much assistance your situation requires in order to provide GEF with the necessary detail.

Hint: If you can avoid using one of the Blocks, then by all means do so. GEF requires you to write a proposal in order to secure the Block A, B, or C funding. Proposals take time and effort to write. Proposals also take time for GEF to review them.

The IAs and EAs will also help you decide just which route to take, but the more informed you are, the better decision you can make. Besides, you should be involved because the route you choose will determine how long it takes to complete your Project Document and the amount of GEF financing that document can actually request!

The particular route that you choose depends upon:

- whether you have any other financing available to fund the development of your project document;
- how complex the situation is where you want to implement the project (large numbers of stakeholders are one factor that commonly makes projects more complex);
- how much preparatory work has already been done (i.e., is there already a strategic plan for the area in question that was developed in consultation with local communities and/or relevant stakeholders?);
- how much other information you have gathered already that is related to the existing degree of land degradation and current land management practices, related institutions (public and private), laws, and policies;
- whether specific possible sites have been identified where the project would be implemented.

ROUTES DOWN THE FULL-SIZED PROJECT PATHWAY

As you can see in Table 5, you have five possible routes along the Full-sized Project pathway. Each will take you to the ultimate goal of getting the Full-sized Project written, submitted and approved. Read Table 5 carefully. If you don't have any additional information, be prepared for the IA or EA to suggest that you prepare a Block A proposal for preparatory funding. This proposal will provide you with up to US\$50,000 to further develop your document. If the issues around your project concept are complex, you may need to take the long haul route 1. If the issues are not so complex or you have already many information, then you may be able to take a faster, shorter route.

If you do have additional information on this project concept, then the agency will want to know whether you have a good idea of all of those coarse filter criteria we mentioned earlier. If so, then chances are that you can go directly to the development of a Block B proposal, as illustrated in Step 3 of Table 4. The Block B will provide you with up to US\$350,000 for single country projects or up to US\$700,000 for regional projects to develop your final project document. If your project is large and technically complex, you may also ultimately seek Block C funding to complete preparation for your final project document.

ROUTES DOWN THE MEDIUM-SIZED PROJECT PATHWAY

As Table 5 shows, you have two possible routes along the Medium-sized Project pathway. But unless you have other preparatory funding to produce the Project Document itself, then your next step after the concept paper has been approved is to produce a Block A proposal. This proposal will provide up to US\$50,000 to pay for any additional preparatory meetings and field work, as well as expert input needed to finalize a Medium-sized Project Document.

Table 5: Choosing a Funding Pathway and an Associated Route

Unless your project concept is very small, in which case you would apply to the Small Grants Program, or extremely urgent and opportune, in which case you'd apply to the "Short-Term response measures" window, you will have two funding pathway choices:

- A. Full-sized Projects
- B. Medium-sized Projects

This is an important decision because, as you can see in Table 1, the funding pathway you decide to pursue will determine how much funding you can compete for and how long the process of preparing the proposal and getting the money will take. (Full-sized Projects take longer to prepare and get approved than do Medium-sized Projects.)

Table 5: Continued

A. Full-sized Project Pathway: one pathway, five possible routes

Route 1: The “Long Haul” Route

Concept Paper > Block A > Block B > Block C > Full-sized Project Document

In this route, you would go through each preparatory step along the entire pathway: from the Block A to the Block B to the Block C to the Full-sized Project Document. This is the most tedious and labor intensive route. You would follow it if your concept was in its early stages and the project situation was complex. A Block helps you sort through initial information regarding possible sites, possible threats and their root causes, stakeholder identification, and institutional/Legal frameworks. With the necessary detail, you could then move straight down the line to the Block B, which would provide you with more funding to conduct the necessary field visits and meetings. Block C would enable you to complete the necessary technical and engineering to produce a detailed Full-sized Project Document.

Route 2: The Skip “Block C” Route

Concept Paper > Block A > Block B > [Block C] > Full-sized Project Document

In this shortened route, you would use the Block A and Block B to develop your Full-sized Project Document directly, skipping over the Block C step and saving the time and effort required to apply for a Block C. This is a common route for projects that are not exceptionally large and do not have extensive engineering and technical challenges.

Route 3: The Skip “Block B” and “Block C” Route

Concept Paper > Block A > [Block B > Block C] > Full-sized Project Document

In this shortened route, you would use the Block A to develop your Full-sized Project Document directly, skipping over the Block B and Block C steps and saving the time and effort required to apply for a Block B and Block C. You would use this route when a great deal of preparatory work has already been undertaken (local consultations, priority program identification). With a well-developed project idea, you may only need a small amount of preparatory work to finalize the Project Document according to GEF requirements.

Route 4: The Skip “Block A” Route

Concept Paper > [Block A]> Block B > (Block C)> Full-sized Project Document

Following this route, you would go straight from concept paper to the Block B (and perhaps Block C). You could do this in the event that you have a clear idea as to the extent (scope) of the Project Document to be developed. In other words, you would already have possible project sites identified, threats to the land resources described, and the institutional arena defined. With this information already developed, you have the necessary detail to justify a Block B request to GEF, skipping the Block A. The Block B (and perhaps Block C) would provide you with the necessary funding to conduct the meetings, consultations and field visits in order to develop a winning Project Document.

Table 5: Continued**Route 5: The Skip “Block A,” “Block B,” and “Block C” Route****Concept Paper > [Block A > Block B > Block C]
Full-sized Project Document**

Straight to the Full-sized Project proposal: You would go directly to the Full-sized Project submission only if you had other funding to support the work necessary to prepare a satisfactory GEF project proposal.

B. Medium-sized Project Pathway: two Options

If you are going for the Medium-sized Project Pathway, then things are purposefully designed to be simpler and faster (and there are fewer options).

Route 1: The “Easy Enough” Route**Concept Paper > Block A > Medium-sized Project
Document**

Medium-sized Project entry point: for the Medium-sized Project pathway, the first step is to submit a concept paper for review and approval by one of the Implementing/Executing Agencies and the GEF Secretariat. If you had enough detail you might be able to jump the Block A step.

**Route 2: The “I’ve Got Other Funding”
Pathway****Concept Paper > [Block A] > Medium-sized Project
Document**

In this route you would skip the Block A step and, using other funding, prepare the Medium-sized Project document.

Step 13:

Congratulations. You are on your way. Now keep your eyes on the prize!

Now that your concept paper has been approved, you are moving. You are moving up the preparatory pathway along a specific route. As you work forward, you need to keep your eye on the prize, so to speak. What is the prize? The prize is the transformation of your concept paper into a good, strong Project Document for submission, approval, and incremental funding by GEF.

Recap of what you should have done so far to get to this point:

- You must be a representative of a governmental or non-governmental organization proposing a project in a country or set of countries eligible for GEF assistance.
- You have a project idea.
- You have been introduced to what GEF is and who GEF is.
- You have been given information on how to get more details about GEF programs.
- You have had a chance to read about GEF's goals, strategic considerations, and expected outcomes from the land degradation projects it finances.
- You have been given several reasons as to why you may not want to pursue GEF funding.
- You have weighed your project idea against the coarse filter criteria provided to you as a way to determine whether your idea is, on its face, eligible for GEF assistance.
- You have been introduced in Table 4 to the three possible funding pathways available to you under the Operational Program on Sustainable Land Management: 1) the Full-sized Project Document Pathway, 2) the Medium-sized Project Document Pathway, and 3) the Small Grants Program Pathway.
- You have written a concept paper based on the format developed by GEF and provided in this guide.
- You have obtained a written endorsement of the concept paper from your country's GEF Operational Focal Point in case you ask also for preparatory funding (PDF A or PDF B funds).
- You submitted your concept paper to an implementing Agency (UNEP, UNDP, or World Bank) or an Executing Agency with Expanded Opportunities (see Table 1).
- Your concept paper has either been approved by the IA or EA, or, if not, then you are either strengthening your concept paper for resubmission, or asking the GEF Secretariat or another IA or EA for a second opinion.
- Your concept paper was approved, then you have looked over Table 5, and, based on the specifics of your situation, you have consulted with your IA or EA and decided upon which route to take down your funding pathway.

- Having decided upon your specific route, you are now beginning to write your second document – a preparatory Block A or a Block B proposal (unless you have other preparatory funding to help you begin developing a Project Document).
- This leads us to where most of you will be now at the stage of writing a Block A or a Block B proposal.

Step 14:

Writing a Block A or Block B Proposal: Getting Funds to Prepare Your Project Document

You are now starting to develop a Full-sized Project document or a Medium-sized Project document. Whichever type of brief it is, your next step will most likely be to develop a Block A proposal or a Block B proposal. You have made it to the point on the pathway where one of the IA/EAs will be providing you with detailed, case-by-case help developing your Project Document. The guidance provided to you by this guide so far should also help you produce the Block A and B and Project document.

Remember: These Block A and Block B grants can only be used to prepare a Project Document. They cannot be used to implement actual projects.

Helpful Information: Templates for PDF A and B Proposals and detailed guidelines for preparing them can be found in Appendixes II and III as well as on-line at:

http://www.thegef.org/Documents/Council_Documents/GEF_C22/annexes.html

BLOCK A PROPOSAL

Block A is a grant of up to US\$50,000 that is made available by GEF to assist project proponents in doing preliminary preparatory work on the development of a project proposal.

Once you have done a Concept Paper, you have essentially completed all the work necessary to then complete a Block A proposal. The Implementing Agency or Executing Agency can work with you on filling in any gaps that remain once you transfer your concept paper information over to the Block A form. Remember that the Block A is usually meant to help project developers in the early stages of development. Basic questions are answered at this stage such as “What would the policy and institutional framework be for this project?” or “What would the resulting project need to overcome in order to bring about the desired outcome?” For your reference we have included the GEF template for developing a Block A proposal in Appendix III.

BLOCK B PROPOSAL

This is a grant of up to US\$350,000 for single country projects or up to US\$700,000 for regional projects that GEF makes available to assist project proponents in doing advanced, detailed preparatory work on the development of a project document.

If you have enough information, and a lot of consultations and background work has been undertaken already, then you may be moving right from the concept paper to

the Block B. If this is the case, then in order to write the proposal requesting Block B funds, you will need more detailed information regarding:

- Project description;
- Objectives and justification of the project in view of the GEF Operational Program;
- A summary of the stakeholders' commitment;
- Identification of key stakeholders;
- A summary of the level and nature of local and national consultations already undertaken;
- The project idea's relationship to international conventions, national strategies and action plans and other national priority setting documents;
- A summary of the Implementing Agency country assistance; and
- A preliminary financing plan for the resulting project document.

The template for developing a Block B proposal has been included in Appendix II for your reference.

BLOCK C PROPOSAL

Block C financing of up to US\$1 million is available for large projects – usually infrastructure projects – that require extensive technical review and engineering. If your project requires Block C funding, you are likely to be well acquainted with the PDF process by the time you begin to draft your PDF C proposal. Your Executing or Implementing Agency will provide assistance.

Step 15:

The Basics of Developing a Winning Project Document

THE STRUCTURE AND SUBSTANCE OF A PROJECT DOCUMENT— WHAT GEF REQUIRES FROM A SUCCESSFUL PROJECT DOCUMENT

What we want to leave you with is a solid understanding of the crucial concepts involved in developing a strong project document, including the format and specific and unique information that GEF absolutely requires. Such an understanding might help you avoid frustrating obstacles to getting the brief approved. ***The following pages outline the items GEF deems crucial to the proper structuring of a project document and concepts and proposed approach that are essential for GEF approval.***

If you understand these concepts and how they fit together, you will be familiar with the approach used to bring these GEF-specific concepts together in a lucid, “well-built” brief. We use the word “built” here because that is really what GEF will require you to do: build a strong brief out of different conservation and development components. Do not underestimate the time or effort it can take to produce a good project document. It is substantial.

STRUCTURE OF A PROJECT DOCUMENT

From a project design perspective, the incremental cost approach provides the incremental framework for structuring your GEF Project Document. The framework forces you or enables you (depending upon your perspective) to take into account what is already going on “on the ground” and in the different policy arenas where your project will be working. From GEF’s perspective, it shows them that you are indeed taking into account the Baseline (what is being done or will be done to improve the socio-economic situation of the people) when you propose a needed alternative (mainstreaming global environmental concerns into these initiatives). GEF requires you to use the Logical Framework or Result-based Approach to develop your Alternative. Of course, the more complex the project situation, the more complex the incremental calculations.

CONTENT OF THE PROJECT DOCUMENT

The content of your Project Document (in layperson’s terms, your proposal) should thoroughly and clearly reflect the following points:

- Strategic approach to removing threats and root causes of land degradation and barriers to SLM;
- Co-funding/linkage to IA or EA program;
- Sustainability;
- Global benefits/global significance;

- Country driven;
- Participation.

Insiders Tip: In addition, you can give your project a leg-up if you familiarize yourself with the criteria that the GEF Council has given the GEF Secretariat staff for assessing proposal applications. These “review criteria” can be viewed at: http://www.thegef.org/Documents/Council_Documents/GEF_C22/annexes.html

PROJECT DOCUMENTS CHECKLIST FOR FULL-SIZED PROJECTS

You will ultimately need to provide GEF all of the following when applying for Full-sized project funding:

- Project Executive Summary – limited to 10 pages maximum (1 file in Word);
- Project Document (1 file in PDF format);
- Annexes (1 file in PDF format);
- Maps (can be combined with annexes);
- Operational Focal Point Endorsement (1 file in PDF format).

Strategic Approach to Removing Threats and Root Causes to Land Degradation and Barriers to Sustainable Land Management (SLM)

Perhaps the best way to explain what is meant by a “strategic approach” is to offer simple, contrasting illustrations of two different projects – one non-strategic and one strategic – developed to address the same situation.

Let's say that you have a situation in an arid area where desertification caused by unsustainable livestock grazing is encroaching on settled communities and impacting their ability to earn livelihoods.

- **A “non-strategic” project** would request funding from GEF to plant date trees and process the dates they produce to help provide incomes for local people.
- **A “strategic” project** would be designed based upon an analysis of the core situation. The analysis would identify the threats (unsustainable grazing) and the corresponding root causes of those threats (poverty, breakdown of traditional rangeland management systems, lacking alternative sources of income, perverse incentives). *A successful project might seek to halt desertification caused by overgrazing by providing alternative livelihoods to herders through the planting of date palms or other endemic productive species in a sustainable manner that provides both income and stabilizes and rehabilitates degraded land and therefore the ecosystem integrity.*

There is a tremendous difference from GEF's perspective between the two projects developed to address the same situation.

Although there are exceptions to every rule, strategic projects on the whole share the following characteristics. They:

- analyze the whole picture related to the area where land degradation is occurring;
- are promoting an integrated approach to natural resource management;
- are designed to have a measurable impact as far as the environment and the livelihoods are concerned;
- are designed to solve the problem once and for all;
- are not stop-gap measures intended as a temporary solution to a long-term problem.

If you are asking yourself any of the following questions, then you are beginning to think about how to develop a strategic project.

- What should be the approach of your project concept or idea? (i.e. How should the project go about protecting at-risk land or rejuvenating degraded land?)
- What is the problem that I want this project to solve?
- What are the major threats to the land I want to address?
- What are the root causes of those threats?
- What are the barriers for introducing sustainable land management?
- How can I permanently remove those root causes so land is not threatened any longer?
- How can the project combine conservation and development to conserve and restore land?
- How can this project be designed so that the key programs developed by the project are able to continue even after the project's GEF financing is gone?

Co-Funding/Linkage to an IA or EA Program – The GEF Paradox

You just heard that GEF encourages projects to take a strategic approach. This means that in many cases, to adequately address the identified threats to the land, the project must integrate more traditional rural development activities with environment-oriented activities such as integrated land use planning or providing alternative sustainable livelihoods for herdsman or farmers in order to reduce the pressure on natural resources.

Now, here is the paradox: even though GEF requires you to include both environment and development components in your Project Document, GEF itself will only finance the conservation/sustainable use-oriented activities (as a general rule, although there

are exceptions, so ask the IA or EA). Other co-funding-needs to be found to finance the socio-economic-oriented activities addressed in the future project. This is why co-funding is required – in order to address all of the root causes, the project usually includes activities that by definition the GEF cannot or will not fund.

Consequently, you need to ask yourself “How could the project be designed so GEF supports more environmentally-friendly land management activities and other funders (government, private industry, international donors) support more development-related activities?”

Linkage with IA’s and EA’s own programs: Many times, the IA or EA working with you is able to provide some co-funding. This is why we urged you to look into this at the beginning of this guide. Assess how your project idea can be complementary to what one of the IAs or EAs are doing in your country. Then, you need to work with the Implementing Agency or Executing Agency to find co-funding – either in-kind or additional funds. Can government provide in-kind help? What can the community contribute in cash or in-kind? What can other international agencies support? This is a serious requirement. You are going to have to commit some real time to it.

To Summarize: Your project should be designed in a seamless way so that finding co-funding and/or linkages with IA/EA Programs plays a significant role in developing the Project Document. You should design the Project Document to be co-funded and start working on securing co-funding from the very beginning of your project development efforts, not after the fact. You should do it that way if the brief is going to be a lucid, comprehensive document. One of the agencies will help you do this, but they have limited staff and even more limited time, so if you can do it, your brief will be processed much more quickly than if you leave it up to the agencies, plus, other funders are often times more impressed if a local government organization or NGO comes to them with a request rather than a big, international agency.

Sustainability

Sustainability as it relates to the design of a project, is an important concept to understand. If your project design is unsustainable in technical, financial or institutional terms, chances are it will not be approved. A legitimate question for you to consider: “What type of sustainability does GEF want projects to promote or achieve?” In GEF’s eyes, a project is “sustainable” if the resulting situation produced by the project can carry on without follow-on funding from GEF. When thinking of developing a strong Project Document, you should be thinking of how to maximize sustainability in five key areas:

1) Social sustainability: in order to claim that the project will be able to continue on into the future once GEF funds disappear, you need to think about how to involve

local communities in the project design and how they in turn will actively participate in and feel a sense of ownership of the project activities.

2) Financial sustainability: this complements social sustainability. In order for a project to be financially sustainable, the project must be designed in such a way as to ensure that activities will continue once GEF financing runs out. This is an extremely important issue. If your project's approach is too expensive for local conditions to perpetuate in the long term, it will not be approved. In many cases, countries have developed national or local environmental funds or development funds (trust funds or revolving funds) to guarantee long-term financial support for conservation or socio-economic activities.

3) Ecological sustainability: this is a crucial concept if one is concerned with the long-term results of environmental activities. Unfortunately it is also very difficult to measure or quantify. Questions such as the following might be asked of your project: "is the sustainable logging program going to stop the long term conversion of the forest to grazing land?" or "if the desert encroachment into grazing land is cleared up through the project, what guarantee is there that it won't start expanding again?"

4) Economic sustainability: if your project proposes to help people develop alternative incomes, you will need to show just how these new incomes will be sufficient for people. For example, will the project promote a stable operating environment for local business?

5) Institutional sustainability: are the project's implementing institutions sustainable? Do they have a sufficient financial and technical level of capacity to continue with similar activities after the completion of the project? Often a project requires existing institutions to work together in new ways. You should think about how to ensure that this can continue after the project financing is finished

To summarize: sustainability is not something you address in one paragraph of the Project Document. Your project's specific activities and outcomes should be designed to be sustainable. Sustainability should be built into the design of the project itself.

Global Significance/Global Benefits

The global significance/global benefits issue is a somewhat subjective one for all GEF Focal Areas, particularly land degradation. GEF is committed to funding sustainable land management projects that achieve long-term global environmental benefits in the context of sustainable development. As has been noted earlier, land degradation and the unsustainable land use practices that cause it help precipitate several global environmental problems such as the loss of topsoil, the loss of endemic biological resources and its diversity, increased carbon emissions, the loss of carbon

sequestration potential, and the degradation of national and transboundary bodies of water, all indicators for a degraded ecosystem integrity (or ecosystem health).

GEF's Scientific and Advisory Panel (STAP) has identified strong linkages between land degradation and international waters, climate change and biodiversity, which form the basis for the identification of an array of activities related to preventing land degradation and restoring degraded land that yield global benefits. These activities include:

- Energy-Related Activities
 - Improvements of efficiency of wood-burning stoves/fuel substitution;
 - Biomass production as a substitute for fossil fuels;
 - Solar as an alternative to biomass consumption;
 - Other locally-appropriate measures (i.e., wind power).
- Vegetation/Forest Management
 - Agro-forestry initiatives;
 - Rehabilitation/re-vegetation of degraded lands;
 - Protection of riparian forest and ecosystems;
 - Protection/conservation of indigenous species.
- Sustainable Agricultural Practices and Management
 - Adopt erosion control measures;
 - Improve tillage methods;
 - Diversified rotation with forage crops;
 - Improve complexity (genetic, species, etc.) of agro-ecosystems;
 - Use of integrated pest management technologies;
 - Use of diversified practices, including those associated with traditional systems.
- Sustainable Rangeland/Grassland Management
 - Mixed wildlife/pastoral systems;
 - Rotational grazing;
 - Rehabilitation of degraded areas;
 - Reseeding using suitable indigenous perennial grasses;
 - Incentives to invest in rehabilitation, management, etc.;
 - Improve management of ruminant animals.
- Integrated Catchment/Watershed Management/Sustainable Land and Water Management
 - Reduce sediment load through improved conservation and production techniques;
 - Maintenance of stream flow and reduction of flow variability;
 - Regulation of water flow;
 - Habitat modification;
 - Maintain aquifer recharge;
 - Optimizing irrigation;
 - Minimizing pollution from agro-chemicals.

For details about the global benefits that GEF associates with these activities and further information about the global benefits of land degradation/sustainable land management activities, see the GEF Council Document, *“Report of the STAP Expert Group Workshop on Land Degradation Interlinkages (June 1999)”* (GEF/C.14/Inf.15).

Country Driven

This guide doesn't need to tell you how important it is for your brief to be driven by people from the country where the project will be implemented. This is an obvious point, but many times in the past, projects have been pushed through the system that were not really owned or driven by the host government, NGOs, or local communities. This doesn't happen much any more, but there are still varying degrees of involvement by host-country institutions.

On paper, you can prove that your project is country-driven by linking your project idea to a specific national priority. It helps if it is listed in a national action plan to combat desertification or deforestation, a National Conservation Strategy, a Poverty Reduction Strategy or a five-year development plan. Even better, if an on-the-ground strategy (e.g., land use plan) for the particular area of concern has already been done, then you will have no problem showing that your project is country-driven.

In person, you can show that your project is country-driven by using the telephone, the fax machine, and e-mail to tell the IAs, EAs, and the GEF Secretariat about it. The more actively host country institutions and individuals are involved, the more ownership they display through personal visits, letters, telephone calls, or e-mails to GEF, the more favorably your Project Document will be considered.

Co-financing in cash or in-kind from the host country government or government institution is also a very strong sign of country commitment and will be viewed favorably by the GEF and the IA or EA.

Participation

There is a lot of rhetoric in the international arena about participation and stakeholder involvement. In fact, in almost every document written by the IAs, EAs, or the GEF you will notice that participation is emphasized.

You need to be convincing in your treatment of participation in your Project Document. Stakeholder participation in project design, development, and implementation is indeed, an essential thing. In fact, it really is necessary in order for your project to be sustainable, effective, and successful – all core GEF goals. It is crucial for you to document the participation of stakeholders in the design process of your project. You should be able to provide specific and compelling answers to

questions like: “How many different stakeholder groups (e.g. farmers, local governments, indigenous groups, women groups) were involved?” “How did stakeholders participate in the design of the project?” “How much input did stakeholders provide and how is that input reflected in the design of the project?” And finally, someone who reads your Project Document should be able to understand easily how stakeholders will be key players in the implementation of the project's activities and monitoring progress towards the objective.

KEY CONCEPTS IN A SUCCESSFUL PROJECT DOCUMENT

Let us focus on the key concepts related to the structural requirements of a GEF Project Document.

Structuring the Project Document:

- Incremental Cost Framework;
- Baseline Scenario;
- Alternative Scenario;
- Logical or Result-based Framework Approach.

Incremental Cost Framework for Project Document Development

Perhaps more than any other GEF requirement, the “incremental cost analysis” has frustrated the best intentions of NGOs and governments. Incremental cost it is a theoretical concept used by GEF to distinguish purely development-oriented projects from projects that will promote global environmental benefits. Incremental cost is a complex concept you may not run up against in any other context, but it is critical to understand at a basic level if you want to secure funding from GEF for your project.

If you have developed a good relationship with your IA or EA, they will assist you with this, perhaps leading the essential work. But you would help yourself by at least being familiar with the incremental cost framework GEF uses for Sustainable Land Management (SLM) projects. The incremental cost framework is actually understandable at a basic level – there are only two basic pieces to the framework.

The incremental cost framework requires you to:

1) Pay attention to and quantify the **BASELINE**: the baseline is that which the country is already undertaking in its national interest in the sectors and geographic areas related to those of your project.

2) Envision the **ALTERNATIVE** scenario: what in addition to the existing baseline needs to occur in order to achieve global environmental benefits?

If you understand these two points, then you will have understood the basic principle

of the incremental cost. Now, of course, it is a bit more complicated than that. Let us go into more detail about the BASELINE and the ALTERNATIVE.

Baseline

How do you begin to quantify this thing called a “baseline”? Well, it is actually fairly easy. Here's a simplified example:

You are developing a project to establish a new land use system in an area threatened by overgrazing. Let us say that you have done your analysis of the situation regarding the threats to the landscape and the root causes of those threats. You have done an analysis of the local communities that are located in the area and the other issues related to land use. Let us say the project will be working to develop new policies, introduce new income generating activities, new agricultural and forest management practices and introduces alternative sources of energy. In defining these things, you have defined what your “alternative” will be. In order to calculate your baseline, you would have to get information from various sources as to just what is going on in relation to all of the activities your alternative is proposing. In other words, what are the government, NGOs, or other international organizations already doing in these agricultural, forest, community development, and policy-related sectors? You will need to research and analyze their programs and budgets. Add their budgets based on the number of years your project will be running, and **there is your baseline**. Simple, no?

Alternative

How do you develop your “alternative” scenario? Remember that the alternative is so named because it is considered to be the “alternative” to the baseline. Well, now this is THE question, because the alternative scenario is essentially that “bundle” of activities that will comprise your project document. **Some sticks (incremental activities) in that bundle will be funded by GEF and some will have to be funded by co-funders. Some sticks will build upon activities already underway or planned (the Baseline) and some will be entirely new. You develop the alternative scenario, the project document most essential parts: the objectives, project's approach, the outputs, the activities, the stakeholders, and so on-through a process that is (once again) much easier than it sounds.**

In the area of SLM, many of the activities defined in the alternative scenario will benefit both, the local development and the global environment (e.g. the promotion of productive endemic species to re-vegetate/restore degraded areas). In these cases cost sharing arrangements will be negotiated.

Logical or Result-based Framework Approach

The Logical or Result-based Framework Approach (the result-based framework is a short version of a logical Framework focusing on the management for results) is a tool to help you develop a clear framework for what the project will do (the alternative scenario) like an architectural drawing for a house. The Logical or Result-based Framework Approach is the method that enables you to develop a solid foundation and a clear framework for your project . The approach usually involves a workshop where stakeholders “build” a logical framework for the Project document. This may sound complicated, but it is actually quite simple. There are whole manuals written on the logical frame approach, but to familiarize yourself with the basic tenets, follow us through these steps:

1) For practical purposes, the log frame concept/approach provides you with the tools to sit down and define the **project objective** such as “What change will the project bring about?” “What will people be doing differently at the end of the project then they were at the beginning?” They actually want you to describe the end-of-project situation in two sentences.

2) This then leads you to define your main problem. A clearly defined **problem definition** provides you with the foundation upon which you can build the project. A bad problem definition would not provide any direction to the project itself: For example, the problem definition, “forest land is being degraded.” does not lead you logically to any particular action. Whereas if you said, “alternative cooking fuel sources are not available,” you would be closer to the mark. Already, just from that sentence you can begin to guess just what the project will do.

3) Next we move on to **threats** and their **root causes**. What are the threats that are creating the problem? What are the root causes of those threats? Perhaps one threat to the land is overgrazing by domestic animals. Perhaps one of the root causes of this threat is an inadequate grazing regime for local herders.

4) Next step: go backwards. If we want to solve the problem as we have defined, then we have to **remove the threats** that are causing the problem **and barriers that prevent change**. If we want to remove the threats that are causing the problem, then we have to remove the root causes. These can be grouped and will be the basis for your project components formulated as project outcomes.

5) Next, just what will the project actually do on the ground? In other words, what will the **activities** and **outputs** be for this project? Well, following our framework, they should be designed so that they actually remove the root causes of the threats, which are causing the problem in the first place.

DECIDING WHAT IS INCREMENTAL AND WHAT IS NOT

Once you have the alternative scenario defined and the baseline underlying the alternative defined, the next step is to decide just what activities and outputs suggested in the alternative scenario are “incremental” and what are not incremental. From GEF’s perspective, a baseline activity or output is something that will produce a national benefit (i.e. something that makes social and economic sense in its own right). An incremental activity is something that produces a global environmental benefit (i.e. something that does goes beyond national interests for a country to undertake).

As you might guess, this is not a clearly defined area and the determination of just what is incremental (i.e., global environmental benefit) and what is not incremental (i.e., national benefit) is something that is often difficult to distinguish (to the eternal frustration of those seeking GEF funding). As a general rule, though, development-related activities are considered to be a national benefit and more traditional conservation-related activities (such as the activities that are detailed in the Operational Program, Appendix I) are considered to be of global benefit. There are exceptions to this, so be sure to ask your IA or EA. The Operational Program lists examples of activities that are considered to be incremental. In the case of SLM, many types of activities will create both, national and global environmental benefits. In these cases, the incremental costs will be negotiated between the IAs, the project proponent and the GEF Secretariat.

Step 16:

Project Implementation: What Happens After the Project Document is Approved?

This is a good question because just when you thought you were out of the woods, there are still a few issues you most likely will have to deal with. Those issues are:

Transforming a GEF Project Document into an IA or EA Project Document

Because GEF uses existing international agencies to implement its program, there are some delays involved with – you guessed it – paperwork. For example, if you develop a Project Document with UNDP and it is approved by the GEF Secretariat and the GEF Council (or the CEO in the case of a Medium-sized Project), UNDP will then have to turn that GEF document into a UNDP project document. In the past, this has caused three to four month delays (sometimes longer). However, the IAs and EAs are working hard to eliminate this problem (they do not like it either since it means more paperwork for them, too), you may face it to some degree with any of the IAs or EAs.

One thing community groups and NGOs can do to help keep this waiting period is to ensure that they have adequate financial management capacity to accept and account for the funds that will be flowing to them. Working with the IA or EA early on regarding the logistics of handling their funding will help avert delays later.

Clarifying Implementation Arrangements

If you are a government representative, you will find that your government has legal agreements with each of the Implementing or Executing Agencies that govern how projects are to be implemented. In some countries, the IA or EA administers the project funds, and in other countries, the project funds are signed over to government and the government agency is responsible for all implementation arrangements.

POSSIBLE PROBLEMS FOR NGOs IN ACCESSING PROJECT FUNDS

In the past, NGOs have faced some unexpected obstacles to being able to implement projects they have been instrumental in developing. If you are the NGO -sponsor of a Project with one of the IAs or EAs, you may face delays in actually being able to access budgetary resources from the approved project. Why? Well, the IAs and EAs have procurement systems that are not used to working in partnership with NGOs, but instead were designed to contract goods and services out to the lowest bidder. Although this situation is changing, if you are an NGO, you could find yourself having to bid on a project that you developed! Be sure that you discuss this issue with the IA or EA and your government's GEF Focal Point as soon in the process as you can.

Section III

APPENDIXES

APPENDIX I

OPERATIONAL PROGRAM 15 ON SUSTAINABLE LAND MANAGEMENT

I. Introduction

1. The Global Environment Facility (GEF) has been providing incremental grant financing to assist developing countries and countries with economies in transition to address land degradation, a major global environment and sustainable development issue, since its establishment in 1991. Until October 2002, the GEF's support focused on addressing land degradation issues as they relate to its focal areas – biological diversity, climate change, international waters, and ozone layer depletion.

2. To further improve GEF assistance, the Second GEF Assembly in Beijing, October 2002 designated land degradation, primarily desertification and deforestation, a focal area of the GEF as a means to support the implementation of the United Nations Convention to Combat Desertification (UNCCD). This designation makes sustainable land management a primary focus of GEF assistance to achieve global environment benefits within the context of sustainable development.

3. This document – GEF Operational Program on Sustainable Land Management – operationalizes the designation of land degradation as a focal area. It provides a framework for the development of activities eligible for GEF incremental financing to address the root causes and negative impacts of land degradation on ecosystem stability, functions, and services as well as on people's livelihoods and economic well-being through sustainable land management practices. The document outlines, among other things, program objective, expected outcomes, and activities eligible for GEF support.

II. Background

LAND DEGRADATION AND ITS GLOBAL IMPLICATIONS

Global extent and impacts

4. Land degradation is broadly defined as "... any form of deterioration of the natural potential of land that affects ecosystem integrity either in terms of reducing its sustainable ecological productivity or in terms of its native biological richness and maintenance of resilience ²." It is a worldwide phenomenon substantially affecting productivity in over 80 countries on all continents, except Antarctica. Land degradation is especially serious in Africa where 36 countries face dryland degradation or desertification.

² GEF 1999. Report of the STAP Expert Group Workshop on Land Degradation (GEF/C.14/Inf. 15).

5. Land degradation adversely affects the ecological integrity and productivity of about 2 billion ha or 23% of landscapes under human use. Agricultural lands in both dryland and forest areas have been most severely affected by land degradation. They cover about one-fourth of the world's total land area and account for 95% of all animal and plant protein and 99% of calories consumed by people. About two-thirds of agricultural land have been degraded to some extent during the last 50 years³.

6. The negative impacts of land degradation are both ecological and socioeconomic. Land degradation undermines the structure and functions of ecological systems such as the biogeochemical cycles (i.e. carbon, hydrological, and nutrient cycles) that are critical for the survival of human beings. This impact has already put at risk the livelihoods and economic well-being, and the nutritional status of more than 1 billion people in developing countries.

7. The World Summit on Sustainable Development (WSSD) in September 2002 reaffirmed land degradation as one of the major global environment and sustainable development challenges of the 21st Century, calling for action to "...address causes of desertification and land degradation in order to restore land, and to address poverty resulting from land degradation." The summit also emphasized that "sustainable forest management of both natural and planted forest and for timber and non-timber products is essential to achieving sustainable development and is a critical means to eradicate poverty". Addressing land degradation would, therefore, contribute significantly to the Millennium Development Goals of reducing by half the proportion of people in poverty by 2015 and ensuring environmental sustainability.

8. Specifically, on the contribution that the GEF can make to address land degradation, the Summit also called on the GEF Assembly to "...take action on the recommendations of the GEF Council concerning the designation of land degradation (desertification and deforestation) as a focal area of the GEF as a means to support the successful implementation of the Convention to Combat Desertification; and consequently making GEF a financial mechanism of the Convention, while recognizing the complementary roles of the GEF and the Global Mechanism of the Convention in providing and mobilizing resources for elaboration and implementation of action programmes ⁴." The GEF Assembly, on the recommendation of the GEF Council, has since WSSD approved the designation of land degradation as a GEF focal area.

The conventions

9. The three post Rio⁵ global environment conventions that are most relevant to land

³ World Resources Institute. 2000. World Resources 2000-2001. People and Ecosystems: The Fraying Web of Life.

⁴ World Summit on Sustainable Development. Plan of Implementation. September 2002.

degradation prevention and control are the UNCCD, Convention on Biological Diversity(CBD), and the United Nations Framework Convention on Climate Change (UNFCCC). Consensus on land degradation as a global environment and sustainable development issue, as well as the need for coordinated international action to address it, led to the adoption of the UNCCD in June 1994.

10. The objective of the UNCCD is to "... combat desertification and mitigate the effects of drought in countries experiencing serious drought and/or desertification, particularly in Africa, through effective actions at all levels, supported by international cooperation and partnership arrangements, in the framework of an integrated approach which is consistent with Agenda 21, with a view to contributing to the achievement of sustainable development in the affected areas ."⁶

11. The CBD recognizes the importance of addressing land degradation. For example, the program priorities of the convention highlight the role that land degradation and deforestation prevention and control can play in the conservation and sustainable use of biodiversity.

12. Programs to implement the objectives of the UNFCCC also recognize the relationship between climate change and land degradation (i.e. desertification and deforestation). In fact, deforestation contributes more to climate change than any other forms of land degradation as it results in the release of carbon dioxide and the loss of sequestered carbon in biomass and soils. The work program of the UNFCCC, therefore, emphasizes the role of conservation and sustainable management of forests and woodland in carbon sequestration and carbon dioxide emission.

13. To promote synergies, these three conventions are developing joint work programs to address land degradation and deforestation to achieve multiple global benefits, including poverty alleviation; and preservation of ecosystem stability, functions, and services such as soil and watershed protection, carbon uptake and storage, water purification, climate regulation; and nutrient retention.

Causes of land degradation

14. Land degradation damages soil structure and leads to the loss of soil nutrients through processes such as water or wind erosion; waterlogging and salinization; and soil compaction. The main causes of land degradation are inappropriate land use, mainly unsustainable agricultural practices; overgrazing; and deforestation. These practices are most prevalent in places where land, water, and other natural resources are under-priced. In addition, people who do not have land tenure security and/or

⁵ United Nations Conference in Environment and Development, Rio de Janeiro, Brazil, June 1992.

⁶ United Nations Convention to Combat Desertification. Article 2, paragraph 1.

water rights have little or no incentive to invest in sustainable land management. Instead, they tend to focus on meeting their short-term economic needs, to the detriment of the environment.

Unsustainable agricultural practices

15. Soil stability and fertility on rainfed agricultural lands, with little or no fertilizer use, can be restored by leaving farmland to fallow for a time period, typically 15-20 years. However, when the fallow period for land under intensive cropping is shortened, it weakens the natural ability of soil to recover its fertility, leading ultimately to land degradation, lower crop productivity, and reduced incomes.

16. In the case of irrigated cropland, the main cause of land degradation is poor water and irrigation system management, leading to waterlogging and soil salinization. This loss of arable land leads to lower production and incomes.

17. The main causes of degradation on croplands are inappropriate land use, weak capacity for sustainable water and land use planning and implementation, and inappropriate agricultural policies and incentives. These factors lead to inefficient and wasteful use of land and water resources; inappropriate crop intensification, especially under monocropping systems; expansion of agriculture to marginal lands; and the use of farm machinery and agronomic practices that are not suitable for local soil and water conditions.

Overgrazing

18. Overgrazing affects land in two major ways. It leads to the loss of the vegetative cover of rangeland or pasture in areas where livestock density is beyond the carrying capacity. High livestock density also results in soil compaction because of trampling. In both cases the soil becomes more vulnerable to water or wind erosion. Rangeland or pasture in such a condition lowers livestock growth and survival, leading to loss of income and people's nutritional well-being.

19. The main causes of degradation of rangeland or pasture are the breakdown of traditional land management protocols that regulate grazing; weak policy and institutional capacity to manage rangeland sustainably; shrinking rangeland amidst rapidly growing human and livestock populations; increased demand for other land uses such as agriculture, industry, and infrastructure development; development of settlements for pastoralists and associated unplanned land and water development; and limitations on the movements of nomadic pastoralists along traditional corridors across national boundaries.

Deforestation and forest degradation

20. Deforestation, which occurs in both woodlands (in semi-arid, and sub-humid areas) and dense forests (in humid tropical areas) is a major cause of forest cover loss, leading to further land degradation. Three major causes of woodland degradation are overharvesting of fuelwood for energy; conversion of woodland for large-scale crop or livestock production; and uncontrolled forest fires often started to clear land or to facilitate hunting of wildlife. In forest areas, the main causes of land degradation are illegal commercial logging; and conversion of forest land for agriculture and/or human settlements and associated infrastructure. The loss of forest or woodland puts at risk the survival and incomes of communities that depend on forest products.

21. The main reasons for deforestation and forest degradation are policy failures such as under-pricing of timber stocks, thereby providing economic incentives for inefficient and wasteful logging practices; agricultural subsidies that favor the conversion of forest for large-scale cropland or pasture; and fragmented and weak institutions that are unable to effectively conserve and sustainably manage forest resources.

III. GEF and land degradation prevention and control

22. The GEF, since its establishment in 1991, has been providing incremental funding to assist developing countries and countries with economies in transition to prevent and control land degradation, primarily desertification and deforestation, as it relates to its four focal areas (i.e. biodiversity conservation, climate change, international waters, and ozone layer depletion) in accordance with its Instrument⁷ and Operational Strategy.

23. Countries, however, have been facing operational problems in developing projects to address land degradation prevention and control because of difficulties in defining the linkages between land degradation and the focal areas; and in applying the incremental cost principle. Limited in-country policy environment to support land degradation prevention and control has also been a constraint.

24. The situation improved modestly following the approval of a GEF operational program on integrated ecosystem management. This program provided a framework for GEF assistance to strengthen public policy and enabling environment for addressing land degradation, including facilitating integrated and cross-sectoral approaches to natural resource management. Eligible projects addressing land degradation had to meet the requirement of generating global environment benefits in at least two of the GEF focal areas.

⁷ GEF 1994. Instrument for the Establishment of the Restructured Global Environment Facility.

25. An independent study was commissioned by the GEF Secretariat in 2000 to identify the constraints to the development of land degradation projects for GEF funding and to recommend measures to enhance GEF support ⁸. The specific findings of the study included the following:

(a) Since the GEF addresses land degradation only through linkages with its focal areas, projects tend to focus largely on focal area objectives with little or no significant focus on land management activities.

(b) The requirement for focal area linkages has resulted in projects with land degradation components that tend to focus more on biophysical issues. If land degradation had been a central issue, these projects would have focused primarily on improving land management and sustainable use options for natural resources management. In addition, key issues affecting people and their interactions with ecological systems such as land tenure and gender issues are often poorly integrated into project design.

26. The study recommended a fundamental change in the way land degradation is addressed in the GEF if it is to have significant impacts on the global environment.

27. To further improve the GEF's assistance for land degradation prevention and control, the GEF Assembly in October 2002, on the recommendation of the Council, amended the Instrument to designate land degradation as a focal area, as a means to enhance GEF support for the successful implementation of the United Nations Convention to Combat Desertification (UNCCD). This designation makes sustainable land management a primary focus of GEF assistance, helping to optimize the global environment benefits of GEF-funded activities to address desertification and deforestation in arid, semi-arid, sub-humid and humid areas of the world.

28. In addition to the designation of the focal area, the GEF Assembly confirmed "...that the GEF shall be available as a financial mechanism of the UN Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, pursuant to paragraph 21 of the Convention, if the Conference of the Parties should so decide ."⁹

IV. Strategic considerations and lessons learned

29. Well-meaning past efforts to address land degradation have had mixed results. They have, however, generated lessons that provide important strategic directions for the successful implementation of future programs and projects. The main strategic

⁸ Berry, L and J. Olson. GEF Land Degradation Linkage Study.

⁹ Beijing Declaration of the Second GEF Assembly, October 18, 2002.

considerations that will guide the development and implementation of programs in the GEF focal area on land degradation include the following:

- (a) Since land degradation has both poverty and global environment dimensions, sustainable solutions require packages of finance to support interventions that address both dimensions. Therefore, countries should seek to integrate sustainable land management practices into their priority national sustainable development frameworks such as national sustainable development plans, poverty reduction strategy papers (PRSPs), and comprehensive development framework (CDF). Such integration can facilitate coordinated mobilization of funding for successful implementation of cost-effective and sustainable programs.
- (b) Many land degradation prevention and control programs were largely based on a sector-by-sector approach and this had the unintended effect of fragmenting policies, institutions, and on-the-ground measures. Successful land degradation prevention and control, therefore, require scientifically sound and cross-sectoral approaches to land management that integrate the ecological, economic, and social dimensions of land degradation issues in program design.
- (c) Development and implementation of programs and projects to address land degradation are most successful when effective participation of stakeholders, including women, occurs at all stages.
- (d) Early intervention in areas vulnerable to land degradation such as ecologically sensitive marginal lands is essential in preventing and controlling land degradation.
- (e) An appropriate enabling environment, including policies, regulations, and economic incentives to support sustainable land management is necessary for effective local, national, and international response.
- (f) Capacity building at the community and national levels is necessary for the successful implementation of on-the-ground activities.
- (g) On-the-ground activities most effectively facilitate innovation, demonstration, and replication of good sustainable land management practices, including indigenous management systems.
- (h) Promote synergies among the program priorities on sustainable land management of the UNCCD, CBD, UNFCCC, and other relevant conventions in projects developed for GEF funding, as well as with the Collaborative Partnership on Forests (CPF) of which the GEF is a member.

V. GEF operational programme on sustainable land management

30. The overall operational goal of the GEF focal area on land degradation (i.e. desertification and deforestation) is to catalyze partnerships with other organizations working on land management issues, land users, and other stakeholders at the local, national, regional, and global levels to provide coordinated financial and technical support to address land degradation in a way that achieves long-term global environment benefits within the context of sustainable development.

Program Objective

31. The objective of the Operational Program on Sustainable Land Management (OP 15) is to mitigate the causes and negative impacts of land degradation on the structure and functional integrity of ecosystems through sustainable land management practices as a contribution to improving people's livelihoods and economic well-being.

32. GEF assistance would focus on funding the agreed incremental costs of accelerating country-driven actions on sustainable land management to preserve, conserve and restore the structure and functional integrity of ecosystems; reduce carbon dioxide emission and improve carbon sequestration; or stabilize sediment storage and release in waterbodies.

33. Under the operational program countries are expected to address land degradation issues, using integrated and cross-sectoral approaches, within the framework of sustainable development at the local, national, and/or transboundary levels. GEF support would be consistent with the work program priorities of the UNCCD as well as the program priorities on sustainable land management of the CBD and UNFCCC.

Expected Outcomes

34. The expected outcomes of GEF-supported activities on sustainable land management include the following:

(a) Institutional and human resource capacity is strengthened to improve sustainable land management planning and implementation to achieve global environment benefits within the context of sustainable development.

(b) The policy, regulatory, and economic incentive framework is strengthened to facilitate wider adoption of sustainable land management practices across sectors as a country addresses multiple demands on land resources for economic activities, preservation of the structure and functional integrity of ecosystems, and other activities.

(c) Improvement in the economic productivity of land under sustainable management and the preservation or restoration of the structure and functional integrity of ecosystems.

Program Assumptions

35. The following assumptions will guide the development and implementation of GEF-supported activities to achieve successful outcomes:

(a) Strong country commitment to address land degradation within the context of its sustainable development and poverty alleviation priorities.

(b) GEF Implementing and Executing Agencies mainstream sustainable land management into their regular programs and activities.

(c) Building of partnerships involving governments and their development partners (such as local communities, bi-lateral and multi-lateral agencies, private sector, foundations, and non-governmental organizations) to develop innovative financial and technical packages for poverty alleviation and preservation/restoration of the structure and functional integrity of ecosystems through sustainable land management.

(d) Adoption of integrated and cross-sectoral policies and approaches to sustainable land management.

(e) Program and project design tailored to meet the priorities and absorptive capacity of the recipient country, including the intended beneficiaries.

(f) Collaboration among the GEF and its agencies, governments, and other development partners and stakeholders to create appropriate policy environment and institutional capacity to enable countries to successfully achieve both the global environment and sustainable development outcomes of GEF-supported activities.

VI. Financing sustainable land management

GEF Incremental Financing

36. Programs and projects to address land degradation would comprise packages of interventions to address both livelihoods and economic well-being (baseline actions) and global environment (incremental actions) issues. GEF assistance would focus on funding the agreed incremental costs of accelerating country-driven actions on sustainable land management, including sustainable forest management, to achieve

global environment benefits within the context of sustainable development.

37. The GEF would specifically provide catalytic or incremental funding for the implementation of activities, complementary to development and poverty alleviation related activities, aimed at helping countries to alter or adapt existing or planned land use practices to ensure the preservation, conservation or restoration of stability, functions, and services. To a large extent, incremental GEF funding for sustainable land management activities will be based operationally on cost sharing (see the Section VII for examples of baseline and incremental actions).

Co-financing

38. GEF eligible country governments would mobilize co-financing to cover baseline or sustainable development activities from budgetary sources and from their external partners, including bilateral and multilateral donor agencies, private investors, non-governmental organizations, and foundations.

39. The GEF's Implementing and Executing agencies can assist countries to mobilize co-financing from external sources. In addition, the UNCCD has established the Global Mechanism to "... promote actions leading to mobilization and channeling of financial resources, including the transfer of technology, on a grant basis, and/or concessional or other terms, to affected developing country parties ..."¹⁰. The Global Mechanism, therefore, has a major role to play in assisting countries to mobilize co-financing (i.e. non-GEF funds) to cover the cost of baseline activities.

40. The Global Mechanism is expected to coordinate with the GEF Implementing and Executing Agencies and other donors in financial resource mobilization. The Facilitation Committee of the Global Mechanism could assist in supporting such coordination. The committee was established to provide support and advice to the Global Mechanism as well as for institutional collaboration. Members of the committee include the following GEF Implementing and Executing Agencies – UNDP, UNEP, World Bank, IFAD, FAO, Asian Development Bank, African Development Bank, Inter-American Development Bank, and the GEF Secretariat.

VII. Eligible activities for GEF support

41. GEF assistance would cover three inter-related types of interventions – capacity building, on-the-ground investments, and targeted research – at the community, national, and/or transboundary levels. The interventions presented below represent a menu of likely areas of GEF support from which countries may choose depending on their needs and priorities.

¹⁰ United Nations Convention to Combat Desertification, Article 21, paragraph 4.

Capacity Building

42. Capacity building at the local, national, and regional levels would initially focus on country-driven activities aimed at creating the appropriate enabling environment and institutional capacity to support sustainable land management.

(a) Mainstreaming sustainable land management into national development priorities. Baseline actions would include activities related to the formulation of a national development plan, poverty reduction strategy paper (PRSP), or Comprehensive Development Framework (CDF). GEF incremental assistance may specifically focus on providing coordination support for the following baseline actions to facilitate the implementation of country-driven priorities:

(i) Harmonization, if necessary, of sustainable land management priorities identified in action programs such as national environment action programs, National/Sub-Regional/Regional Action Programs (NAPs/SRAPs/RAPs) to combat desertification, national biodiversity strategies and action plans, national communication for UNFCCC, and National Adaptation Programmes of Action, and forest action programs.

(ii) Integration of country-driven desertification and deforestation prevention and control priorities outlined in national environmental action programs, NAPs/SRAPs/RAPs, national biodiversity strategies and action plans, national communication for UNFCCC, and forest management action plans into national development plans, PRSPs, and/or CDF. Such integration would facilitate coordinated financial resource mobilization, from both in-country and external sources, and the successful implementation of priority activities.

(b) Integration of land use planning systems. Baseline activities may include the establishment of development planning systems and the development of systems for drought preparedness and for other extreme climatic events at the national and local levels. GEF incremental activities may include the following:

(i) Strengthening of participatory institutional mechanisms and capacity for integrated land use planning and implementation, including land suitability analysis, at the national and local levels and across sectors as a contribution to improving livelihoods and protecting ecosystem stability, functions, and services.

(ii) Incorporation of sustainable land management practices into systems developed for drought preparedness and for other extreme climatic events.

(iii) Development of policies, regulations, and incentive structures such as

improved land tenure systems and pricing systems to appropriately value renewable natural resources, including water, to encourage efficient and sustainable use and management.

(iv) Strengthening of information management systems to support decision-making at the national and local levels on integrated land use planning and management.

(v) Dissemination and replication of good management practices, technologies, and lessons learned.

(c) Agreements and mechanisms for management of transboundary resources. Building on appropriate national policies (baseline actions) to develop agreements and modalities for management of transboundary natural resources through sustainable land management (GEF incremental actions). For example, countries may collaborate at the sub-regional level to protect transboundary grazing corridors for nomadic pastoralists from overgrazing. They may also collaborate to jointly adopt sustainable land use management programs to reduce sedimentation of shared waterbodies.

On-the-ground investments

43. On-the-ground interventions to address land degradation would comprise packages of interventions to improve both livelihoods and economic well-being of local people (baseline actions) and to preserve or restore ecosystem stability, functions, and services through sustainable land management (GEF incremental actions). Examples may include the following activities:

Sustainable agriculture

44. Sustainable agricultural practices can help to improve and sustain the productivity of rainfed agriculture. This may involve crop diversification to reduce the risk of failure; introduction of high-yielding and drought resistant crop varieties; adoption of mixed cropping systems; crop rotation to recycle soil nutrients; water harvesting; and improved access to credit, extension, and marketing services (baseline actions).

45. For irrigated cropland, sustainable agriculture may involve a shift from large-scale irrigation schemes to small-scale systems that can be more easily managed by user groups; improved drainage to prevent waterlogging and salinization; improved water use efficiency; and judicious use of fertilizers and other agrochemicals, including the use of integrated pest management (baseline actions).

46. The GEF may provide incremental funds for complementary pilot or demonstration

activities such as adoption of improved tillage methods that do not adversely affect the stability of soil structure; establishment of windbreaks, buffer strips, and filter strips to reduce water or wind erosion; protection from farming or rehabilitation of riverine or coastal wetlands to stabilize hydrological flows; introduction of indigenous crop varieties to reduce the risk of crop losses because of their adaptation to variations in local climatic and soil conditions; and improved management of agricultural waste to improve soil and water conservation.

47. These interventions would have additional benefits related to the conservation of biological diversity; sequestration of soil carbon; and reduction in carbon dioxide emissions.

Sustainable rangeland/pasture management

48. Baseline activities (deleted: at the community level) to improve and sustain the economic productivity of rangeland and pasture may include reducing livestock stocking density to ensure that the carrying capacity of a range or pasture is not exceeded; distribution of water points to prevent high concentration of livestock in one area; adoption of rotational grazing systems; and improved access to credit, veterinary, and marketing services.

49. The GEF may complement these measures with incremental pilot or demonstration activities such as strengthening of viable traditional rangeland management systems; establishment of mechanisms to help resolve wildlife-livestock-agriculture conflicts; enhancement of range management systems; introduction of indigenous plants for rehabilitation of rangeland; development of community-based rangeland fire management programs; introduction of indigenous livestock varieties to minimize losses because of their natural adaptation to extreme climatic events and environmental conditions; establishment of windbreaks to reduce water and wind erosion; protection and/or rehabilitation of riparian forest or woodland; and protection and/or rehabilitation of the natural vegetation of groundwater recharge areas.

50. These above measures would improve soil and water conservation and they would also help to protect biodiversity, including agrobiodiversity; increase carbon sequestration; and reduce carbon dioxide emission.

Sustainable forest and woodland management

51. Baseline activities to improve and sustain the economic productivity of forest or woodland management may include development of community-based management arrangements for multiple use of forest/woodland resources; establishment of forests or tree crop farms; and minimizing agricultural expansion, especially shifting

cultivation, to forest/woodlands by improving soil fertility through crop rotation using nitrogen fixing crops and crop residue.

52. Complementary incremental actions for GEF financing may include pilot or demonstration activities aimed at strengthening viable indigenous forest/woodland management systems; use of indigenous multiple use tree species to rehabilitate degraded area; rehabilitation and protection of degraded ecologically sensitive areas; protection and/or rehabilitation of riparian forest and wetlands, and groundwater recharge areas; improvement of forest health, controlling damaging invasive alien species, strengthening forest inventory, monitoring, assessment and sustainable harvesting practices, establishment of community woodlots to provide fuel wood as an alternative source to natural forests and woodland; and piloting of mechanisms to compensate local communities that protect ecosystem stability, functions and services in watersheds to ensure stable flow of high quality water for downstream users.

53. These interventions would have additional global environment benefits such as conservation of biodiversity, carbon sequestration, and reduction in carbon dioxide emission.

Targeted research

54. GEF-supported targeted research is aimed at providing information, knowledge, and tools to improve the quality and effectiveness of GEF projects and programs. The specific objectives of targeted research under OP 15 are to: (a) better understand the policy and institutional failures that drive land degradation; and (b) facilitate the refinement and adoption of innovative sustainable land management practices and technologies, including early warning and monitoring systems such as criteria and indicators for sustainable forest management, to improve and sustain the preservation/ restoration of ecosystem stability, functions and services as well as the economic well-being of people under different socioeconomic conditions.

55. Targeted research may initially focus on partnerships with small farmers, pastoralists, and other natural resource users and stakeholders to demonstrate under field conditions cost-effective agronomic practices to improve soil fertility management as alternatives to shifting agriculture; methodologies for valuing environmental services; tillage methods that have minimal impacts on soil structure and improve soil and water conservation; and systems to improve livestock production in areas with limited rangeland/pasture. Targeted research may also focus on the development of analytical tools and frameworks to assist countries to assess the environmental and economic costs of land degradation and the benefits of early intervention to prevent or control degradation, as well as the status and trends in their forests, rangelands and other land types.

VIII. Monitoring and evaluation

56. The GEF will develop program and project level indicators to provide a framework to monitor the performance and impacts on land degradation prevention and control, and on the global environment of GEF-supported sustainable land management activities. The program level indicators will cover the expected outcomes outlined above (see section V).

57. The GEF will establish scientifically recognized methodologies to measure the incremental impacts of sustainable land management activities on the preservation or rehabilitation of stability, functions, and services and on livelihoods. The monitoring framework would, therefore, include indicators to measure both the global environment and sustainable development impacts of GEF-supported activities.

58. Using the appropriate methodology, each project will generate baseline information based on its impact indicators by the end of the first year of implementation. It is expected that monitoring of these indicators will continue during and beyond project implementation. Best practices and lessons that emerge from monitoring and evaluation activities would be widely disseminated

IX. Public involvement

59. Land degradation has global environment, poverty, and socioeconomic development implications. Therefore, addressing it will require effective participation by a broad range of stakeholder groups, including local communities, government and non-governmental organizations, private sector, GEF Implementing and Executing agencies, and other donors to coordinate the development of programs and projects and financial resource mobilization.

60. Public participation is one of the key principles of project development and implementation adopted by the GEF Council in 1996. Mechanisms will be established during the development of a sustainable land management project, including those on capacity building, to ensure effective stakeholder participation in the design, implementation, monitoring, and evaluation phases.

APPENDIX II

GEF TEMPLATE FOR DEVELOPING A PROJECT CONCEPT/PDF B PROPOSAL



**Project Development Facility Request
for (Select Project Type) Approval**

AGENCY'S PROJECT ID:
GEFSEC PROJECT ID:
COUNTRY:
PROJECT TITLE:
GEF AGENCY:
OTHER EXECUTING AGENCY(IES):
DURATION:
GEF FOCAL AREA:
GEF OPERATIONAL PROGRAM:
GEF STRATEGIC PRIORITY:
ESTIMATED STARTING DATE:
ESTIMATED WP ENTRY DATE:
PIPELINE ENTRY DATE:
(if applicable)

FINANCING PLAN (US\$)	
GEF ALLOCATION	
Project (estimated)	
Project Co-financing (estimated)	
PDF A*	
PDF B**	
PDF C	
Sub-Total GEF PDF	
PDF CO-FINANCING	
(details provided in Part II, Section E – Budget)	
GEF Agency	
National Contribution	
Others	
Sub-Total PDF Co-financing:	
Total PDF Project Financing:	

* Indicate approval date of PDFA

** If supplemental, indicate amount and date of originally approved PDF

RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:

(Enter Name, Position, Ministry)

Date: (Month, day, year)

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for approval.

Name & Signature

IA/EA Coordinator

Date: (Month, Day, Year)

Project Contact Person

Tel. and email:

PART I - PROJECT CONCEPT

A - SUMMARY

B - COUNTRY OWNERSHIP

1. COUNTRY ELIGIBILITY
2. COUNTRY DRIVENNESS

C – PROGRAM AND POLICY CONFORMITY

1. PROGRAM DESIGNATION AND CONFORMITY
2. PROJECT DESIGN
3. SUSTAINABILITY (INCLUDING FINANCIAL SUSTAINABILITY)
4. REPLICABILITY
5. STAKEHOLDER INVOLVEMENT/INTENDED BENEFICIARIES

D - FINANCING

1. FINANCING PLAN
2. CO-FINANCING

E - INSTITUTIONAL COORDINATION AND SUPPORT

1. CORE COMMITMENTS AND LINKAGES
2. CONSULTATION, COORDINATION AND COLLABORATION BETWEEN AND AMONG IMPLEMENTING AGENCIES, EXECUTING AGENCIES, AND THE GEF SECRETARIAT, IF APPROPRIATE.
3. IMPLEMENTATION/EXECUTION ARRANGEMENTS

PART II - PROJECT DEVELOPMENT PREPARATION

A - DESCRIPTION OF PROPOSED PDF ACTIVITIES

B - PDF BLOCK B (OR C) OUTPUTS

C - JUSTIFICATION

D - TIMETABLE

E - BUDGET

Co-financing Sources				
Name of Co-financier (source)	Classification	Type	Amount (US\$)	Status
Sub-Total Co-financing				

PART III – SUPPLEMENTAL ANNEXES (FOR TARGETED RESEARCH PROPOSALS ONLY)

ANNEX A - BRIEFLY OUTLINE THE RESEARCH HYPOTHESIS TO BE TESTED IN THE PROJECT

ANNEX B - EXPLAIN HOW THE RESULTS OF THE RESEARCH PROJECT WILL CONTRIBUTE TO THE OBJECTIVES OF EXISTING OPERATIONAL PROGRAMS, OR THE ASSESSMENT OF POTENTIAL NEED FOR NEW OPERATIONAL PROGRAMS

ANNEX C - ESTABLISH THE INCREMENTALITY BY DESCRIBING THE BASELINE FOR RELEVANT RESEARCH.

PART IV – RESPONSE TO REVIEWS

A - CONVENTION SECRETARIAT

B - OTHER IAS AND RELEVANT EAs

GEF PROJECT CONCEPT AND/OR PROJECT DEVELOPMENT (PDF) PROPOSAL

PREPARATION GUIDELINES

Please follow these guidelines when using the Concept/PDF Template:

Select project type from the pull down menu for which request is being made: a) pipeline entry, b) pipeline entry and PDF Block B, c) PDF Block B, d) Supplemental PDF B, or PDF Block C.

- 1) AGENCY'S PROJECT ID.** IA/EA's project identification number.
- 2) GEFSEC PROJECT ID.** Indicate GEFSEC project ID number if known.
- 3) COUNTRY.** Name of the country. If multi-country, include names of all countries in which activities will take place and which will endorse the project. If global, state GLOBAL.
- 4) PROJECT TITLE.** Full project title. Do not repeat the name of the country or names of the countries in the title.
- 5) GEF AGENCY.** The GEF Implementing Agency or Executing Agency with direct access. Where there is an Executing Agency operating under expanded opportunities but without direct access, include first the IA and then the EA.
- 6) OTHER EXECUTING AGENCY(IES).** National executing agency or agencies, or other intermediate organization such as a regional body or multilateral organization that is executing the project.
- 7) DURATION.** Number of months to complete project development preparations (PDF).
- 8) GEF FOCAL AREA.** In the pull down menu, select the appropriate focal area as: Biodiversity, Climate Change, International Waters, Land Degradation, Ozone Depletion, Persistent Organic Pollutants, Multiple Focal Area/OP12, and Multiple Focal Area/Others. Use the latter for any combination of focal areas other than OP 12.
- 9) GEF OPERATIONAL PROGRAM.** Select the operational program(s) as appropriate:

OP 1	Arid and Semi-arid Zones Ecosystems
OP 2	Coastal, Marine and Freshwater Ecosystems
OP 3	Forest Ecosystems
OP 4	Mountain Ecosystems
OP 5	Removal of Barriers to Energy Efficiency and Energy Conservation
OP 6	Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs
OP 7	Reducing the Long-term Costs of Low Greenhouse Gas-emitting Energy Technologies
OP 8	Waterbody-based Operational Program
OP 9	Integrated Land and Water Multiple Focal Area Program

OP 10	Contaminant-based Program
OP 11	Sustainable Transport
OP 12	Integrated Approach to Ecosystem Management
OP 13	Conservation and Sustainable Use of Biological Diversity Important to Agriculture
OP 14	Program for Reducing and Eliminating Releases of Persistent Organic Pollutants
OP 15	Sustainable Land Management
STRM	Short Term Response Measure
EA	Enabling Activity

10) **GEF STRATEGIC PRIORITY.** Select as appropriate, from the following strategic priorities in the context of the GEF Business Plan:

Biodiversity	
BD-1	Catalyzing Sustainability of Protected Areas
BD-2	Mainstreaming Biodiversity in Production Landscapes and Sectors
BD-3	Capacity Building for the Implementation of the Cartagena Protocol on Biosafety
BD-4	Generation and Dissemination of Best Practices for Addressing Current and Emerging Biodiversity Issues
Climate Change	
CC-1	Transformation of Markets for High Volume Products and Processes
CC-2	Increased Access to Local Sources of Financing for Renewable Energy and Energy Efficiency
CC-3	Power Sector Policy Frameworks Supportive of Renewable Energy and Energy Efficiency
CC-4	Productive Uses of Renewable Energy
CC-5	Global Market Aggregation and National Innovation for Emerging Technologies
CC-6	Modal Shifts in Urban Transport and Clean Vehicle/Fuel Technologies
CC-7	Short Term Measures
International Waters	
IW-1	Catalyzing Financial Resources for Implementation of Agreed Actions
IW-2	Expand Global Coverage with Capacity Building Foundational Work
IW-3	Undertake Innovative Demonstrations for Reducing Contaminants and Addressing Water Scarcity
Ozone Depletion	
OZ-1	Methyl Bromide Reduction

Persistent Organic Pollutants	
POP-1	Targeted Capacity Building
POP-2	Implementation of Policy/Regulatory Reforms and Investments
POP-3	Demonstration of Innovative and Cost-Effective Technologies
Sustainable Land Management	
SLM-1	Targeted Capacity Building
SLM-2	Implementation of Innovative and Indigenous Sustainable Land Management Practices
Capacity Building	
CB-1	Enabling Activities (climate change and biodiversity)
CB-2	Cross-cutting Capacity Building
Integrated Approach to Ecosystem Management	
EM-1	Integrated Approach to Ecosystem Management
Small Grants Program	
SGP-1	Small Grants Program

- 11) **ESTIMATED STARTING DATE.** Expected commencement date of PDF activities.
- 12) **ESTIMATED WP ENTRY DATE:** Estimated date of submission for Work Program inclusion
- 13) **PIPELINE ENTRY DATE:** Date approved for pipeline entry. If requesting for a PDF B for which a concept has previously been approved, indicate the date when the project concept entered the pipeline.
- 14) **FINANCING PLAN.** Amounts should all be in US dollars, not in thousands or millions of dollars.

GEF Allocation:

Project (estimated). Estimated GEF full project grant to be requested excluding PDFs. Where there is more than one agency involved, the amount channeled through each should be estimated and specified separately.

Project Co-financing (estimated). Estimated co-financing amount for the full project.

PDF A. Amount of PDF A resources used. Indicate approval date.

PDF B. Amount of PDF B grant requested. If request is for supplemental PDF, indicate amount and date of approval of the first request. Where there is more than one agency involved, the amount channeled through each should be specified separately.

PDF C. Amount of PDF C grant requested. If request is for supplemental PDF, indicate amount and date of approval of the first request. Where there is more than one agency involved, the amount channeled through each should be specified separately.

Sub-total GEF PDF: PDF A + PDF B + PDF C

PDF Co-financing: Refer to the paper on Cofinancing, GEF/C.206/Rev. 1

GEF Agency. Cofinancing amount from the IA/EA.

National Contribution. Estimated National and local government contributions.

Others. Aggregate sub-total from other sources which may include bilateral, multilateral, beneficiary, government, regional/national institutions, private equity, and public equity contributions.

Sub-total PDF Cofinancing. GEF Agency cofinancing + National Contribution + Others

TOTAL PDF PROJECT FINANCING. *Subtotal GEF PDF + Subtotal PDF Co-financing*

- 15) **RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT(S).** Name and position of Operational Focal Point including date of endorsement. For pipeline entry, no endorsement is required. For regional projects, insert additional rows for country endorsements.
- 16) **IA CERTIFYING AUTHORITY.** Name, position and signature of the accountable officer authorized to agree to any changes required in the project proposal (i.e. GEF Executive Coordinator)

PROJECT CONTACT PERSON: Name, telephone number and email address of project manager

PART I – PROJECT CONCEPT

A. PROJECT SUMMARY. Describe project rationale, objectives, outputs.

B. COUNTRY OWNERSHIP. Describe country eligibility and country drivenness.

1. Country Eligibility:

Country be a party (ratified) to the Convention appropriate to the project focal area (UNFCCC or CBD) and

(a) For grants within the financial mechanism, country be in conformity with eligibility criteria decided by the COPs; or

(b) For grants outside the framework of the financial mechanisms of the Conventions, country be eligible for country assistance from the UNDP or the World Bank.

(For international waters projects, only 2 applies)

- For ODS projects, country should be eligible for country assistance from the UNDP or the World Bank and ineligible for funding under the multilateral fund of Montreal Protocol.
- For Land Degradation projects, ratification of the UNCCD by the country.

2. Country Drivenness:

Concept *consistent with priorities* of the country as identified in:

- National reports/ communications to Conventions
- National or sector development plans such as NBSAPs, energy sector plans, etc. (explain how stakeholders were involved in development of these plans and how project idea evolved).
- Recommendations of appropriate regional intergovernmental meetings or agreements.

C. PROGRAM AND POLICY CONFORMITY. Describe the fit to GEF operational program and strategic priority, sustainability (including financial sustainability), replicability, stakeholder involvement and monitoring and evaluation.

1. Program Designation and Conformity:

Identify primary Operational Program; strategic priority; or short-term measures; or Enabling Activities

2. Project Design:

Outline the incremental reasoning of the concept, including:

- Problem statement (a preliminary gap analysis and the description of the two alternatives should follow).
- What would happen without GEF (programs & global environmental

consequences) – baseline scenario.

- What would happen with GEF (programs & global environmental consequences) – alternate scenario.

3. Sustainability (including financial sustainability):

Indicate factors that influence continuation of project benefits after completion of project implementation.

4. Replicability:

Outline the potential for repeating the project lessons and transferring experience elsewhere.

5. Stakeholder Involvement/ Intended Beneficiaries:

Identify major stakeholders, relevant to project objectives:

- Private sector
- NGOs
- Communities
- Public agencies
- Marginal groups in ecosystem-based projects such as nomads, transhumants, young people and women
- Others

D. FINANCIAL MODALITY AND COST EFFECTIVENESS.

1. Financing Plan:

Indicate financing instrument, if known

2. Co-Financing:

- Indicate the nature of co-financing: whether it is “initial” co-financing critical to project success or “subsequent” co-financing which would be mobilized during implementation.
- If PDF-B is requested, provide preliminary co-financing sources and estimated amount

E. INSTITUTIONAL COORDINATION AND SUPPORT. Describe core commitments and linkages; consultation, coordination and collaboration between and among IAs and EAs, if appropriate)

1. Core Commitments and Linkages:

Identify linkages to IA's:

- Country/regional/sub-regional/global/sector programs.
- GEF activities with potential influence on the proposed project (design and implementation).

2. Consultation, Coordination and Collaboration between IAs, and IAs and EAs.

- Identify relevant activities of other IAs (and EAs) in the country/region.
- Outline coordination, collaboration between IAs (and IAs and EAs) in project design, if any.

3. Implementation/Execution Arrangements

Explain how the IA will ensure a high quality technical and financial implementation of the project (e.g. international project coordinator, supervision by country-based staff or HQ, UNOPS, arrangements with other involved agencies).

PART II – PROJECT DEVELOPMENT PREPARATION

A – Description of Proposed PDF Activities. Provide a more detailed description of proposed PDF activities consistent with the preparation of a GEF project to address the objectives in Part I. PDF objectives and activities must clearly lead to a GEF full project document for submission to Council and, upon inclusion in the work program, a final IA/EA project document for CEO endorsement, based on full consultative and participatory project development, preparation and appraisal phase.

B – PDF Block B (or C) Outputs. Succinctly list the planned outputs of PDF activities. The main output is the GEF Project Document. In addition, PDF activities produce outcomes as a result of the project design process that may take the form of strengthened institutional arrangements, mechanisms for consultation and coordination, and methodologies for local participation.

C – Justification. Describe why a PDF B (or C) grant is necessary within the scope of the larger project proposal. Be very clear as to how the proposed PDF activities will allow for the development of an envisaged GEF project. This clarification upfront will help to eliminate confusion with so called “Enabling Activities” which are activities that assist nations in fulfilling their responsibilities under the international conventions and other agreements linked to GEF programming. Quote relevant Convention guidance to justify project intervention. Explain the institutional, cooperation and coordination frameworks. Make a solid argument that will convince the GEFOP and the GEF Council that the proposed project can only be successfully advanced with PDF funding. Re-emphasize the proposed project’s national, regional and global importance. (Note: As this section implies, there is a distinct advantage in having a clear and compelling vision of the future GEF project that the PDF funds would help to design. If Block B funds are to be used both to identify and design a GEF project then be sure to explain why Block B funding is the most appropriate source of project design support (as opposed to initiating project development with PDF A funds for example).

D – Budget. Present a cost table that details expenses to be incurred under PDF Block B by activity. Likewise, fill up the Co-Financing Sources Table provided with sources of co-financing (i.e., UNDP, WWF, McArthur Foundation, etc.), how they are classified (i.e., Implementing Agency, Executing Agency under EOP, government, multilateral agency, bilateral development cooperation agency, NGO, private sector, beneficiaries), and the type of co-financing (i.e., grants, loans (concessional or market rate), credits, equity investments, committed in-kind support, others (specified). Reflect the status of discussion with co-financiers. If there are any letters with expressions of interest or commitment, please attach them.

PART III – SUPPLEMENTAL ANNEXES (THIS PART APPLIES TO TARGETED RESEARCH PROPOSALS ONLY AND MAY BE DELETED IF NOT APPLICABLE)

Annex A – Briefly outline the research hypothesis to be tested in the project

Annex B – Explain how the results of the research project will contribute to the objectives of existing operational programs, or the assessment of potential need for new operational programs

Annex C – Establish the incrementality by describing the baseline for relevant research.

PART IV – RESPONSE TO REVIEWS

Responses to reviews/comments provided by the Convention Secretariat, Implementing Agencies, relevant Executing Agencies, and the GEF Secretariat.

PART V – PROJECT CATEGORY ANNEX

Check all the appropriate “keywords” that would describe the various elements of the project proposal.

Appendix III

GEF TEMPLATE FOR DEVELOPING A PDF A PROPOSAL



Project Development Facility
Request For PDF Block A for (Select Project Type)

AGENCY'S PROJECT ID: (if known)
GEFSEC PROJECT ID:
COUNTRY:
COUNTRY ELIGIBILITY:
PROJECT TITLE:
GEF AGENCY:
OTHER EXECUTING AGENCY(IES):
DURATION:
GEF FOCAL AREA(S):
GEF OPERATIONAL PROGRAM(S):
GEF STRATEGIC PRIORITY(IES):
ESTIMATED STARTING DATE:

FINANCING PLAN (US\$)	
GEF PROJECT	
PDF A	
<i>Sub-total GEF</i>	
CO-FINANCING	
GEF Agency	
National Contribution	
In Cash	
In Kind	
Others	
<i>Sub-Total Co-financing:</i>	
<i>Total PDF Financing:</i>	

RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:

(Enter Name, Position, Ministry)

Date: (Month, day, year)

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for approval.

Name & Signature

IA/EA Coordinator

Date: (Month, Day, Year)

Project Contact Person Date: (Month, Day, Year)

Tel. and email:

PART I: PROJECT INFORMATION

1. PROJECT LINKAGE TO NATIONAL PRIORITIES, ACTION PLANS AND PROGRAMS
2. PROJECT RATIONALE AND OBJECTIVES
3. EXPECTED OUTCOMES
4. PLANNED OUTPUTS TO ACHIEVE OUTCOMES
5. STAKEHOLDERS INVOLVED IN PROJECT

PART II: INFORMATION ON BLOCK A ACTIVITIES

6. EXPECTED OUTCOMES/COSTS AND COMPLETION DATES OF THE PDF
7. OTHER POSSIBLE CONTRIBUTORS/DONORS AND AMOUNTS

PART III: INFORMATION ON THE APPLICANT INSTITUTION

8: Name:	9. Type:
10. Date of Establishment, Membership, and Leadership:	11. Sources of Revenue:

12. Mandate/Terms of Reference:
13. Recent Activities/Programs, in particular those relevant to GEF.

PART IV: INFORMATION TO BE COMPLETED BY THE IMPLEMENTING AGENCY

14. Project Linkage to Implementing Agency program(s)

APPENDIX IV

GEF TEMPLATE FOR DEVELOPING A MSP PROPOSAL



Medium-sized Project Proposal
Request For GEF Funding

AGENCY'S PROJECT ID:
GEFSEC PROJECT ID:
COUNTRY:
PROJECT TITLE:
GEF AGENCY:
OTHER EXECUTING AGENCY(IES):
DURATION:
GEF FOCAL AREA:
GEF OPERATIONAL PROGRAM:
GEF STRATEGIC PRIORITY:
ESTIMATED STARTING DATE:
IMPLEMENTING AGENCY FEE:

FINANCING PLAN (US\$)	
GEF PROJECT/COMPONENT	
Project	
PDF A*	
<i>Sub-total GEF</i>	
CO-FINANCING**	
GEF Agency	
Government	
Bilateral	
NGOs	
Others	
<i>Sub-Total Co-financing:</i>	
<i>Total PDF Financing:</i>	
FINANCING FOR ASSOCIATED ACTIVITY IF ANY:	

* Indicate approval date of PDFA

** Details provided in the Financing Section

CONTRIBUTION TO KEY INDICATORS OF THE BUSINESS PLAN:

RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:

(Enter Name, Position, Ministry)

Date: (Month, day, year)

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for approval.

Name & Signature
(Month, Day, Year)

IA/EA Coordinator Project Contact PersonDate:
Date: (Month, Day, Year) Tel. and email:

PART I - PROJECT CONCEPT

A - SUMMARY

B - COUNTRY OWNERSHIP

1. COUNTRY ELIGIBILITY

2. COUNTRY DRIVENNESS

C – PROGRAM AND POLICY CONFORMITY

3. PROGRAM DESIGNATION AND CONFORMITY

4. PROJECT DESIGN

5. SUSTAINABILITY (INCLUDING FINANCIAL SUSTAINABILITY)

6. REPLICABILITY

7. STAKEHOLDER INVOLVEMENT

8. MONITORING AND EVALUATION

D - FINANCING

1) FINANCING PLAN

2) COST EFFECTIVENESS

3) CO-FINANCING

Co-financing Sources				
Name of Co-financier (source)	Classification	Type	Amount (US\$)	Status
Sub-Total Co-financing				

E - INSTITUTIONAL COORDINATION AND SUPPORT

- 1) CORE COMMITMENTS AND LINKAGES
- 2) CONSULTATION, COORDINATION AND COLLABORATION BETWEEN AND AMONG IMPLEMENTING AGENCIES, EXECUTING AGENCIES, AND THE GEF SECRETARIAT, IF APPROPRIATE.

PART II – SUPPLEMENTAL ANNEXES (TO BE INCLUDED FOR TARGETED RESEARCH PROPOSALS ONLY)

ANNEX A - BRIEFLY OUTLINE THE RESEARCH HYPOTHESIS TO BE TESTED IN THE PROJECT

ANNEX B - EXPLAIN HOW THE RESULTS OF THE RESEARCH PROJECT WILL CONTRIBUTE TO THE OBJECTIVES OF EXISTING OPERATIONAL PROGRAMS, OR THE ASSESSMENT OF POTENTIAL NEED FOR NEW OPERATIONAL PROGRAMS

ANNEX C - ESTABLISH THE INCREMENTALITY BY DESCRIBING THE BASELINE FOR RELEVANT RESEARCH.

PART III – RESPONSE TO REVIEWS

A - CONVENTION SECRETARIAT

B - OTHER IAS AND RELEVANT EAs

GEF MEDIUM-SIZED PROJECT PROPOSAL PREPARATION GUIDELINES

Please refer to the following guidelines when preparing the MSP Template:

- 1) **AGENCY'S PROJECT ID.** IA/EA's project identification number.
- 2) **GEFSEC PROJECT ID.** Indicate GEFSEC project ID number if known.
- 3) **COUNTRY.** Name of the country. If multi-country, include names of all countries in which activities will take place and which will endorse the project. If global, state GLOBAL.
- 4) **PROJECT TITLE.** Full project title. Do not repeat the name of the country or names of the countries in the title.
- 5) **GEF AGENCY.** The GEF Implementing Agency or Executing Agency with direct access. Where there is an Executing Agency operating under expanded opportunities but without direct access, include first the IA and then the EA.
- 6) **OTHER EXECUTING AGENCY(IES).** National executing agency or agencies, or other intermediate organization such as a regional body or multilateral organization that is executing the project.
- 7) **DURATION.** Number of years to complete the project.
- 8) **GEF FOCAL AREA.** In the pull down menu, select the appropriate focal area as: Biodiversity, Climate Change, Ozone Depletion, International Waters, Multiple Focal Area/OP12, Multiple Focal Area/Others, Land Degradation, and Persistent Organic Pollutants
- 9) **GEF OPERATIONAL PROGRAM.** Select the operational program(s) as appropriate:

OP 1	Arid and Semi-arid Zones Ecosystems
OP 2	Coastal, Marine and Freshwater Ecosystems
OP 3	Forest Ecosystems
OP 4	Mountain Ecosystems
OP 5	Removal of Barriers to Energy Efficiency and Energy Conservation
OP 6	Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs
OP 7	Reducing the Long-term Costs of Low Greenhouse Gas-emitting Energy Technologies
OP 8	Waterbody-based Operational Program
OP 9	Integrated Land and Water Multiple Focal Area Program
OP 10	Contaminant-based Program
OP 11	Sustainable Transport
OP 12	Integrated Approach to Ecosystem Management
OP 13	Conservation and Sustainable Use of Biological Diversity Important to Agriculture
OP 14	Program for Reducing and Eliminating Releases of Persistent Organic Pollutants
OP 15	Sustainable Land Management

STRM	Short Term Response Measure
EA	Enabling Activity

10) GEF STRATEGIC PRIORITY. Select as appropriate, from the following strategic priorities in the context of the GEF Business Plan:

Biodiversity	
BD-1	Catalyzing Sustainability of Protected Areas
BD-2	Mainstreaming Biodiversity in Production Landscapes and Sectors
BD-3	Capacity Building for the Implementation of the Cartagena Protocol on Biosafety
BD-4	Generation and Dissemination of Best Practices for Addressing Current and Emerging Biodiversity Issues
Climate Change	
CC-1	Transformation of Markets for High Volume Products and Processes
CC-2	Increased Access to Local Sources of Financing for Renewable Energy and Energy Efficiency
CC-3	Power Sector Policy Frameworks Supportive of Renewable Energy and Energy Efficiency
CC-4	Productive Uses of Renewable Energy
CC-5	Global Market Aggregation and National Innovation for Emerging Technologies
CC-6	Modal Shifts in Urban Transport and Clean Vehicle/Fuel Technologies
CC-7	Short Term Measures
International Waters	
IW-1	Catalyzing Financial Resources for Implementation of Agreed Actions
IW-2	Expand Global Coverage with Capacity Building Foundational Work
IW-3	Undertake Innovative Demonstrations for Reducing Contaminants and Addressing Water Scarcity
Ozone Depletion	
OZ-1	Methyl Bromide Reduction
Persistent Organic Pollutants	
POP-1	Targeted Capacity Building
POP-2	Implementation of Policy/Regulatory Reforms and Investments
POP-3	Demonstration of Innovative and Cost-Effective Technologies

Sustainable Land Management	
SLM-1	Targeted Capacity Building
SLM-2	Implementation of Innovative and Indigenous Sustainable Land Management Practices
Capacity Building	
CB-1	Enabling Activities (climate change and biodiversity)
CB-2	Cross-cutting Capacity Building
Integrated Approach to Ecosystem Management	
EM-1	Integrated Approach to Ecosystem Management
SMALL GRANTS PROGRAM	
SGP-1	Small Grants Program

- 11) ESTIMATED STARTING DATE.** Projected commencement date of project activities.
- 12) IMPLEMENTING AGENCY FEE:** Amount requested by IA or EA for reimbursement of costs that will be incurred by the IA or EA in the implementation and execution of the project. If joint project, share of each IA and/or EA should be indicated.
- 13) FINANCING PLAN.** Amounts should all be in US dollars, not in thousands or millions of dollars.

GEF Project/Component (estimated):

Project. Estimated GEF project grant to be requested excluding PDFs. Where there is more than one agency involved, the amount channeled through each should be estimated and specified separately.

PDF A. Amount of PDF A resources used. Indicate approval date.

Sub-total GEF: GEF project + PDF A

Project Co-financing (estimated): Refer to the paper on Cofinancing, GEF/C.206/Rev. 1

GEF Agency. Estimated cofinancing amount from the IA/EA.

Government. Estimated National and local government contributions.

Bilateral. Estimated Foreign government(s) contributions

NGOs. Estimated International or local NGOs contributions.

Others. Estimated aggregate sub-total from all other sources which may include, multilateral, foundation, beneficiary, private equity, and public equity contributions.

Sub-total Cofinancing. GEF Agency cofinancing + Government + Bilateral + NGOs + Others.

TOTAL PROJECT FINANCING. *Subtotal GEF + Subtotal Project Co-financing*

- 14) RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT(S).** Name and position of Operational Focal Point including date of endorsement.

- 15) IA/EA CERTIFYING AUTHORITY.** Name, position and signature of the accountable officer authorized to agree to any changes required in the project proposal (i.e. GEF Executive Coordinator)

PROJECT CONTACT PERSON: Name, telephone number and email address of project manager

PART I – PROJECT DETAILS

A - PROJECT SUMMARY. Describe project rationale, objectives, and outcomes.

B - COUNTRY OWNERSHIP. Describe country eligibility and country drivenness.

Country Eligibility:

Country be a party (ratified) to the Convention appropriate to the project focal area (UNFCCC or CBD) and

1. For grants within the financial mechanism, country be in conformity with eligibility criteria decided by the COPs; or
2. For grants outside the framework of the financial mechanisms of the Conventions, country be eligible for country assistance from the UNDP or the World Bank.

(For international waters projects, only 2 applies)

- For ODS projects, country should be eligible for country assistance from the UNDP or the World Bank and ineligible for funding under the multilateral fund of Montreal Protocol.
- For Land Degradation projects, ratification of the UNCCD by the country.

Country Drivenness:

Clear description of project's fit within:

- National reports/communications to Conventions.
- National or sector development plans.
- Recommendations of appropriate regional intergovernmental meetings or agreements.

C - PROGRAM AND POLICY CONFORMITY. Describe the fit to GEF operational program and strategic priority, sustainability (including financial sustainability), replicability, stakeholder involvement and monitoring and evaluation.

Program Designation and Conformity:

Describe briefly how project objectives are consistent with Operational Program objectives and strategic priority.

Project Design:

Describe briefly:

- Sector issues, root causes, threats, barriers, etc, affecting global environment.
- Project logical framework, including a consistent strategy, and details of goals, objectives, outcomes, measurable performance indicators, risks and assumptions.
- Global environmental benefits of project (performance indicators at objective and outcome level should refer to the environmental, socio-economic, institutional and policy/legal impact of the project).

- Project cost to be financed by the GEF.¹¹

Sustainability (including financial sustainability):

Describe briefly specific actions to be undertaken, within and/or outside the project, to address factors that influence continuation of project benefits after completion of project implementation.

Replicability:

Describe briefly specific actions, with work plan and budget, if any, to foster knowledge transfer (for e.g., dissemination of lessons, training workshops, information exchange, national and regional forum, etc. and provide the budget associated with these efforts. It could also be within project description).

Stakeholder Involvement/ Intended Beneficiaries:

- Describe briefly how stakeholders have been involved in project development.
- Describe briefly the roles and responsibilities of relevant stakeholders in project implementation.
- Describe how the marginal groups are going to be involved in the project implementation.

Monitoring and Evaluation

Describe briefly M&E Plan , based on the project logical framework, including the following elements:

- Budget.
- Organizational arrangements for implementing M&E.
- Specification of indicators for project objectives, outcomes, including intermediate benchmarks, and means of measurement.

D - Financial Modality and Cost Effectiveness*.

Financing Plan:

Project cost, including:

- Costing by activity and sub-activity.
- Project Implementation Plan.
- Financing plan, including commitments by co-financiers.

Cost-Effectiveness

Estimate cost effectiveness, if feasible.

Co-Financing:

- Fill in the table provided to indicate the sources of co-financing (i.e., UNDP, WWF, McArthur Foundation, etc.), how they are classified (i.e., Implementing

¹¹ The share of the project cost to be borne by the GEF should be related to the incremental reasoning of the project. The project brief should identify partners who will co-finance the project.

Agency, Executing Agency under EOP, government, multilateral agency, bilateral development cooperation agency, NGO, private sector, beneficiaries), and the type of co-financing (i.e., grants, loans (concessional or market rate), credits, equity investments, committed in-kind support, others (specified).

- Clearly identify if co-finances are in-kind or in-cash contributions.
- Letters of commitment from co-financiers should be attached.

E - INSTITUTIONAL COORDINATION AND SUPPORT. Describe core commitments and linkages; consultation, coordination and collaboration between and among IAs and EAs, if appropriate)

Core Commitments and Linkages:

- Describe how the proposed project is located within the IA's:
- Country/regional/global/sector programs.
- GEF activities with potential influence on the proposed project (design and implementation).

Consultation, Coordination and Collaboration between IAs, and IAs and EAs.

- Describe how the proposed project relates to activities of other IAs (and relevant EAs) in the country/region.
- Describe planned/agreed coordination, collaboration between IAs/EAs in project implementation.
- Provide documentation to support these consultations and agreements (e.g. minutes of the meetings, memos, MOUs, etc.)

Implementation/Execution Arrangements

Attach a written plan for implementation/execution arrangements.

PART II – SUPPLEMENTAL ANNEXES (THIS PART APPLIES TO TARGETED RESEARCH PROPOSALS ONLY AND MAY BE DELETED IF NOT APPLICABLE)

Annex A – Briefly outline the research hypothesis to be tested in the project

Annex B – Explain how the results of the research project will contribute to the objectives of existing operational programs, or the assessment of potential need for new operational programs

Annex C – Establish the incrementality by describing the baseline for relevant research.

PART III – RESPONSE TO REVIEWS

Responses to reviews/comments provided by the Convention Secretariat, Implementing Agencies, relevant Executing Agencies, and the GEF Secretariat.

PART IV – PROJECT CATEGORY ANNEX

Check all the appropriate “keywords” that would describe the various elements of the project proposal.

