

COMPILATION OF TECHNICAL COMMENTS
SUBMITTED BY COUNCIL MEMBERS ON
INTERSESSIONAL WORK PROGRAM
APPROVED IN JANUARY 1999

NOTE: This document is a compilation of technical comments concerning the project proposals presented in the intersessional work program approved by the Council in January 1999. These comments were submitted to the Secretariat by the Council Members.

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

General Comments:

Comments from France (1/20/99)

Our concern on the relatively low level of this WP allocation, with a specific concern regarding climate change projects. This confirms our suggestion to deepen our analysis on how the GEF can and should proceed more effectively in this particularly strategic focal area.

Second comment relates to the question of ways the STAP review is presented in project documents (cf our reference on that matter in the last GEF council). For a couple of projects, the reviewer status remains unclear.

Comments from Finland (1/20/99)

In the proposed Work Program, only one Climate Project has been proposed. Furthermore, we note that in the Secretariat Summary of Proposed Work Programme, in the chapter concerning Climate Portfolio it is said that “The IA project pipelines indicate that no significant increase in the Climate Portfolio is likely in the next year’s work programs”.

We consider this very alarming. One could have foreseen a different development, because the Climate Convention negotiation process is right now having a very active period. All parties recognize the need for increasing volume of projects to mitigate the climate change.

My constituency would like to propose that you provide an analysis of the underlying reasons for this and inform the Council of your findings either by letter or during the next Council meeting.

Comments from Switzerland (1/20/99)

In our general assessment, we find the six projects of this work program to be of outstanding quality and in accord with the established principles and programs of the GEF Operational Strategy. The project briefs contain ample evidence of strong country ownership, as judged by factors such as the co-financing arrangements, project-related change in government policies and laws (e.g. China, Samoa), and strong local stakeholder participation in project design and implementation (e.g. Indonesia, Samoa, Bangladesh).

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

**China: Wetland Biodiversity Conservation and Sustainable Use in China (UNDP)
GEF: \$12.03 million; Total: \$ 35.05 million**

Comments from Netherlands (1/19/99)

The project proposal has been prepared very well. I question however, whether the UNDP has also the capacity or the knowledge and experience to execute the project. It will be important to include international NGOs such as Wetlands International, IUCN and WWF in the project implementation team.

The number of field activities is very limited. At least these activities are not very visible.

The government's contribution to the project has not been elaborated. On what activities the US\$ 20 million of the Chinese government are proposed to be spent? The baseline measures from para 19 don't seem to address the main threats to the wetlands.

The population activities seem to be restricted to training and awareness raising but need to be extended to participation in decision making and management.

Comments from Switzerland (1/20/99)

Considerable risks remain in some cases, for example the risk of poor performance by the provincial Wetland Management Authorities to be established for the China project. However, we found that such risks have generally been well identified, realistically assessed, and minimized where possible. In other words, the remaining risks must be considered inherent to the project approach.

Comments from France (1/19/99)

The project aims at securing the conservation of biodiversity in four wetland areas of international importance by:

- extension of the projected areas
- development of management plan implemented by Wetland Management Authorities
- biodiversity-friendly land use planning
- community involvement

However, local community involvement is not stressed enough in the project. Is the extension of protected areas planned with local community? How alternative livelihood schemes are planned, that foster sustainable use of biodiversity? The question of the sustainability of these protected areas after GEF financing needs to be better addressed, especially in buffer zones: what economic benefits from the sustainable use of biodiversity by local communities can be expected in the long term?

Comments from Germany (1/28/99)

This project proposal addresses the GEF Operational Program 2, "Coastal, Marine and Freshwater Ecosystems" of the Convention on Biological Diversity. It is one of the focal areas within the CBD-Process. By selecting four different project areas of important wetlands in China this project shall contribute to ensure the conservation of globally significant wetland biodiversity at this four

demonstration project sites and to incorporate wetland biodiversity into national conservation plans, legislation and processes (the main objectives of this proposal). As mentioned within the project brief there is a growing commitment by the Chinese government in addressing wetland conservation partly due to the flooding catastrophe in 1998. Furthermore the proposal reveals the ongoing threats to wetlands within China due to conversion of land for agricultural and other purposes or the overexploitation of resources by fishery and grazing.

Taking into account this global picture it seems highly welcomed that actions will be strengthened in the field of wetland conservation within the overall framework of biodiversity conservation and sustainable use of genetic resources in China.

However, there are some specific points and recommendations that should be mentioned here and be taken care of in the further development of the project:

Importance of wetlands within the Convention on Biological Diversity

Following the decisions by the 4th Conference of Parties in Bratislava in May 1998 and given the high importance within the Convention for issues referring to wetland conservation and watershed management this project might be an excellent example for the implementation of aspects of the agreed programme of work (Dec. IV/4). For this reason it might be helpful to draw upon the scientific work to be developed within this programme of work (for example in the field of methodologies for assessment of biological diversity as pertaining to inland water ecosystems). The results of the project could be also a contribution to the implementation of the ecosystem approach.

Role of the Wetland Management Authorities

One of the crucial points for success is the proposed establishment of provincial Wetland Management Authorities (WMA) in the four selected project areas. Given the existing administration structure in China these new institutions will be challenged not only by fulfilling their multiple tasks within the project but also by integrating wetland conservation within the existing sectorial planning. Although it is stated that the WMAs will have the full participation of relevant line agencies and effective and high level leadership the final structure, mandate, and work relationship remains unclear and should be worked out in a more detailed manner. Furthermore, because of the intention to develop this model nationwide.

Capacity Building

Within the technical capacity building of representatives from executing agencies it might be helpful to take into account the ongoing work on developing a CD-ROM Tool for sustainable management of wetlands. "Integrating Wetlands in Community Development" (Initiative by North American Wetlands Conservation Council Canada and also supported by BMZ/GTZ). Further on, the planned dissemination of project results and lessons learnt might be useful later on to refine such a tool.

The Role of Economy

The participation of local communities is foreseen for every project area and seems to be ensured after being mentioned also by the independent technical review by STAP. However, the role of the economic sector and enterprises of the upcoming private sector remains somewhat unclear. Given the potential positive role that the business sector (agriculture and fishery) might play in adopting more sustainable production and exploitation schemes it would be desirable to learn more about possible economic incentives for enhanced wetland conservation.

Peculiarities of the Budget

When looking at the whole budget that it will be very important project in one of the priority areas of biodiversity management. However, it should be mentioned that following the budget plan two thirds of all financial resources are designated to only one project area (Dongting Lakes) and belong to one activity

(Output 4.3: large scale basinwide environmental engineering projects and integrated land use planning). It might be useful to reassure that this activities will serve the main purpose of the project. When comparing the four project sites and analysing the results of the project these peculiarities should be borne in mind.

Conclusion

the project proposal seems to be well elaborated and might be a valuable contribution within the field of wetland conservation as part of the biodiversity conservation. However, the above mentioned points deserve some consideration. After adapting the project design accordingly, the process of project implementation should continue.

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

**Indonesia: Maluku Conservation and Natural Resources (World Bank)
GEF: \$6.0 million, Total: \$ 10.6 million**

Comments from Netherlands (1/19/99)

The commitment of the government of Indonesia in relation to the management of natural resources is essential for the success of the project. This issue, mentioned in para 14, is hardly addressed. In the past the mere recognition of the need (para 16) has proved to be insufficient. This is especially true on logging.

The PHPA seems to be understaffed. This is a great risk because the continuity of the activities of the project after the international NGOs have left is hardly guaranteed and so the sustainability of the activities on the long term is uncertain. Development of alternative fishing methods should be included in the project. Involvement of the local population is limited. There exist a great lack of confidence of the local population in the government. There should be a stronger emphasis on income for the local population from alternative sources such as tourism.

The STAP review is not included.

Comments from Canada (1/20/99)

We appreciated the fact that the design of this project had evolved to take into account recent economic difficulties affecting Indonesia, and that it uses an integrated community development approach to achieve both conservation and poverty reduction objectives. As a result of the recent economic downturn in the region, local inhabitants will have to depend more than ever on natural resources for survival. Such an approach will therefore be essential for project success.

Comments from France (1/20/99)

This project aims at strengthening biodiversity conservation in Maluku by improving protected areas management, creating two National Parks, and improving natural resources management system. Local communities are involved in the whole decision process. These objectives, and the actions described in the project are eligible to GEF financing.

However, the project brief lacks a description of the Government of Indonesia policy in Protected Areas management. Such proposition like public/private partnerships, local community involvement should be evaluated with respect to the institutional context in Indonesia.

Comments from Japan (1/20/99)

Although one of the objectives of this project is promoting community, NGO and private sector involvement in ecotourism development and protected area planning and management, these participants should make their responsibility clear in order to seek effectiveness of the project.

Comments from Germany (1/28/99)

The project is generally well designed and the next steps to proceed to the implementation phase should be taken. It should be among the priority tasks during the implementation phase to develop a clear

concept for creating incentives for the conservation and sustainable use of the protected areas. What has already been said on ecotourism needs to be further elaborated and developed in a wide sense. The project should e.g. not only train local people for the provision of porter, guiding and other services to tourists (para 47), but the project needs local people as active partners in the development of ecotourism. It has to be shown which roles they can play and how they can take responsibility, and how they can thus get a maximum of benefit from the natural resources. The block grants may provide facilities for assisting local people in the establishment of micro-enterprises.

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

**Bangladesh: Aquatic Biodiversity Conservation (World Bank)
GEF: \$5.0 million, Total: \$ 60.84 million**

Comments from Netherlands (1/19/99)

The wetlands of Bangladesh are very important for the conservation of the aquatic biodiversity and attention for the conservation and sustainable use very important. The institutional setting in Bangladesh and the cooperation between the ministries seems to be a risk for the project and are insufficiently addressed in the project brief. I miss also the involvement of the conservation department in the project. Most of the funds are invested in capacity building. Mainstreaming of biodiversity aspects in the IDA loan is important but should in fact be part of the IDA project. GEF funds should probably not be spent on mitigating the impact of IDA loans such as habitat alteration and the effects of flood control.

In para 18 significant benefits for the conservation of this globally important biodiversity is claimed but nowhere is shown that through the proposed project activities these benefits will be achieved.

The description of the activities is very short and especially the peoples participation is unclear.

Comments from Canada (1/20/99)

The Northeast Region of Bangladesh has nine wetlands of international importance for their nature conservation values and the Directory of Asian Wetlands (Scott, 1989) identifies the Haor Basin of Sylhet and Mymensingh as wetland system of international importance on the basis of criteria established under the Ramsar Convention. We would expect this project will include some of the recognized sites in the Northeast Region and would appreciate it if the final version of the project document could provide more geographical definition as to exactly where the field activities will take place.

With regard to links to other actions at the sub-regional level, we support the comment in the STAP review, that project activities in the Haor Basin should refer to conservation and sustainable development plans developed under the Flood Action Plan (FAP 6) and to the Tanguar Haor management plan developed by MoEF and IUCN.

The major risks of this project are related to the capacity development aspects which will form the bulk of its project expenditures. As there have been a large number of studies already done in the Northeast Region of Bangladesh, we would like to see this project give more emphasis to the delivery of concrete results at the field level, perhaps through some innovative pilot projects.

Finally we would note that there are plenty of similar activities ongoing and being planned in this area of Bangladesh. CIDA has been (and will continue to be) involved in the Northeast; the Asian Development Bank is now embarking on a biodiversity conservation in the Southern Sunderbans; and IUCN has recently established a network for parties involved in biodiversity to ensure coordination and collaboration. The establishment of working linkages with these and other relevant activities should be a priority in order for the project to build on what has already been done and to avoid overlap.

Comments from Switzerland (1/20/99)

It should be noted that the inclusion of STAP technical reviews and IA responses as required annexes has proven to be very useful. The STAP reviewer should always be identified. STAP reviews should not be summarized by the IA, as in the case of Samoa, but included in their original form.

Comments from France (1/20/99)

This project aims at complementing the IDA fisheries project by GEF financing in order to support biodiversity conservation and sustainable use.

This project is good, and will contribute to mainstream biodiversity conservation in Bangladesh fisheries policy.

Comments from Japan (1/20/99)

As there are fishery promotion projects in the whole project, the implementing agency should monitor that GEF financing is only used for preservation of biodiversity.

Comments from Germany (1/28/99)

The proposal is sometimes difficult to read as it is not consistent throughout. There are for example, five project components listed in the “project design summary” (Annex A), but the main body of the text describes only four. Also the budgets for each component differ somewhat in the summary, in the main text and in the incremental cost matrix. The proposal is sometimes also not clear on which components are suggested to be funded under the GEF portfolio and which by other sources.

Although the proposal mentions mangrove protection as the best practice for reducing the shrimp aquaculture’s negative impacts, activities regarding the shrimp industry are almost limited to the study of the interaction of shrimps with other aquatic animals. This scientific research, even if it includes the elaboration of recommendations, seems not to address the needs for action sufficiently.

From the proposal, it is understood that a training programme designed for shrimp fry collectors for reducing inappropriate handling and “unscientific” (?) transportation of fry is supposed to be funded by the GEF. This component does not contribute to biodiversity conservation and does not help to reach global environmental objectives, and should hence not be financed under the GEF portfolio.

The project focuses largely on studies, assessments, monitoring, and the development of action plans and policy recommendations. It does, however, often not become clear whether and how the results of these exercises will be put into practice. Generating information should be accompanied by an implementation of the results in the form of demonstration projects and by laying the foundation for sustainable fisheries; without wide practical applications, the cost-effectiveness of some project components in achieving the project objectives should be doubted (cf. e.g. US\$3.0 million for policy development).

Conclusion:

More practical action is definitely necessary within the frame of the project, and the proposal should be adapted accordingly.

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

**Samoa: Marine Biodiversity Protection and Management (Medium-Sized) (World Bank)
GEF: \$0.90 million, Total: \$ 1.58 million**

Comments from Netherlands (1/19/99)

Most of the GEF contribution seem to be spent on project personnel.

Comments from Switzerland (1/20/99)

It should be noted that the inclusion of STAP technical reviews and IA responses as required annexes has proven to be very useful. The STAP reviewer should always be identified. STAP reviews should not be summarized by the IA, as in the case of Samoa, but included in their original form.

Comments from Finland (1/20/99)

We question the use of quantitative goals regarding continued recovery of coral reefs. The first reason is that it would be very difficult to measure the increase of corals and the second is that they only constitute about 30-40% of the total amount of the species in a healthy coral reef.

Comments form Germany (1/28/99)

Problem Analysis

The proposal describes the threats to Samoa's marine biodiversity in general, including habitat loss, pollution, overfishing, destructive fishing techniques, etc., but is less precise in the description of the environmental situation of the specific project areas. It is therefore not possible to judge whether the proposed measures are sufficient and adequate.

Sustainability of project measures:

For achieving sustainability of the proposed measures, the project has to stimulate an ecologically sound development which allows local people to benefit from their natural resources also in an economic sense. Although the project design includes such activities, they are apparently not supported by the project in a way that would be necessary. The allocation of only US3000 which is approx. 0.2% of the overall project budget for the implementation of alternative income generating activities is surely not sufficient for such an important task. The activities described in the proposal under "Sustainability Phase" (project phase 3) actually refer to a phase in which the previously achieved results are reviewed and evaluated, rather than shifted onto a sustainable level – as would be expected from the phase's name.

Participation of private sector:

The project components on designing and implementing alternative income generating activities are not feasible without the private sector. This has to be reminded as the proposal does not specifically mention private enterprises, although being among the main stakeholders.

Implementation Arrangements:

From the proposal, the relationship between IUCN – The World Conservation Union which is an international NGO, and responsible agencies of the Government of Samoa does not become sufficiently clear. Although it is evident that the project will work e.g. with the Division of Environment and Conservation (DEC) and the Fisheries Division (FD), the proposal says that the Government of Samoa

still has to identify counterparts for the project (see para 22). It would have been a major task for the Project Development Phase (PDF Phase) to identify the project partners and to define their roles. This delay in the institutional setting bears some risks which should have been avoided in the preparation phase.

Conclusions:

The project should focus more on the implementation of alternative income-generating measures and should therefore seek for partnerships with the private sector. After adapting the project design accordingly, the implementation should go ahead.

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

**Macedonia, FYR: Development of Mini-Hydropower Plants (World Bank)
GEF: \$1.50 million, Total: \$ 6.4 million**

Comments from Switzerland (1/20/99)

It should be noted that the inclusion of STAP technical reviews and IA responses as required annexes has proven to be very useful. The STAP reviewer should always be identified. STAP reviews should not be summarized by the IA, as in the case of Samoa, but included in their original form.

Comments from France (1/20/99)

Only one project is presented in the Climate Change category. It concerns the establishment of mini-hydropower plants in Macedonia (eight units between 0.1 and 1.0 MW, connected to the network and located in three zones). The GEF is asked for an amount of US\$1.5 million on a total investment figure of US\$6.4 million. The other sources of financing will be: export credits, US\$3.4 million; and the Government, US\$1.4 million.

In principle, the project meets GEF eligibility criteria, and is of significant interest: the introduction of small hydropower plants to replace thermal power plants is certainly feasible in the East and South regions if innovative methods of executing such projects are adopted.

This project warrants the following comments:

The method used in calculating the GEF grant creates problems, in the sense that it leads to allocating most GEF grants to those projects that are least cost-effective. In this case, the calculation will be credible only if the arguments presented in the project documentation demonstrate that the GEF grant will help lower the costs of mini-hydropower plants in Macedonia, and that subsequent projects have a good chance of being financially viable without the GEF. The project documentation should also indicate the specific arenas in which opportunities for cost reduction are to be expected.

Details of the financial package should also be provided. The sharing of responsibilities and resources between public players and private operators needs to be clearer. (Since over 40% of project financing is to come from public sources—21% from the Government and 23% from the GEF—requirements in both the institutional and contractual spheres need to be spelled out.)

**DECEMBER 1998 INTERSESSIONAL WORK PROGRAM:
COMMENTS FROM COUNCIL MEMBERS** (reference to GEF/IS/5 – December 16, 1998)

Regional (Uruguay, Argentina): Strategic Action Programme for the Environmental Protection of the Rio de la Plata and its Marine Front (UNDP)

GEF: \$6.01 million, Total: \$10.44 million

Comments from Switzerland (1/20/99)

Regarding the financial arrangements we would like to make the point that cash contributions by the governments of Argentina and Uruguay appear woefully inadequate (0.8 million vs. a GEF total of over 6 million) in light of the clear local benefits this project will yield. The various contributions made by other members of this otherwise impressive coalition of interests can in our view not make up for the shortfall. In general we would find it useful if the different kinds of co-financing were clearly distinguishable. At the time of the second review Council members should be informed whenever the amounts of secured co-financing differ from the co-financing targets indicated in project briefs.

Comments from Finland (1/20/99)

The proposal is important as it seeks to address problems of regional dimensions in order to mitigate transboundary environmental impacts on marine, coastal and estuarine areas. We wonder if the approaches for this highly complex proposal are replicable elsewhere within the GEF context.

The project indicates that (baseline) information/data for other areas than fishery is scattered and also scarce. Lack of proper data for the Transboundary Diagnostic Analysis will be a limitation and also a possible risk for the Project, if the foreseen drafting and elaboration of the legal frameworks and regulations for pollution reduction have been based on “scientific evidence” and not enough data has been collected and compiled.

Is the estimation realistic that the Project will be able to collect all the needed data within the time frame of 3.5 years?

An important aspect of this project is the institutional sustainability with regard to medium and long term financing for collection, database maintenance, data analyses and dissemination results. To what extent are the concerned governments and authorities prepared to maintain such continued financing?

Will it be possible during the proposed project period to also initiate activities for strengthening the regional capacity for carrying out the necessary environmental monitoring and network system that will be needed in order to follow future changes in the environment? Or is this capacity already in place? This information is not obvious from the documentation.

The project document does not present the contents and limitations of existing environmental legal framework which necessarily form the basis of a regional framework for pollution prevention.

The project document is not specific on what economic and financial instruments will be prepared in order to facilitate and promote actions for pollution reduction. Are there examples of successful experiences from the region?

It is not clear which part of the population in the area is suffering the most from present situation. What mechanisms will be used to allow for the poorer segments of the population or NGOs to participate in the project implementation?

The Project will develop indicators for monitoring the development of the environment. No direct reference is made to the work being carried out by both the World Bank and OECD/DAC on identifying strategic and key indicators for monitoring the state of environment.

Economic valuations should be integrated in the various aspects and stages of the project as a tool for estimating the costs of lost production and livelihood opportunities on national as well as local levels due to destroyed different habitats, ecosystems and biodiversity and also benefits from the recovered polluted environments.

Comments from France (1/20/99)

This project aims at preventing transboundary pollution and protecting biodiversity in the Rio de la Plata and its maritime front. This large binational (Argentina and Uruguay) estuary is of important economic and biodiversity value (fisheries), and faces an increasing pollution pressure due to an important density of population, and to agricultural and industries activities.

A GEF project in this region is therefore very appropriate. Moreover, the project takes advantage of a binational treaty for the management of the water body, with the creation in 1976 of two binational commissions, the Binational Technical Commission for the Maritime Front and the Administrative Commission for the Rio de la Plata. Different points need however to be clarified:

- What are the scope and responsibilities of these two commissions, and how will the implementation of the project be organized between these two executing agencies?
- What is the scope of the project? In the document, two priorities are stated: i) preventing transboundary pollution and ii) protection and conservation of coastal and aquatic biodiversity. The first point is very well argued, but in the second point, the project only considers the relations between pollution and biodiversity conservation. Defining a binational strategy on biodiversity conservation in the Rio de la Plata needs wider studies, taking into consideration especially over exploitation of fish resources and introduction of exotic species, which are not included in the present document.

Comments from Spain (1/5/99)

Let me express our particular satisfaction for OP 8 – Regional coordination enhancement of Mar del Plata waterbody. We would be keen to learn about effective measures undertaken to secure increased coordination with Bolivia, Brazil, Paraguay, eventually at the MERCOSUR appropriate G.T (Working Group) level, for convergent action in the Panama, Paraguay, etc. river basins.

Comments from Germany (1/28/99)

The project aims at strengthening the collaborative institutional framework for the restoration of the Rio de la Plata estuary and maritime front. The proposal seems very ambitious but sound, and the aims are likely to be achieved within the given time and funding.

However, there are certain aspects to be considered:

As one of the activities, the project will develop an integrated information system including tools like GIS. Regarding the project's challenge to coordinate it with the formulation of both countries national biodiversity strategies, it would be highly desirable to link the information systems to the national Clearinghouse Focal Points.

The presented approach appears to be rather technical in some of its parts. Biodiversity assessments and attempts for conservation should be carried out in an ecosystem approach rather than listing and counting species in the estuary.

Both countries most important industrial centers are located in the closest neighborhood of the river and its estuary. Considering this fact, there should be a stronger involvement of the private sector in the strategic action program.

The strategic action plan will be developed, negotiated and strengthened within the four years. The emphasis thus is on strategy development rather than on implementation.