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GLOBAL ENVIRONMENT FACILITY BIODIVERSITY PROGRAM STUDY 2004

Note by the Executive Secretary

1. The Executive Secretary is circulating herewith, for the information of participants in the eighth meeting of the Conference of the Parties, a note by the Global Environment Facility on Biodiversity Program Study 2004.

2. The present document is being circulated in the form and language in which it was received by the Secretariat.

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Global Environment Facility
Evaluation Office

BIODIVERSITY PROGRAM STUDY 2004

GEF Biodiversity Program Study 2004

September 2004

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Foreword

Every 4 years, coinciding with the GEF replenishment cycle, the GEF office of Monitoring and Evaluation (GEFM&E) conducts a round of evaluations and studies on all GEF programs. These reviews are fundamental elements of the unit's work program and are major inputs to the Overall Performance Studies of the GEF. The present study, as well as other similar ones prepared for the other GEF focal areas, is an essential contribution to the Third Overall Performance Study (OPS3) of the GEF to be conducted between September 2004 and May 2005 by an independent evaluation team. OPS3 is the fourth major GEF-wide review to take place since the Facility was created.

The Biodiversity Program Study 2004 was conducted by staff of the GEFM&E Unit and a lead independent evaluator. Other external consultants were contracted for particular areas of the study.

Members of the GEF Biodiversity Task Force (staff representing the GEF Secretariat, Implementing Agencies and the GEF Scientific and Technical Advisory Panel) provided comments to the terms of reference and drafts of the report as well as technical inputs on specific issues. I would like to thank them for their contributions.

Rob D. van den Berg
Director of Monitoring and Evaluation

Acronyms

ABS	Access and Benefit Sharing
ABWG	African Biodiversity Working Group
AFR	GEF regional designation for Africa
ARPA	Amazon Region Protected Areas Program
BD	Biodiversity
BDC	Biodiversity Conservation
BOZONET	Botanical and Zoological Taxonomic Networks in Eastern Africa
BP	Biodiversity Program
BPS2001	First Biodiversity Program Study
BPS2004	Second Biodiversity Program Study
CBD	Convention on Biological Diversity
CBO	Community Based Organization
CC	Climate Change
CCA	Community Conservation Area
CEO	Chief Executive Officer
CEPA	Communication, Education and Public Awareness
CEPF	Critical Ecosystem Partnership Fund
CEX	GEF geographic designation for global projects
COINBIO	Indigenous and Community Biodiversity Conservation project
COMPACT	Community Management of Protected Areas for Conservation
COP	Conference of Parties
EA	Enabling Activity
EBI	Energy and Biodiversity Initiative
EC	European Commission
ECA	GEF regional designation for Eastern Europe and Central Asia
EE	Enabling Environment
EPII	Environment Programme II for Madagascar
ExA	Executing Agency with expanded opportunities
FY	Fiscal Year
FSP	Full-sized Project
FUNBIO	Brazilian Biodiversity Fund
GBF	Global Biodiversity Forum
GEF	Global Environment Facility
GEF1	First operational phase of the GEF (1995-1998)
GEF2	Second operational phase of the GEF (1999-2002)
GEF3	Third operational phase of the GEF (2003-2006)
GEFM&E	Global Environment Facility Office of Monitoring and Evaluation
GEFSEC	Global Environment Facility Secretariat
GIS	Geographic Information Systems
GISP	Global Invasive Species Program
GTI	Global Taxonomic Initiative
IA	Implementing Agency
ICR	Implementation Completion Report
IFC	International Finance Corporation
IUCN	World Conservation Union
IW	International Waters
JBIC	Japanese Bank for International Cooperation
LAC	GEF regional designation for Latin America and the Caribbean
LPI	Living Planet Index
M&E	Monitoring and Evaluation
MA	Millennium Ecosystem Assessment
MAB	UNESCO Man and Biosphere Programme
MDG	Millennium Development Goal

METT	Management Effectiveness Tracking Tool
MSP	Medium-sized Project
NBBC	Northern Belize Biological Corridors
NBSAP	National Biodiversity Strategy and Action Plan
NGO	Non-governmental Organization
ODA	Overseas Development Assistance
OECD	Organization for Economic Co-operation and Development
OED	Operations Evaluation Department of the World Bank
OP	Operational Program
OPS2	Second Overall Performance Study of the GEF
OPS3	Third Overall Performance Study of the GEF
PA	Protected Area
PARC	Creating Protected Areas for Resource Conservation
PDF-A	Project Development Facility block A
PDF-B	Project Development Facility block B
PIR	Project Implementation Report
PLEC	People, Land Management, and Environmental Change
PPR	Project Performance Report
SABONET	Southern African Botanical Diversity Network
SARS	Severe Acute Respiratory Syndrome
SBSTTA	Subsidiary Body on Scientific, Technical and Technological Advice
SGP	GEF Small Grants Programme
SIS	IUCN Species Information Service
SMPR	Specially Managed Project Review
SNAP	Sistema Nacional de Áreas Protegidas (Bolivia)
SP	Strategic Priority
SSC	IUCN Species Survival Commission
STAP	Scientific and Technical Advisory Panel of the GEF
SU	Sustainable Use
TER	Terminal Evaluation Review
TOR	Terms of Reference
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
WB	World Bank
WCMC	World Conservation Monitoring Centre
WSSD	World Summit on Sustainable Development
WWF	World Wildlife Fund (US)/Worldwide Fund for Nature (International)

Executive Summary

I. Evaluation Framework

This report presents the findings, conclusions, and recommendations of the review of the GEF Biodiversity Program by the Global Environment Facility office of Monitoring and Evaluation (GEFM&E). Like the other GEF focal area programs, this program is evaluated every three to four years and constitutes a major input to the Overall Performance Studies, the GEF replenishment process, and the GEF Assembly. The Biodiversity Program Study 2004 (BPS2004) was conducted between September 2003 and June 2004 by staff from GEFM&E Unit with an independent biodiversity expert as the lead consultant. Other external consultants contributed to specific portions of the study. In addition, members of the biodiversity technical staff from the GEF Secretariat, representatives of the three GEF Implementing Agencies (IAs), and members of the GEF Scientific and Technical Advisory Panel provided comments to the study's initiating memorandum and different drafts and prepared technical inputs to particular areas of the assessment.

For the purpose of this study, the GEF Biodiversity Program is defined as the GEF Biodiversity Portfolio (all projects approved by GEF Council, on-going and completed) plus the GEF Biodiversity Operational Programs and Strategies as well as the GEF guiding principles and the GEFM&E policies and procedures in the context of the GEF biodiversity focal area, as of June 30, 2003.

The objective of the study is to provide the GEF Council, the GEF Secretariat and its Biodiversity Team, the GEF Biodiversity Task Force, and the general biodiversity community with an assessment of how the GEF Biodiversity Program is performing and recommendations on how to continue its development. In addition, the study also provides information on how the GEF implements its biodiversity focal area, discusses the difficulties in measuring achievements and impacts in this focal area, and presents some ideas on the way forward.

Specifically, the study reviews, assesses, and reports on the GEF Biodiversity Program's:

- Performance, achievements and impacts to date
- Progress in implementing key recommendations from the Second Overall Performance Study (OPS2) and the first Biodiversity Program Study (BPS2001)
- Responsiveness, follow-up, and feedback to guidance from the Convention on Biological Diversity (CBD) to the GEF
- Application of the GEF's primary operational or guiding principles within the context of the GEF Biodiversity Program
- Challenges in delivering in these areas.

In aiming to improve on performance extensive recommendations are provided, throughout the report, in relation to the shortcomings identified.[1] The Executive Summary highlights only those that are considered fundamental and requiring immediate action.

In most program evaluations, the strategy or logical framework of the program under review is used as the primary basis for assessment—judging performance, achievements, and impacts against measurable targets and stated objectives. In the case of BPS2004, it was necessary to establish a retrospective logical framework to assist in the review. This

1. For ease of reference, all recommendations are presented by chapter and level of implementation priority in a table at the end of this Executive Summary.

framework, depicted in Figure 1.1, Chapter 1, presents the different levels of assessment, from activities to outputs to outcomes to program goals and their contributions to the goal, objectives, and targets of the CBD. This logic was "retrofitted" over the portfolio, providing a basis for structured and objective assessment, and is applied throughout the report.

The BPS2004, by design, focuses on the higher levels of the logical framework, specifically, the GEF Biodiversity Program's *achievement of outcomes* and its *progress towards attaining the impacts* sought as contributions to the goal, objectives, and targets of the CBD.

The study conducted standardized, in-depth reviews of 99 full- and medium-sized projects that were under implementation and beyond their midpoint as of June 30, 2003, and 42 projects that were completed during the last 3 fiscal years. Reference was made to the full GEF biodiversity portfolio (604 projects approved by Council from 1991 through 2003) and the GEF Small Grants Programme (SGP) portfolio in specific components of the evaluation. The sources of information used for the study included existing program and project-level reports prepared by the GEF M&E Unit and the IAs as well as extensive formal interviews and questionnaires used to survey representatives of major GEF partners. Although a well-attended, open consultation was held at the CBD's Seventh Conference of the Parties in Kuala Lumpur (February 2004), it was not possible to conduct in-depth or representative consultations with GEF government focal points and recipient governments given the inherent difficulty in doing so and the limited financial resources available for the study. In fact, those participating in this study agreed that the resources available for the review were not adequate for the job at hand. When evaluating a portfolio operating over more than a decade and valued at over $1.7 billion, greater consideration should have been given to the design and execution of the exercise, most notably the provision of more time and greater resources, in order to better assess both the breadth and depth of the program.

The report is divided into 10 chapters and a series of annexes. Following on from the introductory chapter, which describes the objectives, scope, and methodology of BPS2004, Chapter 2 sets the context in which the GEF Biodiversity Program operates, in terms of the current state of the world's biodiversity, along with a brief overview of the GEF mandate. Chapter 3 presents a profile of the portfolio of projects in the GEF Biodiversity Program in terms of the distribution of financial investments to date. Chapter 4 explores the responsiveness of the GEF, as a partnership, to guidance from the CBD provided roughly every 2 years at meetings of the Conference of the Parties (COPs). Chapter 5 reviews the GEF project cycle and describes how the Biodiversity Program is currently administered. Chapter 6 explores the culture and processes of institutional learning in the GEF partnership. Chapter 7 provides an assessment of program outcomes, including a review of GEF support to conservation, primarily through its contributions to protected areas, the sustainable use of biological resources, access to benefit sharing arising from the use of genetic resources and the enabling environment in which the GEF interventions are implemented, as well as other areas of investment such as the SGP, taxonomy, invasive alien species, and agrobiodiversity. The GEF functions under several guiding principles; Chapter 8 presents an assessment of how well these guiding principles have been applied in the context of the Biodiversity Program, in particular focusing on the various dimensions of sustainability of projects and program outcomes and impacts.

One of the main issues the study explores is the contribution of the GEF Biodiversity Program to improving the status of global biodiversity—its impact. It was reasonably assumed that now, after more than a decade in operation, the GEF Biodiversity Program should be starting to report measurable progress to the status of global biodiversity as a result of its interventions. Chapter 9 presents the study's assessment of progress. Finally, the report looks at the challenges ahead for the GEF Biodiversity Program in the build-up to negotiations for the fourth replenishment of the GEF Trust Fund.

II. Notable Achievements and Shortcomings to Date

The study found that the GEF Biodiversity Program has made notable contributions to conservation and sustainable use, supporting and enabling positive changes in the behavior or activities of people and their subsequent affects on biodiversity. In particular, the study concludes that, as the major financial resource for biodiversity conservation in developing countries, the GEF Biodiversity Program has contributed extensively to supporting biodiversity conservation in areas of global significance, including the megabiodiversity countries. The GEF support to protected areas has been steadfast and unprecedented. Furthermore, the GEF has also contributed to improving the enabling environments in which biodiversity conservation and sustainable use occurs. The extensive portfolio of projects, including the SGP, and the recently approved Biodiversity Strategic Priorities, have been responsive to the guidance

from CBD, recommendations from OPS2, and the third replenishment of the GEF.

The Biodiversity Program portfolio represents a rich tapestry of actions and accomplishments and, given the limitations of time and resources, a study of this nature could never do it justice in its entirety. Inevitably, a study at the broad program level cannot explore particular issues in depth nor can it highlight all the innovations, adaptive responses to lessons learned, or unique contributions occurring at the individual project level. Nonetheless, within the constraints imposed, the findings presented are believed to represent a fair and standardized overview. The progress to date, including achievements and shortcomings, is presented in greater detail within the report and summarized in the following paragraphs.

a. Acting as the major player in financing biodiversity conservation

The GEF is very likely the world's largest government-funded mechanism for biodiversity conservation for developing countries. From its inception in 1991 to the present, the GEF has provided $1.7 billion in direct funding support to projects and accessed approximately $3.3 billion in co-financing.

b. Supporting mega biodiversity countries

Though prioritizing funding to the megabiodiversity countries (15 countries estimated to hold approximately 70% of the world's biodiversity) has not been a stated policy of the GEF Biodiversity Program, these countries have received a large proportion of the GEF's resources for biodiversity conservation. The ten countries receiving the largest amounts of GEF Biodiversity Program funds are all megadiverse countries, and the total amount received by these 10 countries equals approximately one-third of the total GEF Biodiversity portfolio.

c. Supporting areas of global significance to conserving biodiversity

GEF projects have contributed resources to sites that are designated as "globally significant" including those in internationally recognized listings such as World Heritage sites, Man and the Biosphere Reserves (MAB), and Ramsar sites. Fifty-three GEF projects have supported World Heritage sites, and because some projects have addressed more than one site, 62 World Heritage sites are included in GEF projects, representing approximately 55% of World Heritage sites eligible for GEF support. Sixty-five GEF-funded projects have included MAB sites, with 106 sites included in these projects (approximately 40% of MAB sites). Similarly, 65 GEF-funded projects have contributed to Ramsar sites, with 90 sites overall included in these projects.

d. Responding to the CBD and OPS2

The GEF has been responsive to most areas of COP guidance, providing financing for biodiversity initiatives in many sectors and countries around the world over a significant period of time. Support has been particularly strong for guidance on forest, marine and coastal, drylands, and mountain ecosystems; capacity building (including in biosafety); enabling activities (including production of national reports); invasive alien species; and Article 8(j). However, increased responsiveness is still needed for: implementing effective incentive measures, implementing national plans and strategies, developing indicators, establishing and monitoring baselines to measure changes in the status of biodiversity over time, and establishing mechanisms for promoting the sustainability of project outcomes, among others. The recently approved Biodiversity Strategic Priorities are a positive move forward in the GEF's responsiveness to recommendations and gaps identified by OPS2 and the Second CBD Review. Interestingly, the study found that those consulted in the biodiversity community did not fully understand how the GEF prioritizes its response to guidance from the COP, implying the need for further action in communicating these processes to a wider audience.

e. Processing projects

The study reviews in detail the processing of GEF biodiversity projects and highlights the complexity of steps along the way to accessing GEF funds, including the many potential places where delays and bottlenecks can occur. On average it takes almost 5 years to process a full-sized project (FSP) from entry into the GEF pipeline to the start of implementation; a medium-sized project (MSP) takes 2 years. This is a lengthy process that presents major challenges to the more sophisticated and better-resourced governments and NGOs and those with less capacity alike. The transaction costs, involving years of institutional front-loading of technical and administrative resources, can be almost too much for an organization to bear, even in cases where they are receiving project development funds from the GEF. In addition and recognizing the limitations of the data available for this and other possible analyses, the study recommends standardized data tracking and reporting systems and a comparison study with other similar organizations on the duration of project processing.

Many projects suffer from overly simple or inaccurate assessments of the external constraints and the degree of risk is not properly gauged from the outset. Additionally, the potentially lengthy period from pipeline entry to implementation can mean that external factors and key assumptions may have changed dramatically in the interim. GEF projects have shown a tendency to be overly complex, including too many discrete activities, which often result in a lack of clarity regarding the linkage to higher level project objectives. The issue of unrealistic time frames and overly ambitious project scopes have been highlighted in previous reports, and modifying the current funding process may be the only way to better balance project budgeting and duration with the absorption capacities of executing agencies as produce more tangible progress in achieving outcomes and impacts. With the current project design approach, it is most likely that while many outputs, along with some outcomes, will be achieved, most projects will fall short of making the longer term project level impacts they seek.

It is widely felt that the process for accessing GEF funds remains complex, heavily laden with transaction costs, and highly confusing to the average applicant. The lengthy and complex GEF funding process—from pipeline entry to GEF Council approval—places a burden on the staff responsible for processing GEF funds at all levels. Added to this are the unique and often complex internal policies and procedures of the IAs. One tool suggested to help address this is an online project tracking system, whereby project proponents could follow the status of proposals. The study also found high levels of ignorance among partners and stakeholders with regard to implementation of the GEF Biodiversity Program; implementers generally find it difficult to separate the rules and procedures of the three IAs from those of the GEF, especially with regard to financial procedures and reporting requirements.

There continues to be a good deal of confusion over M&E. While M&E must take place at all levels along the project continuum, some projects refer to M&E primarily as it pertains to their activities and outputs, and there is no universal language or practice of M&E across projects in the portfolio. All the IAs are working to remedy this situation, and newer projects increasingly show improved M&E planning over earlier ones. Notably outstanding is the problem of developing and selecting appropriate indicators for assessing both biological and socioeconomic trends at all levels, making it difficult to measure achievement or impact over time. Proper strategic planning and its accompanying M&E must pull the thread all the way through from the projects to the program and beyond to the level of the CBD and not be undertaken as separate or vaguely related actions at each level. This must be augmented by clear processes for implementation of evaluation findings and recommendations.

f. Institutionalizing lessons learned

The study looked at the content or substance (the "what") that has been gleaned from earlier assessments and actively put to use and the process by which the uptake of these previous conclusions and recommendations occurs (the "how"). Regarding the "what," the study found that GEF has incorporated (or is in the process of incorporating) many of the findings and recommendations made by previous evaluations, such as issues of stakeholder participation, the improvement of linkages with other sectors of the economy, and more effective M&E systems including the establishment and monitoring of outcome and impact level indicators, particularly at the project level. Further work is needed on areas such as exploring alternatives to the current short-term projects approach as the main mechanism to deliver GEF support to biodiversity conservation and sustainable use, streamlining the approval process and increasing partnerships, including with the private sector, in biodiversity interventions. Regarding the "how," the study found that there have been positive developments mainly through the establishment of formal processes among the GEF IAs.

At the project level, the study found that while the GEF projects have generated a large volume of knowledge, in many cases this information has had a limited distribution. To date, compiling and disseminating lessons learned effectively remains a challenge. All projects provide opportunities to learn lessons, through positive or negative experiences, and it is important to build dissemination and replication strategies into initial project designs. Steps in the right direction include the recent submission by the three IAs of a project concept to strengthen the capacity to generate, disseminate and adopt good practices in biodiversity conservation across the program.

At the program level, further work is needed to create an overall strategy and action plan for Knowledge Management within the GEF Biodiversity Program (that is an integral part of the GEF corporate Knowledge Management strategy), including collecting, compiling, and analyzing information acquired from project design through implementation at the project level for program-level consolidation and distribution to GEF partners and the global conservation and development community.

g. Effectively managing and supporting protected areas

Though it may not be possible to prove, it is widely believed that there is a strong correlation between GEF inputs and the notable increase in protected area coverage over the past decade. In fact, the GEF is credited by many with helping to achieve the global goal of 10% of the world's land area under protection, announced to the international community in September 2003 at the IUCN World Parks Congress in Durban, South Africa.

The recently approved Strategic Priorities for Biodiversity in GEF3 will provide further support to the expansion of protected areas. The GEF has decided that future funding will emphasize support to systems and networks of protected areas rather than to individual protected areas, per se, though individual protected areas may still be supported, particularly through MSPs. This is being reflected in some of the more recently funded projects, which have had an allied focus on new approaches to creating linkages in the landscape, including the establishment of biological corridors stretching beyond national boundaries. While interest in and examination of such large-scale approaches is to be encouraged, and may provide an interesting opportunity to link practical attempts to apply and operationalize the Ecosystem Approach, as adopted by the CBD, extreme caution should be exercised regarding the tendency to design large, unmanageable megaprojects that exceed the capacities of most executing agencies and even most countries in the developing world. Clearly, the establishment of strategic partnerships to design and implement such initiatives may be the way forward, but again, should be undertaken with caution.

The study found that other specific aspects of the extensive support to protected areas need further clarification and analysis, such as how the GEF investments are made relative to different categories of protected status and the stated objectives of individual protected areas or protected area systems and networks, as well as the espoused relationship between the delivery of GEF support and the subsequent effectiveness of management. The current usefulness of the recently adopted Management Effectiveness Tracking Tool and suggestions for improvement of its diagnostic and analytical capability are also highlighted.

h. Improving the enabling environment

The majority of GEF projects include components that seek to improve the enabling environment for conservation and sustainable use of biodiversity. Some of the areas in the enabling environment in which the GEF Biodiversity Program has achieved notable progress include improving policy and legislation, raising public awareness, establishing successful partnerships, and generating knowledge.

Many projects have documented a wide range of achievements in influencing policy and legislation, such as working on targeted legislation to deliver stronger protected areas systems; securing legal status of particular protected areas; and furthering legislation relating to land use, land tenure, and natural resource management. Projects have also contributed to policy and legislative issues in sectors related to the sustainable use of biodiversity, including hunting, fishing, forestry, agriculture, and tourism.

While the majority of projects have focused on public awareness at local or national levels, it is believed that the very existence of the GEF has raised the level of global awareness regarding biodiversity conservation. While measuring either changes in global public awareness of biodiversity conservation or the specific influence of the GEF, as such, would be impossible, practitioners have posited that the GEF's existence has had a net positive influence in the realm of public awareness. On the other hand, the study found that even at the project level baselines are not being established on behavior and awareness levels to help objectively evaluate the changes due to project interventions. Therefore, the ability to assess and attribute changes at the overall program level is precluded.

The GEF Biodiversity Program has also created many successful partnerships through the implementation of its projects, including partnerships with local governments; national governments; local, national, and international NGOs; academia; private sector entities; donors; other general stakeholders; and other projects and international initiatives. Partnerships are, in fact, fundamental for the GEF to realize its full potential as a catalytic institution. GEF projects have been able to bring different stakeholders together, creating linkages between communities, NGOs, and governments, encouraging cooperation and improving understanding and dialogue between local and national levels.

Opportunities for more and closer collaboration with private sector partners working in industries that may negatively affect the status of biodiversity should be sought more proactively. While some projects reported that government institutions seem to have some difficulty operating in partnerships, and some partners need capacity building, time, or both to become fully engaged, it was also observed that where partnerships did not work, for whatever reason, the achievement of outcomes for an entire project was likely to be compromised.

i. Supporting the Small Grants Programme: the human face of the GEF

The third independent evaluation of the Small Grants Programme noted that it had become the permanent public face—in fact, the "human face"—of the GEF in many countries. The SGP is well respected by government agencies and other donors and has influenced a whole generation of NGOs and community-based organizations. The SGP portfolio was commended by the evaluation for being very cost-effective and supportive of innovative projects. Its transparent, participatory, country-driven approach to planning and implementation was observed to be strongly conducive to sustainability. Although more work is needed to demonstrate their contribution to larger global priorities and goals, biodiversity projects funded by the SGP seem to be consistent with national conservation priorities. The SGP also appears to be very successful in supporting innovative approaches to conserving biodiversity that are outside the realm of traditional protected areas and include activities on medicinal plants, sustainable forestry and agricultural biodiversity. Building on the positive experiences from the SGP with grants averaging less than $20,000, the GEF should explore additional mechanisms for the disbursement of funds to projects in the $10,000 to $100,000 range.

j. Applying the GEF guiding principles and their link to sustainability

Though the GEF applies a number of criteria to review the eligibility of proposed projects, the BPS2004 considered all of these criteria together within the context of sustainability. The ability to sustain the outputs, outcomes and impacts of projects underlies virtually all the GEF guiding principles. While the challenge of achieving sustainability has occasionally been met in GEF projects, in most instances, it still remains elusive. In large part this difficulty stems from the fact that there are many different dimensions of sustainability: financial, institutional, technical, ecological and sociopolitical.

Although some of the achievements and shortcomings in this area are presented within the context of the improvements in the enabling environment, the study explored specific issues related to the sustainability of projects' outputs and outcomes. For example, the study investigated mechanisms and tools that GEF projects have utilized, with different levels of success, to deal with the financial sustainability of outcomes, such as trust funds, ecotourism, and leveraging additional donor funds. Examples are cited of various trust fund models established with GEF funds to date, which have been particularly successful in supporting recurrent costs of PAs or providing benefits to local communities. One conclusion reached was that the GEF's focus on financial sustainability presents specific challenges in the context of conserving global biodiversity, particularly because of the high costs involved and the fact that the components of biodiversity are often common access resources. These unique characteristics may require additional considerations for the biodiversity focal area. When looking at the topic of how, or if, financial sustainability will ever be achieved or should even be expected, the viewpoints are as numerous as the people expressing them.

Regarding the building of institutional sustainability, in some cases the GEF has made progress in ensuring that necessary and effective institutional mechanisms for biodiversity conservation are in place. On the other hand, GEF projects, particularly those implemented by government agencies, have been challenged when encountering hefty bureaucracy, lack of capacity, chronic inertia, and poor coordination. The primary way the GEF works to increase sociopolitical sustainability is by attempting to ensure broad stakeholder participation in all aspects of project development and implementation and strong country ownership. Overall, GEF projects have made good progress in consulting a wide range of potential stakeholders, although active stakeholder participation has been more common during project implementation than during project preparation. The study also found that many GEF projects have not readily distinguished among different models along the continuum of stakeholder engagement. Projects have experienced implementation problems when the models chosen were not the most appropriate for the objectives of the projects or their application was either incorrect or inadequate under the circumstances.

Although technical sustainability could encompass a number of different aspects, GEF projects have mainly worked on building technical capacity and providing direct technical assistance. These are considered to be areas in which the GEF has had strong achievements, particularly regarding GEF's role in increasing capacity among local NGOs, community-based organizations, and government agencies. While ecological sustainability may be the ultimate goal of every successful GEF biodiversity project, it may rarely be attained because it is highly dynamic and is often influenced by unforeseen forces or circumstances.

k. Making steps toward selecting indicators, establishing baselines, and measuring impacts

The study found that although attempts have been made to address the concerns of OPS2 and BPS2001 regarding the need to improve monitoring and measurement at the im-

pact level, there is still little ability to measure the impact of the GEF Biodiversity Program on improving the status of global biodiversity. The study made an attempt at identifying and assessing impacts reported in project documents (mostly terminal evaluations). Not unexpectedly, given the poor performance, to date, with establishing indicators, monitoring and measuring impacts, the biodiversity impacts reported by projects were limited and localized, and presented mostly by unsubstantiated general trend statements. This problem is not only restricted to the GEF since measuring biodiversity impacts has been a challenge to the entire conservation community. Extensive work is now being undertaken on the topic in many organizations. In particular, from the BPS2004 cohort (141 completed and post-midterm projects and over one and a half billion dollars in direct GEF investments and co-financing), less than 20 projects (14%) have reported impacts on any level or of any kind (positive or negative); only a small subset of these provides actual or meaningful data from which to derive trends. Even if impacts may only reasonably be expected of completed projects, it is notable that more than 50% of completion reports or terminal evaluations reviewed in the study did not include any assessment or conclusions on the final impact of the project on biodiversity status. These findings point to problems in project design, implementation, and overall evaluation and reporting standards.

The study found that although more attention has been paid to the issue of measuring outcomes at the project and program levels, the program and projects are still struggling to establish measures of the impact of GEF-supported activities on biodiversity status. Measuring impacts is a critical aim for the GEF, and much remains to be done. A review of the new generation of recently approved projects found that progress continues and that there has been a significant improvement in the presentation of logframes and plans for collecting and using biodiversity baselines for project preparation and management, but there are still no clear linkages or plans to enable a "roll up" to program level achievements and impacts.

In terms of measuring socioeconomic impacts, the study found that neither projects nor the program are identifying meaningful indicators, establishing the necessary baselines, or monitoring progress. It is presumed that the ongoing GEFM&E Unit Local Benefits Study will provide further guidance on these matters.

III. Challenges Ahead: Developing a strategy

From the outset, this study searched for a single, unifying strategy against which to objectively assess performance to date. The absence of such a strategy was found to be one of the fundamental weaknesses of the GEF's current Biodiversity Program and, without due attention, may well remain its "Achilles heel". In the absence of a fully developed strategic framework, laying out a clear and rational vision (along with goals, objectives, and targets) and defining its place in the global and national biodiversity context, the GEF Biodiversity Program is destined to remain a constellation of challenging projects, struggling to demonstrate impacts to its constituency.

As more traditional bilateral donors move away from funding biodiversity conservation and as the global economy continues to grow, with increasingly negative impacts on biodiversity, the demand for GEF funding will no doubt increase as well. The GEF's Biodiversity Program must become far more strategic and deliberate in the use of its significant, albeit limited, funds. While the Operational Strategy, the Operational Programs, and the recent Biodiversity Strategic Priorities for GEF3 have provided stepping-stones along the way, there remains an opportunity to revisit the current situation and ratchet these approaches up to a higher level of strategic thinking, vision, and guidance.

Participants to the negotiations for the third replenishment of the GEF Trust Fund concluded that the GEF should develop a framework that allocates resources to global environmental priorities, based on countries' performances, and maximizes sustainable results through strategic planning and improved measurements of performance. The majority of donors now insist on this more strategic way of thinking to enhance synergies and create cost-effective ways of delivering outcomes and impacts. The GEF is no exception, and the GEF Council has clearly recognized the need for such an approach over the past few years. Although the GEF's Biodiversity Program is well positioned to move into a new era of better-integrated and more coherent strategic engagement and intervention, it is clear that this will require changes of culture and practice among all major actors of the GEF partnership. The GEF Secretariat and the GEF Council should provide strong, innovative, and inspirational leadership in this discussion.

In the lead-up to the next replenishment, this process could begin through the formulation of a forward-thinking strategic framework for future interventions, clearly laying out the full range of expected outcomes and impacts of the entire GEF Biodiversity Program and how these will directly contribute, in the form of measurable targets at all levels, to the goal, objectives, and targets of the CBD. To ensure the necessary linkages, the components of this framework must relate directly to the recently approved 2010 biodiversity

targets. The GEF Biodiversity Program should be guided by the concept of "rolling up" performance from the project to the program level and beyond to the CBD through the considered use of the nested or cascading logical framework approach. In addition, and possibly to great effect, the appropriate application of scenario planning tools and approaches, as employed by notable industry leaders over the past three decades, might assist in the pursuit of their conservation objectives in a world of growing risk and uncertainty. At the operational level, this strategic planning framework must then link directly to plans and designs for both monitoring and evaluating individual projects in the portfolio and the program overall.

During its first 12 years of investment, the GEF has funded projects in globally recognized World Heritage sites, Ramsar sites, hotspots, and Global 200 ecoregions, and has provided a huge boost to protected areas around the world. However, it still has not adopted a rationale or an objective system with clear criteria for prioritizing or balancing the biodiversity portfolio. This objective system could determine, for example, where projects will be carried out (geographical regions, national or global priority ecosystems), when they will be carried out (over what time scale, 3–5 years or 5–10 years or more), what projects will focus on (increasing species numbers and distribution; conserving globally "valuable" species, populations, or ecosystems; conserving globally threatened species or common and abundant fauna and flora), and how they will be carried out (using existing models of stakeholder engagement, including local and indigenous communities and the private sector, or using totally novel approaches developed at the local level).

Without an improved vision and clear priorities, the Biodiversity Program runs the risk of perpetuating the status quo and precludes the GEF from being able to truly focus its resources in ways that might have the highest chance of significant impact, for example, addressing the most promising approaches, the most pressing threats, and the world's most important areas. In undertaking this proactive approach, the GEF should not be limited by its past, as an extension of a rather conservative global public sector. The GEF must be bold, and move with intent and initiative, taking advantage of its success in raising global awareness and its proven record in stakeholder consultation and the forging of effective partnerships.

Obviously, the implementation of any proposed system to prioritize funding must be practical and able to function effectively in the real world of politics and science. There are many highly committed governments. There are outstanding conservationists, each with their personal viewpoint regarding priorities for conserving biodiversity. There are the realities of working within an unpredictable global economy. And there are the constraints of operating within a host of multilateral environmental agreements and conventions in which every issue is a priority and every country is eligible. How can a way be found to recognize commitment and good governance, identify scientifically-based priorities, and keep a closer check on the targeting of interventions? The GEF must implement a system that not only recognizes but also rewards serious commitment to biodiversity conservation and provides such support based on a clear assessment of needs and capacity within a long-term vision and strategy. Many in the global conservation and development community would welcome strong and decisive leadership in furthering these aims.

IV. Key Recommendations

To improve on shortcomings identified, the study presents many recommendations, which are detailed in the table at the end of this Executive Summary and found throughout the report. However, the following subset comprises a select group considered fundamental to improving the performance of the GEF Biodiversity Program and requiring immediate action.

a. Improving the delivery and measurement of outcomes and impacts

Delivering and measuring outcomes and impacts were central themes of the negotiations of the third replenishment of the GEF, the recommendations from OPS2, and the previous GEF Biodiversity Program study. The GEF Council has also called for work on delivering and reporting outcomes and impacts. The new Biodiversity Strategic Priorities developed for GEF3 and the work presented in the document, "Measuring Results of the Biodiversity Program," are signs of progress in monitoring impacts at the program outcome level. The IAs also have made progress at the project level, demonstrated by continued improvements in the presentation of logframes, selection of indicators, and plans for collecting and using biodiversity baselines in new projects. However, impacts can only be measured through monitoring changes in the status of biodiversity, and there are still no clear guidelines, standardized procedures, or measurable program-level targets or indicators against which to evaluate the impacts of the

GEF's interventions. This shortcoming presented a major challenge for this study in attempting to assess impacts and attribute credit in any meaningful way.

Regarding the delivery of outcomes and impacts, the study makes recommendations in the following areas: [2]

- *The contribution of protected areas to conserving global biodiversity.* Despite its very significant financial and technical contribution toward expanding the world's protected areas and protected area networks while at the same time enhancing their management, the GEF has yet to conduct a study that looks at the additive or aggregate contribution of local, project, or site-level outcomes and impacts of protected areas to the GEF's overall contribution to higher level, global biodiversity impacts (**GEFM&E**). Furthermore, future investments in protected areas should be accompanied by more intentional consideration of the full range of protected areas and their underlying conservation objectives. By better distinguishing among the different categories of protection and their differing conservation objectives, support can be better rationalized (**GEF Secretariat and IAs**).
- *Sustainable use and the Ecosystem Approach.* There is now a clear opportunity to forge a linkage between the operationalization of both the Addis Ababa Principles, recently endorsed by COP7, which underpin the practice of sustainable use, and the Malawi Principles underlying the Ecosystem Approach. The complementarities are particularly relevant on issues of governance, policy, legislative frameworks, spatial and temporal scales of management, land tenure and land-use planning, adaptive management of the resource under use, and potentially damaging impacts of uses on ecosystems services (**GEF Secretariat and IAs**).
- *Access and benefit sharing.* The study found that the current concept of access and benefit sharing of genetic resources (ABS) is considered and applied in different ways, by different stakeholders, at different times and in different contexts. Clarity is needed among all individuals or parties involved in discussions, negotiations, or other communications involving this concept. Failure to identify the confusion and make critical distinctions has led to widespread misinterpretation and misuse of the concepts in many contexts within the CBD; consequently, unrealistic expectations have developed. In creating such expectations, the stage has almost certainly been set for widespread disappointment in the future, when any and all use of biological resources is expected to provide benefits to one and all (**CBD, STAP and GEF Secretariat**).
- *Improvement of the enabling environment through mainstreaming.* It is now widely accepted that successfully mainstreaming—or integrating—biodiversity considerations into all aspects and levels of society and governance will be the surest way to sustain conservation gains in the long term. However, the study found that, to date, not unlike ABS, the concept of mainstreaming biodiversity is defined and applied in different ways and in different contexts by different actors. The result is operational complications and confusion for the GEF Secretariat and the IAs. Given that mainstreaming in production landscapes and sectors has recently become one of the four new Strategic Priorities, guidelines and definitions should be developed to clarify exactly what types of activities, processes, and interventions are to be included and supported in the mainstreaming concept within the GEF context (**GEF Secretariat and STAP**).

Regarding improvements to the measurement of outcomes and impacts, the study makes recommendations in the following areas:

- *Selecting and linking indicators of impact*. The selection of appropriate and measurable indicators and links between project-level indicators of outcomes and impacts and their relationships to indicators of the implicit goal of the GEF Biodiversity Program (i.e. positive changes in the status of global biodiversity) must be more clearly established, and dedicated work on this topic should be undertaken. In particular, the GEFM&E Unit should continue to provide guidance to IAs for conducting assessments of each project's impacts, including the development of guidelines on how to assess and assign a rating for the impact of every project in terminal evaluations. Such guidance would complement the present guidance that requires completed projects to assess and rate their outcome-level achievements (**GEFM&E and IAs**).
- *Establishing baselines and monitoring changes over time.* The establishment of indicator baselines should be considered mandatory within the first 12 months of a project and definitely prior to the release of further project funds thereafter. Furthermore, given its limited resources, the focus of the GEF should be to support monitoring activities aimed at collecting the necessary verification data to measure conservation outcomes and impacts in support of management actions. While newer projects have been establishing baselines, continued work in this

2. Each recommendation indicates, at the end and in brackets, which group or groups in the GEF partnership are recommended to take the lead for its implementation.

regard is to be encouraged, particularly to ensure that both biodiversity and socioeconomic impact indicators are developed, measured, and analyzed at all levels, from outputs to outcomes to impacts (**GEF Secretariat and IAs**).

- *Enabling program-level M&E.* In consultation with the GEF Biodiversity Task Force, the GEFM&E Unit should develop standards and guidelines for monitoring and evaluation at the project level that can be "rolled up" to the program level, thereby allowing true evaluation of the performance of the entire portfolio and its efficiency and effectiveness in attaining its higher-level objectives (**GEFM&E**).

b. Addressing operational shortcomings: Toward improving the management and administration of the GEF Biodiversity Program

After more than a decade of project design, approval, implementation, and evaluation, the GEF Biodiversity Program has accrued many experiences of both achievements and shortcomings. To date, the GEF Secretariat has been somewhat passively administering the large portfolio of biodiversity projects. In the future, their approach could take on more strategic dimensions.

The study found that it takes an average of about 5 years for a full-sized project to go through the GEF process before implementation begins on the ground. This is unacceptably long and without further delay, deliberate actions must be taken to streamline the project preparation process, thereby reducing the lengthy and, in many cases, crippling transaction costs for proponents. In addition, more work is needed to increase consistency in the application of strategic planning through the use of the logical framework approach at both the project and program levels, to strengthen project implementation both technically and operationally, and to adopt and apply industry standards for M&E. While it is recognized that streamlining the project preparation process and some of the steps recommended for more rigorous strategic planning, implementation and evaluation may appear antithetical, it is possible to achieve both in shorter time frames if all steps in the process are made more efficient. Perhaps the most challenging time commitment, and one that may be difficult to redress but is necessary nonetheless, is the time required to conduct adequate stakeholder consultations in large, complex biodiversity projects.

The study presents a number of recommendations regarding current operational shortcomings and considers five, in particular, to be fundamental, requiring urgent action:

- *Strategic guidance and management of the Biodiversity Program.* The GEF Biodiversity Team needs to move on from simply administering a portfolio of projects to actively and strategically providing greater vision, better cohesion, proactive management and stronger delivery of the GEF Biodiversity Program (**GEF Secretariat**).
- *Institutional policies, rules, and regulations.* Given the increasing number of partners involved in project implementation, the GEF should develop clear policies, rules, and regulations of its own, particularly on issues of a highly political nature and profile (for example, relocation, indigenous people, land tenure, stakeholder participation, etc.) (**GEF Council**).
- *A streamlined review process.* Presently the GEF project cycle is unacceptably long and requires repeated reviews and revisions. This process could be streamlined by reducing the number of stages at which project proposals must be reviewed and instead having a single, exhaustive review to be conducted by the GEF Secretariat with the support of one or more senior experts from the STAP roster at the beginning of the process (pipeline entry), coupled with more involvement during project implementation to review conformity with GEF principles (**GEF Secretariat**).
- *Budgets and project duration scaled to biodiversity objectives, needs, and capacity.* The study found that there are no guidelines for the scaling of GEF project budgets to any objective assessment of need or capacity; proponents often seek funds well beyond their capacities to implement. Furthermore, there seems to be a tendency for proponents to go for the maximum amount of funding they are able to secure, regardless of their proposed outcomes or their demonstrated capacity to absorb or implement the planned activities. This issue of unrealistic timeframes and overly ambitious project scope has been highlighted in other GEFM&E reports and should now be resolved. Modifying the current funding process to better balance project size and duration with the absorption capacities of executing agencies may be the only way to produce more tangible progress in achieving outcomes and impacts and achieving sustainability. The GEF Council should request a high-level institutional review and reconsideration of the budgeting process and short-term, project-based approach currently applied in the Biodiversity Program, in an attempt to better link the financial resources allocated with the stated biodiversity objectives, needs, and capacities of the executing agencies to implement the proposed projects (**GEF Council**).
- *Project phasing.* Within the current project-based approach, proposed interventions should be conceptualized and designed in a way that appropriate phasing is built in from the outset, allowing them to evolve gradually, at

a pace that aligns well with the assimilation capacities on the ground rather than following the current norm of massive inputs to executing agencies that often reach their saturation point early on. While this "trickle feed" approach may result in a far longer project cycle or a cycle of phased or inter-related projects, a slower infusion of funds over a longer period of time should allow better absorption as well as the opportunity to scale up over time (**GEF Secretariat and IAs**).

V. Concluding Remarks

Like OPS2, findings from this study would seem to indicate that, to date, the GEF Biodiversity Program has not contributed measurably to improving the status of global biodiversity. Though this may come as a serious disappointment to many, it is likely the result of two things: the slow pace of establishing the means to monitor progress from project to program levels and continued unrealistic and unspoken expectations.

A series of questions underlay the study's attempt to explore possible reasons behind these findings. What exactly is the expected contribution of the GEF's Biodiversity Program to improving the status of biodiversity? Is there an implicit belief that the GEF Biodiversity Program is synonymous with the CBD and, therefore, is expected to deliver on the goal, objectives, and targets laid out in the CBD Strategic Plan in their entirety? Or the 2010 CBD targets? Or even to the Millennium Development Goals? Is it expected that the GEF Biodiversity Program alone will deliver *all* the GEF's cumulative contribution to improving the status of global biodiversity? Is there clear and realistic thinking about what the GEF Biodiversity Program's expenditure of approximately $170 million annually since the GEF's inception should deliver? And what all the co-financing and leverage that these funds bring to bear could ever realistically contribute to improving the status of global biodiversity? Even searching deliberately, it is not possible to find clear answers to these questions—but why?

Although conceived as a funding mechanism to support catalytic, innovative, and strategic interventions to help defray the incremental costs of securing global environmental benefits, it seems that there was an inherent problem from the start in clearly articulating the expectations of the GEF or the level at which the GEF's performance—overall and in the three focal areas—would be assessed. In other words, no targets or goals were set at the level of the entire GEF or at the level of the GEF Biodiversity Program. Further, it was not realized or perhaps clearly articulated from the outset that the GEF would be only a contributor to delivering the highest level vision of improving the status of global biodiversity but would never achieve this on its own. For these reasons, the GEF's, and by association, its Biodiversity Program's ability to demonstrate achievements may have been undermined by the tacit belief that the GEF would "do it all." These shortcomings in the governance of and direction to the GEF, from its earliest origins, have placed the Facility and its component programs in an unenviable and untenable position.

The unrealistic expectations reached the level of even OPS2, which concluded that, "The GEF, acting under the mandate and guidance of the CBD, has not yet been able to reverse this trend [in biodiversity loss]." Apparently, at that time, it was still expected that such lofty goals were even within the grasp of the GEF and its Biodiversity Program.

So what are the reasons for not being able to clearly define the GEF's *raison d'être*? Are they technical, operational, or political in nature, or some combination of these? Many of the shortcomings described in this study may well be attributable to the constraints imposed by the underlying processes that rule the modus operandi of the GEF's. It is notable that the remit of the GEF has never been expressed in terms of measurable biodiversity goals and outcomes to which each GEF-funded program and its component projects must make a defined contribution and that will ultimately "roll up" to deliver true impacts on the status of global biodiversity over time.

In the final analysis, it appears that the lack of real progress in quantifying and assessing the GEF's impact on the status of global biodiversity is not a trivial issue and may stem from a much deeper and more fundamental problem: It remains unclear to this study what the GEF Council, the Parties, and other stakeholders are actually expecting the GEF overall and, more specifically, the GEF Biodiversity Program to deliver and if those still-implicit expectations have ever been realistic given the operating environment in which the GEF exists.

Given the absence of a strategic framework, and the constraints and limitations imposed on the GEF Biodiversity Program, the study still felt it appropriate to ask and answer the following questions. Over a decade later would the status of our world's biodiversity have been better off without the GEF? – No! Could the achievements and impacts have been more profound and demonstrable? – Yes, probably. Could the significant resources of the GEF be guided and managed more strategically, more efficiently, and more effectively to deliver greater impacts in the future? – Yes, definitely! This is the challenge ahead.

VI. Recommendations by Chapter and Level of Priority[3]

Chapter / Section	Recommendation	Responsibility	Level of priority
4. Responsiveness to CBD			
4.3.1. External views	There is a need for more concerted efforts to improve the dissemination of information on how the GEF responds to guidance. The GEF-sponsored Country Dialogue Workshops could provide a good venue to clarify GEF processes and strengthen the outreach process.	GEF Secretariat	3
5. From Projects to Program: A review of processes			
5.2. Where Does the Time Go?	The GEF Secretariat should develop standards for reporting by IA and GEF National Focal Points on project cycle milestones and establish a data handling process to ensure that vital statistics on the GEF project cycle are compiled and can be provided as and when required. These data should be made available and easily accessible in the public domain to increase accountability and transparency of the entire project approval process.	GEF Secretariat	2
	To inform the streamlining process, it might be helpful to conduct a comprehensive, comparative study of the project processing cycle in other similar donor agencies, including bilaterals and international NGOs.	GEF Secretariat	2
5.3.1. The pre-design phase	To both streamline the process of accessing GEF funds and help increase transparency and improve accountability, the GEF should develop a real time, online concept/project tracking system to allow proponents to see, at any given time, where their concepts or proposals have progressed to along the continuum from concept submission to project approval. This service should be provided by the GEF Secretariat and perhaps broadened to include the other GEF focal areas.	GEF Secretariat	2
	In addition, comprehensive and user-friendly online and hard copy guidelines on project processing, in all the Convention languages, are needed. These should be written in simple language and widely disseminated, laying out the roles and responsibilities of the GEF Secretariat, the IAs, and the ExAs; their comparative advantages, their eligibility requirements; and clear-cut procedures for application to each of the IAs.	GEF Secretariat, IAs, ExAs	2

3. Recommendations are prioritized using three levels: 1, 2 and 3. Level 1 implies key recommendations considered fundamental and requiring immediate action.

Chapter / Section	Recommendation	Responsibility	Level of priority
5.3.2. Project design and preparation	There is a need for a high-level institutional review and reconsideration of the budgeting process (that is, money allocated versus project objectives, needs, and capacities) currently applied to projects in the Biodiversity Program.	GEF Council	1
	Following on from the recommendation to Council, projects should be designed in a way that appropriate phasing is built in from the outset. Projects should evolve gradually, at a pace that aligns well with the assimilation capacities on the ground rather than follow a punctuated equilibrium of massive inputs reaching a saturation point early on. While this "trickle feed" may result in a far longer project cycle or a cycle of phased or interrelated projects, a slower infusion of funds over a longer period of time should allow better absorption as well as the opportunity to scale up over time.	GEF Secretariat and IAs	1
	This study did not look at the issue of incremental costs but recommends that a review of the issue be conducted leading to the creation of a handbook setting out simplified guidelines on project budgeting as well as incremental cost calculations.	GEF Secretariat	2
	Project proponents should be realistic and pragmatic when working with the IAs to design effective projects. There is a serious need to develop achievable, measurable time-bound targets, which can be "rolled up" from the project to the program level. This can only be done after a much earlier and clearer assessment of capacities and commitment at the implementation level.	Project proponents and IAs	2
	When designing future projects, more conscientious attention should be devoted to conducting threat analyses at the appropriate stage along a continuum from direct to root causes.	GEF Secretariat and IAs	2
	The degree of risk due to external factors (such as war and political instability, economic uncertainties, corruption, HIV/AIDS and other pandemic diseases, as well as the impacts of weather and climate change) should be more rigorously articulated, and the tools required to mitigate these risks must be built into projects from the start. Taking these together, a system of ratings relating a set of criteria to the probability of successful implementation should be developed. All projects should carry this rating from their inception to provide an early warning system.	GEF Secretariat and IAs	2
5.3.3 Project approvals	The need for repeated reviews and revisions could be streamlined by reducing the number of stages at which project proposals must be reviewed and instead having a single, exhaustive review to be conducted by the GEF Secretariat and one or more senior experts from the STAP roster at the beginning of the process (pipeline entry) coupled with more involvement in project implementation to review conformity with GEF principles.	GEF Secretariat	1
5.3.4 Project implementation	The GEF should develop clear policies, rules, and regulations of its own, particularly on issues of a highly political nature and profile (for example, relocation, indigenous people, land tenure, and stakeholder participation).	GEF Council	2
	The GEF Secretariat should be officially informed by all the IAs when a project is prematurely terminated, closed, or canceled with an explanation of the circumstances and a description of any plans to deal with the unfulfilled objectives, as initially identified.	IAs	2
	Greater and broader technical proficiency will be needed in future among the staff of the GEF Secretariat and the IAs to improve technical assistance to the executing agencies in project design and implementation on new and emerging issues within the CBD. While this is especially true for people working close to the field (GEF focal points within government and in national and regional IA offices), it is also important at the headquarters level.	GEF Secretariat and IAs	2

Chapter / Section	Recommendation	Responsibility	Level of priority
5.3.5 Strategic planning, monitoring, and evaluation	The GEFM&E Unit should continue to improve the minimum standards for evaluation and criteria that all IAs must meet and the process through which findings and recommendations will feed back into periodic reviews of the GEF Biodiversity Program.	IAs and GEFM&E	2
	As a standard procedure, the IAs should redouble efforts to ensure their growing rigor in establishing and financing clear M&E plans from the outset, including the articulation of targets at all levels, the selection of both biological and socioeconomic indicators to measure progress along the way, and the establishment of baselines. These plans must be further strengthened to include simple, practical, and sustainable systems for measuring and tracking these indicators on meaningful time scales through periodic assessment. The cost of developing these monitoring plans, including the selection of indicators, should be written into the PDF-B for FSPs or into the project budget for MSPs.	IAs	2
	Clear standards and guidelines should be developed for M&E at the project level and a system of M&E that will "roll up" to the Biodiversity Program level to allow true evaluation of the performance of the entire portfolio in efficiently and effectively attaining its objectives.	GEFM&E	1
	Mechanisms should be established at the project or program level to conduct post-completion evaluations in order to assess sustainability beyond the life of the project.	GEFM&E and IAs	2
5.4 Future directions	The time has come for the GEF Biodiversity Team to move from simply administering the portfolio of projects and begin to actively and strategically provide greater vision, better cohesion, and stronger delivery of the GEF Biodiversity Program.	GEF Secretariat	1
6. The Culture of Lessons Learning: Progress in implementing recommendations from OPS2 and BPS2001			
6.4.1 Evaluation	There should be a dedicated effort to link all evaluation tools and outputs directly to the relevant levels of the Biodiversity Program's strategic framework, its targets, and its time lines while ensuring that a formal process is in place for incorporating key evaluation findings and recommendations, such as those from BPS2004 and OPS3, to better inform future plans and actions.	GEFM&E and IAs	2
6.4.2. Knowledge management	There is a need to establish an overall strategy and action plan for Knowledge Management in the GEF Biodiversity Program, including collecting, compiling, and analyzing information acquired at the project level for program-level consolidation and distribution to GEF partners and the global conservation and development community. The information should include lessons learned, both technical and operational, at all stages in the GEF process from project design through project completion.	GEF Secretariat	2
7. Outcomes of the Biodiversity Program			
7.1. Biodiversity conservation	Future investment in the protected areas portion of the portfolio should be accompanied by more intentional consideration of the full range of protected areas. By better distinguishing between the different categories of protection and their differing conservation objectives, support can be rationalized on this basis.	GEF Secretariat and IAs	1
	There is a need to more clearly define both the diagnostic and analytical capabilities of the Management Effectiveness Tracking Tool to inform further modifications and to enable it to better fulfill its functions for the GEF Biodiversity Program.	GEFM&E, GEF Secretariat, IAs	2
	Despite its very significant financial and technical contribution towards expanding the world's PAs and PA networks and enhancing their management, the GEF has yet to conduct a study that looks at the additive or aggregate contribution of local, project, or site-level outcomes and impacts in PAs to the GEF's overall contribution to higher level, global biodiversity impacts. Such a study would seem to be a matter of urgent priority.	GEFM&E	1

Chapter / Section	Recommendation	Responsibility	Level of priority
7.2. Sustainable use of biodiversity resources	With regard to contributions in the field of sustainable use, there is a great opportunity to make a linkage between the operationalization of the Addis Ababa Principles and the Malawi Principles for ecosystem approach, particularly regarding the necessary legal frameworks and governance, spatial and temporal scales of management, land tenure and land-use planning, adaptive management of the resource under use, and potentially damaging impacts on ecosystems services. To improve chances of success, the operationalization of the Addis Ababa Principles should encourage partnerships between GEF and other actors, particularly the private sector, at all levels, from small-scale producers to intensified industrial production systems. If the intended use of a particular biodiversity component is commercial in nature, a business planning approach should be considered, including a market analysis for demand and a biological analysis for supply.	GEF Secretariat and IAs	1
7.3. Access and benefit sharing of genetic resources between countries	Currently, the concept of access and benefit sharing is considered and applied in different ways, by different stakeholders, at different times and in different contexts. Clarity is needed among all individuals or parties involved in discussions, negotiations, or other communications involving "access and benefit sharing." Failure to identify confusion and make critical distinctions has led to widespread misinterpretation and misuse of the concepts in many contexts within the CBD; consequently, expectations have grown. In creating unrealistic expectations, the stage has almost certainly been set for widespread disappointment in the future, when any and all use of biological resources is expected to provide benefits to one and all.	CBD, GEF Secretariat STAP	1
7.4.1 Enabling environment	To assess the outcomes of public awareness and environmental education projects, baseline studies should be conducted on behavior and awareness levels prior to the implementation of activities, and follow-up studies should be conducted at intervals to identify changes in behavior.	GEF Secretariat, GEFM&E, IAs	3
7.4.2 Mainstreaming biodiversity	Currently, the concept of mainstreaming biodiversity is defined and applied in different ways and in different contexts by different actors. This results in operational complications for the GEF Secretariat and the IAs. Given that mainstreaming is the second of the recently articulated Strategic Priorities, guidelines and clear definitions should be developed to clarify exactly what types of activities, processes, and interventions are covered under the mainstreaming concept in the GEF context.	GEF Secretariat and STAP	1
7.5.4. Small Grants Programme	Building on the findings of Wells et al. (2003), this study concurs that not only should additional resources be put into this funding modality, to better ensure the capacity and commitment being built at local levels, but that additional mechanisms for the disbursement of funds to projects in the $10,000 to $100,000 range should be sought by the GEF.	Council	2
8. Implementation of the GEF Guiding Principles: Focusing on Sustainability			
8.3. Social sustainability	Stakeholder participation involves a continuum of models that are not clearly distinguished within the GEF. In the absence of such distinctions, there is a noted tendency to try to achieve one set of objectives with an inadequate or incorrect application of the appropriate model of stakeholder engagement. The confusion regarding the use of these models and reporting of progress on these approaches is a technical matter and should be redressed.	GEF Secretariat and IAs	2
8.6 Sustainability through replication	To help ensure the potential for replication, projects should incorporate a replication strategy from the outset including, for example, appropriate budgets, plans for disseminating best practices and lessons learned, and documentation of project histories, thereby ensuring important contributions across the entire portfolio.	IAs and GEF Secretariat	2
8.7 Sustainability of SGP projects and MSPs vs. FSPs	In light of the now considerable experiences with the three primary funding modalities of the GEF (SGP projects, MSPs and FSPs) and being mindful that each is designed to tackle threats or challenges of differing magnitude, using different levels of funding over different periods of time, it would be both timely and desirable to conduct a comparative study to explore the issues of efficiency, effectiveness, and sustainability across these mechanisms rather than merely within each.	GEF Secretariat	2

Chapter / Section	Recommendation	Responsibility	Level of priority
8.8 When do we know we are sustainable?	By examining the multidimensional aspects of sustainability (financial, institutional, technical, ecological, and sociopolitical), it is possible to think more logically about sustaining outcomes. In this regard, it would be useful to develop disaggregated tracking of the various components of sustainability in the project review process, rather than focusing only on those that are financial.	GEF Secretariat, GEFM&E, IAs	2
9. Contribution of the GEF Biodiversity Program to Improving the Status of Global Biodiversity: How would we know if we are succeeding?			
9.1 Selection of indicators	For the purpose of assessing the impacts of the overall GEF Biodiversity Program on the status of global biodiversity, it is necessary to clarify the differences in the species terminology currently in use among the IAs, defining those species that can meaningfully serve as indicators of trends and the choice of measurements to be taken with regard to such species.	GEF Secretariat, GEFEME, IAs	3
	Practical "menus" of selected biodiversity and socioeconomic indicators should be developed for broad categories of intervention, such as marine versus terrestrial ecosystems as an aid to project designers.	GEF Secretariat, GEFM&E, IAs	2
	The field of indicators, monitoring, and assessments in the biological and social sciences is rapidly moving and highly technical. If it is not available within the GEF institutions, then external expertise may need to be sought for these purposes.	GEFM&E	2
9.1.2 Establishment of baselines	The establishment of baselines should be considered mandatory within the first 12 months of a project and definitely prior to the release of further project funds thereafter. While newer projects have been establishing baselines and databases, continued work in this regard is to be encouraged, particularly to ensure that both biodiversity and socioeconomic impact indicators are developed, measured, and analyzed at all levels, from outputs to outcomes to impacts.	GEF Secretariat and IAs	1
9.1.3 Monitoring of indicators	Given limited resources, the focus of GEF should be to support monitoring activities aimed at collecting the necessary verification data to measure outcomes (reducing pressures/threats on biodiversity) and impacts (changes in status of biodiversity) in support of management action.	GEF Secretariat and IAs	2
9.1.4 Changes in indicators against the baselines	In addition to the need for tracking changes in biodiversity status from outcomes to impacts and from the local to the global level, it is necessary to broaden the basic conceptual and monitoring framework to include socioeconomic aspects, including gender. Given the important, yet often discrete, roles played by men and women in the use and management of natural resources, including valuable components of biodiversity, gender analyses need to become more than academic exercises within projects. Some aspects of gender differentiation may be sensitive indicators of societal changes and movement towards sustainability and it is these which should be identified and provide focus for gender analyses at the project level	GEF Secretariat, GEFM&E, IAs	2
9.1.5 Looking for signs of progress	Links between project-level indicators of outcomes and impacts and their relationships to indicators of the program goal (that is, changes in the status of global biodiversity) must be more clearly established, and dedicated work on this topic should be undertaken. In particular, the GEFM&E Unit should continue to provide guidance to IAs for conducting assessments of each project's achievements and assigning a rating at the impact level in all terminal evaluations. Such guidance would complement the present guidance that requires completed projects to assess and rate their outcome-level achievements.	GEFM&E and IAs	1
9.2 Biodiversity indicators and assessments in the global context	The GEFM&E Unit should investigate and determine the importance of various ongoing processes for developing biodiversity indicators in terms of their abilities to evaluate the cumulative contributions of the Biodiversity Program to the CBD 2010 targets. For those processes deemed to have clear potential, the GEFM&E Unit should work with the GEF Secretariat and the IAs to secure funding to help advance the processes' capacity to assess changes in the status of biodiversity at the global and national levels, and even investigate their own potential role in facilitating the processes.	GEFM&E	2

1. The Evaluation Approach

1.1 Objectives and Scope

This report presents the findings, conclusions, and recommendations of the Global Environment Facility Monitoring and Evaluation Unit (GEFM&E) review of the GEF Biodiversity Program. This Program, as well as the other GEF focal area programs, is evaluated every three to four years and is a major input to the Overall Performance Studies, the GEF replenishment process, and the GEF Assembly. The Biodiversity Program Study 2004 (BPS2004) was conducted between September 2003 and June 2004 by staff from the GEFM&E Unit and an independent biodiversity expert as the lead consultant. Other external consultants were contracted for particular areas of the study. In addition, members of the biodiversity technical staff from the GEF Secretariat, the three GEF Implementing Agencies and the GEF Scientific Technical Advisory Panel (STAP) provided comments to the study's initiating memorandum and different drafts and prepared technical inputs to particular areas of the assessment.[1]

The objective of the study is to provide the GEF Council, the GEF Secretariat Biodiversity Team, the GEF Biodiversity Task Force, and the general biodiversity community with an assessment of the GEF Biodiversity Program's performance and recommendations on its continued development. In addition, the study provides the general biodiversity community with information on how the GEF operates in the biodiversity focal area and discusses how to measure biodiversity achievements. For the purpose of this study, the GEF Biodiversity Program is defined as the GEF Biodiversity Portfolio (all approved projects, including projects that have already been completed) plus the GEF Biodiversity Operational Programs and Strategies as well as the GEF guiding principles and the GEFM&E policies and procedures in the context of the GEF Biodiversity focal area, as of June 30, 2003.

Specifically, the study reviews, assesses, and reports on the GEF Biodiversity Program's:

- Performance, achievements, and impacts
- Progress in implementing key recommendations from the Second Overall Performance Study (OPS2) (GEF, 2002a) and the first Biodiversity Program Study (GEF, 2001)
- Responsiveness, follow-up, and feedback to guidance from the Convention on Biological Diversity (CBD) to the GEF
- Application of GEF's primary operational or guiding principles[2] within the context of the Biodiversity Program
- Challenges faced in delivering in these areas.

1.2 Evaluating against a Retrospective Logical Framework

The GEF as a financial mechanism of the Convention of Biological Diversity (CBD) receives its mandate from the convention's Conference of Parties (COP). Therefore, as will be explored later, there are certain constraints with which the GEF has to operate, such as the three to four-year programming cycles coinciding with replenishments and the country-driven and incremental cost concepts. In addition, the GEF is only one contributor to the obtainment of

1. The Program Study evaluation team was comprised of Claudio Volonte and Josh Brann of the GEFM&E Unit, lead consultant Holly Dublin, and specialized consultants Dirk Kloss, Evan Green (Baastel Ltd), and William Finnegan. Members of the GEF Biodiversity Task Force participating were Gonzalo Castro, Kanta Kumari, and Mario Ramos from the GEF Secretariat; Claudia Sobrevila, Kathy Mackinnon, and Sam Wedderburn from the World Bank; John Hough, Tehmina Akhtar, Tim Boyle, and Terence Hay-Edie from UNDP; Mark Zimsky from UNEP; and Peter Shei, Cristian Samper, Brian Huntley, and Anne Kapuscinki of STAP.
2. GEF's guiding principles (based on the 10 GEF operational principles) include: sustainability, engagement of stakeholder participation, replication, monitoring and evaluation, country ownership, capacity building, and cost effectiveness.

the CBD's goals and targets so its contributions in terms of impacts on the status of biodiversity at the global level are diffuse and difficult to attribute.

In most program evaluations, the strategy or logical framework of the program under review is used as the primary foundation for assessment—judging performance, achievements, and impacts against measurable targets and stated objectives. In the case of the BPS2004, it was necessary to establish a retrospective framework to assist in the review.[3] This framework, depicted in Figure 1.1, presents the different assessment levels, from activities to outputs to outcomes and, finally, to GEF program goals and CBD objectives. Its logic is "retrofitted" over the portfolio, providing a basis for a structured and objective assessment. This framework is applied throughout the report.

In August 2003, the GEFM&E Unit published a report entitled, Measuring Results of the GEF Biodiversity Program (GEF, 2003a), which was a first attempt at establishing such a conceptual framework. However, this is a very recent development, and the methodology is still considered a work in progress. To date, no attempt has been made to "retrofit" the existing portfolio using the proposed framework.

1.2.1 Levels of assessment

The GEF provides financial support (inputs) to project activities that are expected both to produce immediate responses (outputs) and, through time, reduce pressure on biodiversity and lessen threats through changes in human behavior (outcomes). The accumulation of these outcomes over time will contribute to the GEF's Biodiversity Program goals and, in turn, to the goal, objectives, and targets of the CBD.

In this retrospective logical framework, the performance of the GEF Biodiversity Program is measured by the responses undertaken (for example, GEF-supported activities and outputs such as number of staff trained, models developed, laws drafted, enabling activities prepared, and protected areas management plans prepared). This level is generally assessed within annual project progress reviews and project evaluations carried out by the GEF Implementing Agencies.

The achievements of the program are measured by successful attempts to reduce pressures on biodiversity or change behaviors (for example, outcomes such as enhanced protection of ecosystems and the species they contain; sustainable management of biodiversity resources; shared benefits of genetic resources; and improved enabling environments). The program goal is then measured, in biological terms, as some level of impact on the actual status of biodiversity. While generally only measured at the project level, these impacts must aggregate over time and across the portfolio to produce global biodiversity benefits because the GEF was established to defray the incremental costs of achieving

Figure 1.1. Logical Framework for the BPS2004 Evaluation (adapted from Imboden and Dublin, 2004)

3. The GEF has an overall Operational Strategy (GEF, 1996a) that broadly defines the objectives for each of its focal areas. For the Biodiversity Program, these are further defined in the context of the CBD, establishing their operational programming structure and describing, in very general terms, the possible activities the GEF Biodiversity Program should support. The Operational Strategy, however, does not have a logical framework or any measurable targets and indicators. In 2003, the GEF Council approved four new Strategic Priorities within the Biodiversity Program to be supported during the 2003-2006 period (GEF3) with indicators, targets, and ways of measuring them (GEF, 2003b). Although this signifies an improvement in this regard, none of the projects reviewed in BPS2004 were approved under the new strategic priorities.

such benefits. The GEF was also established as a facility to generate catalytic effects through its projects and programs. The higher level goal—fulfilling the objectives and targets of the CBD—forms the apex of this framework and can only be achieved through commitments made by all Parties to the Convention and the global conservation community at large.[4] Given the characteristics of biodiversity components, changes to their status may take a decade or more to produce measurable results. This is the time frame required in the realm of impacts for biodiversity.

At the apex, the responsibility and accountability for achieving impacts on global biodiversity become diffused because such impacts require contributions from many players. The GEF's Biodiversity Program is only one such contributor to this process. Given the type of program interventions that have been undertaken to date (that is, projects averaging 3.5 to 5.5 years), the rather broad guidance from the CBD, and the absence of an articulated long-term strategy, this study explores how much the GEF Biodiversity Program has, in fact, contributed to the attainment of impacts.

The BPS2004, by design, focuses on the higher levels of the logical framework, specifically, the GEF Biodiversity Program's achievement of outcomes and its progress towards attaining the impacts sought as contributions to the goal, objectives, and targets of the CBD.

1.3. Methodology

Annex 1 presents a detailed layout of the scope and methodology used by the study as well as its information-gathering process. The study conducted in-depth reviews of 99 projects that were under implementation as of June 30, 2003, but had passed their mid-point of implementation (projects that had had mid-term reviews) and 42 projects that were completed in the last 3 fiscal years (these 141 projects are termed the "BPS2004 cohort"; Annex 2 provides a list of these projects).[5] In addition, the full GEF Biodiversity Portfolio, which contains 604 projects approved by Council from 1991 through 2003, was used for several of the more quantitative overviews of the study. The GEF Small Grants Programme portfolio was also considered in certain contexts of the evaluation. Table 1.1 presents the distribution of projects according to type (Full-Sized, Medium-Sized, Enabling Activities, and Small Grants Programme) and GEF phase of replenishment. The study made every effort to build synergies with other relevant, contemporary studies and to include information from GEF M&E Unit evaluation tools, such as the annual Project Implementation Reviews (PIRs), Specially Managed Project Reviews (SMPRs), and project completion reports, as well as evaluation reports by the IAs and the international conservation community in general.

In addition to project reviews, the evaluation team conducted extensive formal interviews with staff members of GEF Secretariat, Implementing Agencies, relevant Convention Secretariats, and international and local NGOs, and used questionnaires to survey representatives from governments, relevant Conventions, and international and local NGOs. Despite receiving substantial feedback from some major international NGOs that are recipients of GEF funding, the team was disappointed by others' lack of response, given the benefits they have received through GEF funding and the potential benefits of their experience to this study. One of the highlights of the study was a consultation meeting with CBD stakeholders (donors and recipient governments, as well as other representatives from civil society and international organizations) during COP7 in Kuala Lumpur, Malaysia, in February 2004. About 70 participants came to the meeting to discuss the major achievements, strengths, challenges, and weaknesses as well as major lessons to date of the GEF Biodiversity Program.[6] It was not possible to conduct a meaningful consultation with GEF government focal points and recipient governments given the limited financial resources available for the study and the inherent difficulty in doing this. Annex 3 presents the list of people who were interviewed and received questionnaires.

1.4 Structure of the Report

The report is divided into 10 chapters and a series of annexes. Following on from this introductory chapter, Chapter 2 sets the context in which the GEF Biodiversity Program operates, with a brief overview of the GEF mandate and the current state of the world's biodiversity. Chapter 3 presents a profile of the GEF Biodiversity portfolio in terms of the distribution of financial commitments to date. Chapter 4 ex-

4. The BPS2004 does not review or assess the performance, achievements, and impacts of the CBD or the GEF as a whole.
5. The rationale for selecting ongoing projects beyond mid-term was that the study was interested in a "mature portfolio" to assess outcomes and impacts.
6. The breakdown of participants was as follows: representatives of 21 recipient and three donor parties, representatives of 15 international and 11 local NGOs, four representatives of intergovernmental organizations and three from conventions, and nine representatives of IAs and GEF Secretariat (the balance to 70 includes four unidentified participants).

plores the responsiveness of the GEF, as a partnership, to the CBD guidance provided roughly every 2 years at meetings of the Conferences of the Parties (COPs). Chapter 5 reviews the GEF project cycle and how the Biodiversity Program is currently administered. Chapter 6 explores the culture and processes of institutional learning in the GEF partnership. Chapter 7 begins the assessment of program outcomes, including a review of the GEF support to conservation, primarily through its protected areas work; the sustainable use of biological resources; access to benefit sharing arising from the use of genetic resources; the enabling environment in which GEF interventions are made; and other issues such as the contribution of the GEF to the UNDP-administered Small Grants Programme, taxonomy, invasive alien species, and agro-biodiversity. The GEF functions under several guiding principles; Chapter 8 presents a review of how well these guiding principles have been applied in the context of the Biodiversity Program.

One of the main issues the study explores is the contribution of the GEF Biodiversity Program to improving the status of global biodiversity – its impact. It was reasonably assumed that now, after more than 10 years in operation, the GEF Biodiversity Program should be starting to report measurable progress to the status of global biodiversity as a result of their interventions. Chapter 9 presents the study's assessment of progress. Finally, the report looks at the challenges ahead for the GEF Biodiversity Program in the build up to negotiations for the fourth replenishment of the GEF Trust Fund.

Table 1.1. GEF Biodiversity Portfolio and SGP as of June 30, 2003 (number and GEF funding)*

	Full-sized projects		Medium-sized projects		Enabling Activities		Total		Small Grants Programme**	
GEF Phase	# of Projects	$ million	# of Projects	$ million	# of Projects	$ million	# of Projects	$ million	# of Projects	$ million
Pilot Phase	53	$304.8	NA	NA	3	$10.0	56	$314.8	356	$6.3
GEF 1	56	$422.0	7	$4.6	142	$25.9	205	$452.6	574	$9.9
GEF 2	70	$586.1	89	$70.7	112	$46.4	271	$703.2	2146	$46.7
GEF 3	27	$125.0	34	$29.0	12	$2.5	73	$156.6	NA	NA
Total	206	$1,438.0	130	$104.4	269	$84.8	605	$1627.1	3076	$63.0
BPS2004 Cohort Status										
Ongoing	47	$321.4	52	$40.5	NA	NA	99	$361.8	NA	NA
Completed	25	$215.8	17	$12.3	NA	NA	42	$228.1	NA	NA
Cohort	72	$537.1	69	$52.8	NA	NA	141	$589.9	NA	NA

*Figures may not total due to rounding. **The SGP operational phases are different than the regular GEF phases. SGP figures through July 2004. NA = not applicable.

2. Setting the Context: How the GEF Implements the CBD

There are several dimensions that make up the context in which the GEF operates in its biodiversity focal area: (1) its mandate, provided by the CBD and the guidance from COPs; (2) the policies, procedures, and institutional arrangements that the GEF has established to implement its programs; (3) the declining status of global biodiversity, which the GEF is trying to influence, (4) the limited financial resources compared to the extent of the problem (provided every 3-4 years through a replenishment negotiation cycle); and (5) the GEF's operational process for funding projects. A sixth dimension—the political and economic realms (from global to local levels) in which the GEF operates—provides a common thread, woven through all the other dimensions and underpinning their directions. Although this final dimension is not the focus of the study, it provides the context for this assessment and several of the recommendations because of its undeniable influence.

2.1 The Mandate

At COP1 and 2, the GEF was nominated as the institutional structure to operate the financial mechanism under the CBD, on an interim basis. A Memorandum of Understanding was then signed at COP3 in order to guide the relationship between the COP, the CBD, and the GEF. In accordance with Article 21 of the CBD, the COP determines the policy, strategy, program priorities, and eligibility criteria for access to and utilization of the financial resources available through the financial mechanism, including monitoring and evaluating such utilization on a regular basis. The GEF, in operating the financial mechanism under the Convention, agreed to finance activities that conform to the guidance provided to it by the COP.

Contributing to the mandate from the CBD, the GEF works under ten operational principles for development and implementation, put forward in the Instrument creating the Facility. These principles are relations with the conventions, incremental cost, cost-effectiveness, country-driven priorities, flexibility, full disclosure of non-confidential information, consultation and participation of beneficiaries and affected people, conforming to eligibility requirements, emphasis of its catalytic role to maximize global environmental benefits, and monitoring and evaluation of programs and projects. All of these principles are applied to the biodiversity focal area.

Box 2.1. Objectives of the GEF Biodiversity Program

The GEF's objectives in biological diversity derive from the objectives of the CBD: "the conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of benefits arising out of the utilization of genetic resources, including by appropriate access to genetic resources and by appropriate transfer of relevant technologies taking into account all rights over those resources and to technologies, and by appropriate funding" (UNEP, 1992, Article 1).

The GEF is guided by its Operational Strategy: "The GEF operates as a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in biological diversity. Global environmental benefits obtained under the CBD include reduced risks of global biodiversity loss, the enhanced protection of ecosystems and the species they contain, and increased sustainability in the use of biodiversity components" (GEF, 1996a).

According to the GEF Operational Strategy (GEF, 1996a), the main strategic considerations guiding GEF-financed activities in biodiversity include: (a) integration of the conservation and sustainable use of biodiversity within national and, as appropriate, subregional and regional sustainable development plans and policies; (b) the protection and sustainable management of ecosystems through targeted and cost-ef-

fective interventions; (c) integration of efforts to achieve global benefits in other focal areas, where feasible, and in the cross-sectoral area of land degradation; (d) development of a portfolio that encompasses representative ecosystems of global biodiversity significance; and (e) the targeted design of GEF activities to help recipient countries achieve agreed biodiversity objectives in strategic and cost-effective ways.

In 2003, the GEF Secretariat proposed (and Council approved) that, in addition to continued work in protected areas, GEF biodiversity conservation efforts over the next decade should concentrate on mainstreaming biodiversity conservation beyond the boundaries of protected areas, within the production sectors. Such an approach, to be applied during the third replenishment of the GEF (GEF3), places even greater emphasis on sustainability of results and the potential for replication and moves beyond short-term interventions to approaches that systematically target national enabling environments and institution building (GEF, 2003b). The following four new Strategic Priorities were based to a great extent on the findings and recommendations of the previous Biodiversity Program Study (GEF, 2001) and the Second Overall Performance Study (GEF, 2002a) of the GEF:

- Catalyzing sustainability of protected areas
- Mainstreaming biodiversity in production landscapes and sectors
- Capacity building for the implementation of the Cartagena Protocol on Biosafety
- Generating and disseminating best practices.

Although none of the projects in the BPS2004 cohort were approved under these new strategies, the study looked for progress in certain aspects within the design of newer projects and considered these new strategies in setting the context for future recommendations.

2.2 Institutional Arrangements and Procedures for Interpreting COP Guidance

The GEF has been described as a novel multilateral organizational arrangement that embodies institutional partnerships at different levels and dimensions, is facilitated by the GEF Council and Secretariat, and builds on the comparative strengths of the different partner entities (GEF, 2002a). The highest body in the partnership is the GEF Assembly, consisting of representatives of all member countries. In addition to the three GEF IAs responsible for the implementation of projects, the GEF has extended its partnership to include seven new Executing Agencies (ExAs, under extended opportunities)[1] that can also implement and secure funding directly from the GEF. Other major partners in the GEF family are governments, GEF recipients of grants, donors, and organizations representing civil society. For the most part, particularly in the biodiversity focal area, the private sector has not been substantially engaged, although Council has pointed out the importance of this player since the GEF's earliest days (for example, see discussion in GEF, 1998). Further discussion on private sector engagement in biodiversity is presented in Chapter 8.

The GEF Operational Strategy sets out GEF operations in three broad and interrelated categories: operational programs[2] (for each of the focal areas), short-term measures, and enabling activities. Furthermore, the GEF implements its operations through different project modalities: full-sized projects (FSPs), medium-sized projects (MSPs), enabling activities (EAs), and the Small Grants Program (SGP). As described later in this chapter, the preparation and implementation of GEF projects is the responsibility of the IAs, ExAs, governments, and other project executing agencies. The role of the GEF Secretariat is primarily to ensure the conformity of project proposals with GEF requirements. The GEFM&E Unit provides overall guidance on minimum standards for monitoring and evaluation at the program and project levels, manages the overall performance studies of the GEF, conducts thematic evaluations (such as program studies), and reviews selected projects. Four times a year, the GEF Council approves the Work Program of projects.

When a COP reaches a new decision concerning the financial mechanism, the members of the GEF Biodiversity Task Force[3] develop proposals to GEF Council on how to interpret and implement the new guidance. At each GEF Council meeting, the GEF Secretariat presents a document entitled "Relations with Conventions,"[4] in which new COP guidance, interpretation, and overall implementation strategies are presented for discussion and recommendation. Once the GEF Council agrees on the final interpretation of the COP guidance, the GEF Secretariat, in partnership with the IAs, develops ways to operationalize the guidance. The Implementing Agencies and Executing Agencies then work with countries to implement the GEF Council-approved guidance in accordance with GEF principles and proce-

1. Asian Development Bank, InterAmerican Development Bank, African Development Bank, European Bank for Reconstruction and Development, United Nations Industrial Development Organization, Food and Agricultural Organization, International Fund for Agriculture and Development.
2. There are five operational programs in the biodiversity focal area: arid and semi-arid (OP1); coastal, marine, and freshwater (OP2); forest (OP3); mountain (OP4); and agrobiodiversity (OP13).
3. The GEF Biodiversity Task Force consists of members from the GEF Secretariat Biodiversity Team, representatives from each of the three GEF IAs, and STAP members.
4. This document's name was changed to "Institutional Relations" during the May 2004 GEF Council meeting.

dures. It should be noted here that the types of proposals that countries develop determine to a large degree the extent of responsiveness by the GEF to COP guidance (see Chapter 4 for an assessment of responsiveness).

2.3 Financing for Biodiversity Conservation

The perception in the conservation community and among the public at large is that the GEF is "the only game in town" when it comes to specifically funding biodiversity conservation activities on the ground. A recent study conducted by Lapham and Livermore (2003) that presented Overseas Development Assistance (ODA) figures for OECD countries and a few multilaterals such as the World Bank and GEF, corroborated that the GEF is one of the major players financing biodiversity conservation (Table 2.1). They concluded that as poverty has become the overarching focus of development assistance, biodiversity funding is increasingly framed in terms of its relation to poverty reduction, apparently shrinking direct investments in the conservation realm. While the study reported that inconsistent reporting on and expanding definitions of biodiversity assistance prevented an accurate assessment of overall funding, they concluded that the GEF is very likely the world's largest government-funded mechanism for biodiversity conservation in developing countries.

BPS2004 attempted to estimate the financial support to biodiversity conservation from international NGOs using their annual reports to compare the magnitude of their contributions with the GEF (Table 2.2). Unfortunately, some of the NGOs do not distinguish between support to developing and developed countries; therefore, some of the figures include support to their large programs in United States. In addition, the study could not determine the extent to which these budgets included grants from GEF or not.

2.4 The Magnitude of the Global Biodiversity Challenge

As expressed through declines in populations of wild species and the reduction in wildlands due to habitat conversion, exploitation of wild resources, and the impacts of introduced species, the status of global biodiversity continues to decline (Jenkins, 2003). In an attempt to determine how fast the decline is happening, WWF and UNEP-WCMC developed the Living Plant Index, or LPI[5] (Loh et al., 1998). Using 1970 as the baseline, the LPI concluded that over the last 30 years forest species have declined by 15% on average, marine

Table 2.1. Funding for Biodiversity (based on data presented in Lapham and Livermore, 2003)

Organization	Amount	Period	Purpose
European Commission	$190 million	Annually	Biodiversity conservation and sustainable use as reported in the EC's Second Report to CBD
European Development Fund	$230.7 million	1985-2000	Environmental policy/institutional support, biodiversity, and *in situ* conservation
French Global Environment Facility	$5.7 million	2002 annual budget	Biodiversity projects
Germany	$56.7 million	2002	For projects in which biodiversity is the main goal
Japan Bank for International Cooperation (JBIC)	$1.451 billion	1990-2000	Natural environment conservation and forest conservation and afforestation
Japan International Cooperation Agency	$11.6 million	2000 annual budget	Biodiversity projects
The Netherlands Ministry of Foreign Affairs (Minbuza)	$105 million	2002 annual budget	Biodiversity conservation and sustainable use assistance, including contribution to the GEF
United Kingdom	$21-42 million	Annually over last decade	Biodiversity and related activities
United States Agency for International Development	$100 million	2002 annual budget	Biodiversity
World Bank	$2.15 billion	1988-1999	Biodiversity projects.
Global Environment Facility	$1.69 billion	1991-2003	Biodiversity projects (including enabling activities)
	~$430 million	2004-05	

Currency conversions were based on the US Federal Reserve 2002 annual exchange rate.

Table 2.2. Financial Support to Conservation Projects from NGO's (based on several sources)

NGO	Amount ($ million)	Annual Budget	Purpose
Audubon Society	$ 53.1	2002	Conservation program
Conservation International	$78.1	2003	Program services
The Nature Conservancy	$273.6	2003	Conservation activities and actions
Wildlife Conservation Society	$31.8	2003	International Programs
WWF Network	$260.0	2002	National and international conservation
World Resources Institute	$16.6	2002	Program activities
IUCN	$77.6	2003	Total operating expenses
Total	$784.5		

populations by about 35%, and freshwater species populations by as much as 54% (Jenkins, Kapos, and Loh, 2004). Looking into the next 50 years, for example, the situation may become even more dismal given projected conditions that include a doubling of the global population, subsequent increase in consumption patterns, and potential impacts of global warming, to name a few.

These trends of decline and the challenges ahead are all the more sobering given the extensive and varied environmental services biodiversity provides. One reason for this dire situation is that although the world has struggled to measure the rates of biodiversity decline, it has failed to properly value the services provided by the natural world as well as properly identify markets where these services could be provided for. Ten of the world's 25 top-selling drugs in 1997 were derived from natural resources, and the global market value of pharmaceuticals derived from genetic resources is estimated at $75-150 billion annually. Over 75% of the world's population still relies on traditional medicines, largely derived directly from natural resources. Biodiversity also provides genetic resources for food and agriculture, and therefore constitutes the biological basis for world food security and support for human livelihoods (UNEP, 2003a). Furthermore, biodiversity is intrinsically woven into the cultural and spiritual values of many societies.

The global community gathered in Johannesburg at the WSSD meeting in 2002 and agreed on an overarching target known as MDG[6] to be accomplished by 2015. This has been further interpreted by the CBD and integrated into its 2010 target "a significant reduction in the current rate of loss of biological diversity." This underscores the magnitude of global challenges ahead and gives context to contributions by the GEF Biodiversity Program.

2.5 Other Dimensions Influencing the GEF

In addition to the challenges described above, there are others that provide further evidence of the complex environment in which the GEF operates. The poorly focused and prioritized COP guidance leaves much room for interpretation and lobbying by special-interest groups (see Chapter 4 for further discussion) and creates an expectation that the GEF will finance all activities related to biodiversity conservation. Despite the significant resources available under the GEF Biodiversity Program, simple arithmetic demonstrates that all identified project and program priorities cannot or will not be funded.

Participants to the negotiations for the third replenishment of the GEF in 2002 agreed to "establish a system for allocating scarce GEF resources within and among focal areas with a view towards maximizing the impact of these resources on global environmental improvements and promoting sound environmental policies and practices worldwide." More specifically, it was stated that "this system should establish a framework for allocation to global environmental priorities and to countries based on performance. Such a system would provide for varied levels and types of support to countries based on transparent assessments of those elements of country capacity, policies, and practices most applicable to successful implementation of GEF projects. This system should ensure that all member countries can be informed as to how allocation decisions are made." (GEF, 2002b) The development of this system has not been finalized but it is very likely to have significant ramifications for the GEF in the future.

5. The LPI is a composite of changes in the number of species in three different biomes: forest, marine, and freshwater.
6. There are some differences in processing for each of these modalities. The one described here is mostly relevant for full-sized projects. Please refer to GEF 2003d for further details.

Another major challenge in implementing the GEF Biodiversity Program is resolving the inevitable tensions and maintaining a balance between the political environment in which it operates, the ever-increasing guidance from the CBD, and the GEF principles that govern the program's execution, such as country drivenness, sustainability, and incremental costs to secure global environmental benefits.

2.6 The GEF Funding Process

Some of the most predominant and consistent messages received over the course of the study were related to the complexity of GEF's project funding process and the perceived lack of clarity in the roles and responsibilities of the different actors in this process. Chapter 5 provides an assessment of the entire process and recommendations for improvements. The following paragraphs briefly describe the process used until recently for processing GEF projects (GEF, 2000).[7] Figure 2.1 depicts the process graphically.

Step 1: Pre-design Phase/Concept Development. A wide range of proponents is eligible to propose concepts and ideas for GEF funding, including governments, NGOs, academics, the private sector, and civil society. Concepts and ideas can be submitted to any member of the GEF institutional family (the three GEF IAs, the ExAs, the GEF Secretariat, or GEF national focal points), but they are always channeled to one of the IAs or ExAs for further processing within the GEF. These concepts could be developed using any of the different GEF project modalities (see Chapter 37). Once the IAs or ExAs have further developed the project idea with project proponents to satisfy GEF's initial requirements,[8] a Concept Document is prepared. The project is then included in the GEF Pipeline for review and approval by the GEF Secretariat. Endorsement from the GEF National Focal Point is required if the concept proponents are requesting a Project Development Facility (PDF-A or PDF-B).

Step 2: Project Design/Preparation. Once the GEF Secretariat informs the GEF Council about the entry of a concept to the pipeline, the IAs or ExAs begin support to the project proponents for the detailed preparation of the project. The goal of the preparation process is to prepare a project document for Council approval. Before the approval, the project's proponents receive the endorsement from the relevant National GEF Focal Points and obtain complete technical reviews by a member of the GEF STAP roster, the other IAs/ExAs, and the relevant convention secretariat. The GEF Secretariat reviews and clears the proposal before it is presented to Council.

Step 3: Project Approval/Work Program Inclusion. The GEF Council approves projects four times a year. With inclusion into the GEF Work Program, the GEF makes a commitment to support the project. The IAs or ExAs conduct an appraisal of the project to finalize the project document. The document is reviewed again by the GEF Secretariat and, once cleared, is endorsed by the GEF CEO.

Step 4: Project Approval by IAs/ExAs. Upon endorsement by the GEF CEO, the project has completed the GEF approval process, and it enters the project approval process of the respective IA/ExA, following the procedures of the relevant agency.

Step 5: Project implementation. Project implementation as well as supervision, monitoring, and evaluation are the responsibility of the IA/ExA. The GEFM&E Unit conducts reviews of individual selected projects or clusters under implementation within its thematic and special studies.

Step 6: Project completion. Once the GEF funding has been expended, the project is considered completed (objectives may or may not have been achieved). The IA/ExA is required to prepare a report that assesses project performance and achievement of objectives and presents lessons that could be applied in future projects. The GEFM&E Unit reviews the terminal evaluations.

Figure 2.1. GEF Project Cycle

7. This report has recently been updated in The GEF Project Cycle (GEF, 2003d), which incorporates the most recent decisions and guidance from GEF Council as well as lessons and recommendations from different reviews.
8. The basic project idea has to satisfy GEF principles, procedures, and programs to be considered for further development. The 10 operational principles, also known as the GEF Project Review Criteria, underlie the review and consideration of all proposals for project funding.

3. Biodiversity Portfolio Statistical Overview

The GEF Biodiversity Program contributes to the goals, objectives, and the 2010 targets of the CBD through four different financing modalities: full-sized projects (FSPs), which receive more than $1 million of GEF financing and are approved by the GEF Council; medium-sized projects (MSPs), which receive a maximum of $1 million of GEF financing and are approved by the GEF CEO[1] alone; enabling activities (EAs), which prepare the foundation for design and implementation of effective response measures required to achieve the objectives of the CBD; and the Small Grants Programme (SGP), which is administered by UNDP and provides grants of up to $50,000 that are approved at the national level.

The statistics presented in this section represent data collected at project approval (either by GEF Council or CEO) for the GEF biodiversity portfolio from fiscal years 1991 to 2003 (up to June 30, 2003). Some of this information changes during the life of the project, such as GEF funding, co-financing, and duration of the project. This may occur for a variety of reasons that are explored in later chapters.

3.1 The GEF Biodiversity Portfolio

GEF funding for biodiversity under all modalities approved from fiscal years 1991 through 2003 has been $1.7 billion[2]; with approximately $3.3 billion attached as co-financing through 605 projects not including the SGP. Table 3.1 presents the breakdown of the portfolio according to funding modality.

The World Bank implements 169 FSPs and MSPs funded at close to $1 billion (48% of projects and 58% of funding), UNDP implements 138 projects funded at almost $600 million (40% of projects and 35% of funding) and UNEP implements 41 projects funded at just over $100 million (12% of projects and 7% of funding). Figure 3.1 shows how the GEF biodiversity portfolio has grown over time according to IA. The number of projects approved every year in the case of biodiversity has depended mostly on funds available in the GEF Trust Fund. This is demonstrated by the small peaks at the beginning of each replenishment periods (FY98 and FY03). On a yearly basis, the World Bank has always received the highest number of projects, except in FY03, when UNDP had the greatest number of projects approved. No projects were approved in FY94 during the GEF restructuring.

Table 3.1. Number of GEF Biodiversity Projects and Funding by Modality, FY 1991–2003

Modality	Number of Projects	GEF Funding (million)	Co-financing (million)
Full-sized projects	206	$1,438.0	$3,100.0
Medium-sized projects	130	$104.4	$182.3
Enabling Activities	269	$84.8	$20.1
Small Grants Programme (as of July 2004)	3076	$63.0	$64.6

1. During the period 1998-2000, the maximum for MSPs was $750,000 and required GEF Council approval. This was changed in 2000 to the present modality.
2. All dollar amounts are presented in U.S. dollars.

Figure 3.1 GEF Biodiversity Projects Approved, by IA and Year, FY 1991–2003 (FSPs and MSPs only)

3.1.1 Full-sized project

Table 3.2 presents the breakdown of number of FSPs and GEF funding by IAs. The World Bank and UNDP have implemented the most FSPs, mirroring the general breakdown of the portfolio. Regarding GEF funding for FSPs, the World Bank has implemented about 60%, UNDP 35%, and UNEP 5%. This is also about the same as the entire biodiversity portfolio.

Table 3.2 Full-sized Projects by Implementing Agency, FY 1991–2003

GEF Phase	UNDP		UNEP		World Bank	
	#	$ mill	#	$ mill	#	$ mill
Pilot Phase	23	$97.4	1	$3.3	30	$212.9
GEF 1	30	$210.0	3	$25.2	29	$274.1
GEF 2	29	$192.4	4	$27.0	40	$393.5
GEF 3	15	$62.4	5	$30.5	9	$51.3
Total	97	$562.2	13	$86.0	108	$931.8

The average duration of FSPs (from implementation start-up to project completion, as planned at project approval) across the entire biodiversity portfolio is 5.3 years. There is not much difference between the World Bank and UNDP, but UNEP FSPs are somewhat shorter (4.5 years). While the average project duration has increased over time for World Bank and UNDP FSPs (Figure 3.2), UNEP's FSPs have remained relatively consistent between 4 and 5 years.

The average GEF funding for FSPs is about $7 million. UNDP and UNEP's FSPs are on average less than the World Bank's. Figure 3.3 shows that over time the average FSP size increased from the Pilot Phase's average of $5.7 million to about $8.4 million in GEF2 (ending in FY02). The average in FY03, the beginning of GEF3, has dropped significantly to $4.6 million. The average size of FSPs in UNDP and World Bank was basically steady for GEF1 and GEF2 (at about $7 million for UNDP and at about $9 million for the World Bank). UNEP's average GEF funding declined from over $8 million in GEF1 to just about $7 million in GEF2. In FY03 the average was $4.2 million, about 40% less than the historic average.

3.1.2 Medium-sized projects

The MSP modality was only operationalized in 1998. Table 3.3 shows that UNEP has a higher percentage of MSPs than the distribution in the entire portfolio (22% compared to 12%) while UNDP has less (32% compared to 40%). This is the same case for the GEF funding.

Table 3.3. Medium-sized Projects by Implementing Agency, FY 1998–2003

GEF Phase	UNDP		UNEP		World Bank	
	#	$ mill	#	$ mill	#	$ mill
Pilot Phase	0	0	0	0	0	0
GEF 1	2	$1.5	3	$1.7	2	$1.5
GEF 2	28	$21.9	13	$10.4	48	$38.4
GEF 3	11	$10.9	12	$8.1	11	$10.0
Total	41	$34.2	28	$20.2	61	$49.9

Figure 3.2 Average FSP Length, FY 1991–2003

The average duration of MSPs across the portfolio is 3.4 years. Figure 3.4 shows that the average duration of MSPs has increased over time, starting at 2.3 years in FY 1998, and rising to 3.8 years for FY03. Figure 3.4 also demonstrates that the increase in MSP duration can be seen within each of the IAs. For example, UNDP's MSPs have grown in size from FY98 (2.5 years) to FY03 (4 years).

The average MSP size across the portfolio is $800,000 with an increase over time from $660,000 in FY98 to $790,000 for GEF2, and rising to $850,000 in FY03. The increase across each of the IAs can be seen in Figure 3.5. Streamlined procedures for MSP processing were available for MSPs with up to $750,000 in GEF financing, although MSPs have always

Figure 3.3 Average FSP Size, FY 1991–2003 ($ millions)

Figure 3.4 Average MSP Length, FY 1998–2003

Figure 3.5 Average MSP Size, FY 1998-2003 ($ millions)

been able to secure up to $1.0 million in financing. Midway through GEF2, streamlined procedures were put in place for MSPs up to $1.0 million, which likely led to the increase in the average MSP size

3.1.3 Enabling activities: NBSAPs

The Enabling Activity modality of GEF-supported biodiversity projects includes specific activities that are supposed to improve the enabling environment for biodiversity convation, such as National Biodiversity Strategies and Action Plans (NBSAPs), self-assessments of capacity building needs, reporting to the CBD, and participation in the clearinghouse mechanism of the CBD. This section describes the implementations of NBSAPs, the mainstay of biodiversity enabling activities.

Since 1996, the GEF has provided 133 grants to assist in the development of NBSAPs, adding up to a total of $26.7 million.[3] Most of them (82%) were approved between FY96 and FY98. UNDP is the most active implementing agency of NBSAPs, overseeing 65% of the projects, with the remaining number fairly evenly split between UNEP (19%) and the World Bank (16%). Table 3.4 illustrates the number of NBSAP projects for each agency as well as the geographic distribution of these grants.

Table 3.4: Number of NBSAP Grants by IA and Region

	AFR		ASIA		ECA		LAC		Total	
	#	$ mill	#	$ mill	#	$ mill	#	$ mill	#	$ mill
UNDP	32	$8.6	22	$5.6	8	$1.7	25	$5.4	87	$21.4
UNEP	12	$2.7	3	$0.4	4	$0.6	6	$1.1	25	$4.8
WB	6	$1.0	2	$0.6	11	$1.3	2	$0.5	21	$3.5
Total	50	$12.4	27	$6.6	23	$3.6	33	$7.1	133	$29.7

The average NBSAP grant is $ 223,000, ranging from $25,000 (UNEP Madagascar) to US$968,000 (UNDP India). The low figure for the Madagascar grant (only 13 grants were for less than $100,000) can be explained by the fact that extensive work had already been done for the development of Madagascar's National Environmental Action Plan years before, as well as the fact that many other biodiversity related activities in the country were financed by multilateral and bilateral donors and NGOs. The only other funding amount that rivals the India NBSAP is the grant for Brazil's NBSAP, which was $942,500. The earliest pilot NBSAP projects (before NBSAP Enabling Activities were a formal program) tended to involve larger grants, for example a 1992 GEF/UNDP $3 million grant to Vietnam to develop an NBSAP and conservation training programs.

3. The GEF funding for NBSAPs is somewhat larger due to global projects to support pilot NBSAPs, including the UNEP Biodiversity Country Studies and the joint UNDP/UNEP Biodiversity Planning Support Program that have added about US$10.4 million to the above figure and FSPs that have included NBSAPs in four countries (Mongolia, Nepal, the Russian Federation, and Vietnam). However, due to the inability to quantify country-level NBSAP funding from these projects, they have been left out of the above analysis.

Looking at average grant size across the implementing agencies, it is notable that UNDP has supported the largest projects, with an average grant size of $246,000, while the average UNEP grant was $192,000 and the World Bank granted an average of $167,000 per NBSAP. Regionally, the average grant has been lowest in ECA ($157,000), followed by LAC ($214,000), and Asia ($245,000), with African countries receiving the highest average grants ($248,000).

Of the 133 NBSAP projects funded by the GEF, the CBD Secretariat has received documents from 88 countries but only 59 NBSAPs (44% of total) are posted at the CBD website. The other 29 NBSAPs received by CBD are considered drafts or interim reports.

NBSAP projects have been followed up with "add-on" enabling activities to support further NBSAP dissemination, capacity-needs assessments, participation in the clearinghouse mechanism, and national reporting to the CBD. IAs have also reported that NBSAPs have been used for prioritizing future GEF MSPs and FSPs.

3.1.4 Small Grants Programme

The GEF Small Grants Programme (SGP) offers grants of $50,000 or less directly to NGOs and community-based organizations (CBOs) involved in biodiversity conservation around the world. Administered by UNDP, and implemented through their decentralized system of country programs, SGP was designed as an alternative financing mechanism to the typically multimillion-dollar GEF grants.

As of July 2004, the SGP had awarded 3,076 biodiversity-related grants since its inception, for a total of $63.0 million in GEF financing. SGP projects have generated $64.6 million in cash and in-kind co-financing. The average grant size during the Second Operational Phase (1999-ongoing) is $20,700, versus $16,300 for the First Operational Phase (1996-1998), and $14,900 for the Pilot Phase (1992-1996).[4] Roughly 65% of SGP projects are in the biodiversity focal area, a figure that has stayed relatively stable over the years. SGP currently operates in 73 countries, having added 10 new participating countries over the course of the past two years. The Beijing Declaration of the Second GEF Assembly called for the expansion of SGP to even more countries, especially Least Developed Countries and Small Island Developing States. The GEF business plan, approved by Council in May 2003 (GEF, 2003c), set a target of establishing 10 new country programs each year.

3.2 Operational Programs

Financing for biodiversity projects is categorized through five operational programs according to different ecosystems as presented earlier.[5] Figure 3.6,[6] shows that OP3, forestry, has historically received the greatest share of GEF resources. OP13, agrobiodiversity, was only operationalized in FY02, which accounts for its low number of projects.

Figure 3.6 GEF Biodiversity Financing by OP, FY 1991–2003 (FSPs and MSPs only)

3.3 Regional Distribution

The GEF uses a four-region breakdown, plus an additional designation for global projects: Africa (AFR), Asia, Eastern Europe and Central Asia (ECA), Latin America and the Caribbean (LAC), and Global (CEX).[7] Regional projects are classified in the region in which they are carried out; however, four regional biodiversity projects that are designated as regional projects but work across multiple regions are classified here as multiregional.

4. These figures are based on all projects in the Small Grants Programme, not specifically the biodiversity projects.
5. It has been noted in several GEF reports that the breakdown by OPs is not necessarily a good way of measuring the type of ecosystems in which the GEF is working. In fact, many GEF projects are classified under multiple OPs, primarily to reflect the fact that many projects work in several ecosystems. Administratively, however, the GEF is bound to classifying projects as having a primary OP.
6. Statistics and graphical representations are broken down by the primary OP of a project.
7. "Africa" includes all countries on the African continent, including the islands of Cape Verde, Mauritius, Seychelles, Comoros and Sao Tome and Principe. "Asia" includes all countries to the east of the Mediterranean Sea, excluding the former Soviet Republics, and including Turkey, the countries of the Arabian Peninsula, and the island nations of the Pacific Ocean. "Eastern Europe and Central Asia" includes all countries east of the eastern borders of Germany, Austria, and Italy, including the former Soviet Republics of Central Asia. "Latin America and the Caribbean" includes Mexico, and all the countries of Central and South America and the island nations of the Caribbean Sea.

Figure 3.7 shows that among regions, LAC has received slightly more GEF funds (33%) than AFR (28%) and Asia (25%) while ECA has received 8% of GEF resources and global projects have received 3%, with multiregional projects receiving 2%. Figure 3.8 demonstrates that these approximate percentages hold within the SGP as well, though LAC has received an even larger percentage (40%), while the other regions remain approximately the same.

Figure 3.7 GEF Biodiversity Funding by Region, FY 1991–2003 (FSPs and MSPs)

Figure 3.8 GEF SGP Biodiversity Funding by Region, FY 1991–2003

Table 3.5 Number of Projects and GEF Funding per Region and IA, FY 1991-2003 (FSPs and MSPs only)

	UNDP		UNEP		World Bank	
	#	$ mill	#	$ mill	#	$ mill
AFR	40	$176.7	14	$38.7	50	$294.4
Asia	49	$201.2	4	$2.9	39	$236.4
ECA	9	$27.3	4	$5.0	19	$84.6
LAC	39	$177.8	6	$14.8	60	$341.2
Global	0	$0.0	10	$27.3	1	$25.0
Multi-regional	1	$13.4	3	$17.4	0	$0.0

Table. 3.5 shows that, within the different regions, in terms of GEF resources approved, the World Bank has worked proportionately more in LAC than UNDP or UNEP, which have been proportionately more focused on AFR and Asia. Following its internal mandate, UNEP has focused much more on AFR and global projects. UNDP has not implemented any FSP or MSP global projects, and the World Bank has implemented only one, the Critical Ecosystems Partnership Fund project.

3.4 Project Approval Process

The GEF review and approval process was presented in Chapter 2. The following section surveys the time it takes to process a project from entry into the pipeline to Work Program inclusion, CEO endorsement, and finally implementation start-up (Table 3.6). Each IA has internal procedures and requirements, which may not be comparable throughout the approval and implementation process. The GEF project cycle is reviewed and analyzed in Chapter 5.

An important point regarding the data presented in Table 3.6 is that the figures are probably underestimated since the projects that take a long time in the latter stages of the approvals process may not have reported dates yet for CEO endorsement or project start-up, thereby leaving the values to be biased towards projects that have moved more quickly through the project cycle. When calculating approval times, a sensitivity analysis was conducted which examined outliers in an attempt to determine if a few projects which have taken an unusually long time to reach implementation were skewing the average. It was found that eliminating outliers had little effect on the calculated averages.

On average, it takes about 3 years to put a FSP project through the GEF project approval process[8] and just a little bit less than 2 years for an MSP. The World Bank has the shortest project approval time frame for both FSPs and MSPs. On average, UNEP FSPs take the longest, almost 4 years, maybe due to the fact that UNEP implements mostly global, regional, and multicountry projects that require a lengthy preparation process involving numerous institutions. Regarding MSPs, the three agencies basically average the same time to process them through the GEF. FSPs take an average of a little over 1 year to reach implementation once CEO endorsement is obtained, whereas MSPs take less than half of a year. Given the time required for each respective step of the approvals process leading to project start-up, it can be estimated that GEF FSPs take from between 3.8–4.5

8. The GEF project approval process discussed here is considered to be the time from pipeline entry to CEO Endorsement for FSPs, and from PDF-A approval to CEO Approval for MSPs.

years to go from Pipeline Entry to the beginning of project implementation, and MSPs take from 2–3 years to go from PDF approval to the beginning of project implementation. These time frames are prior to the 5.3-year average project duration for FSPs and 3.4 years for MSPs, as previously described. In other words, for some projects, as much time may be spent on project development as on project implementation.

There are two interesting data trends that cannot be seen from Table. 3.6. First, for both FSPs and MSPs, the GEF approval process has been taking longer in recent years as compared to the initial years of the GEF as an institution. This is possibly due to the expanded review process and increasing complexity of projects. The second trend is that for FSPs, the time to Work Program Inclusion has increased in recent years, while time from Work Program Inclusion to CEO Endorsement has decreased. This could be due to projects being at more advanced stages of preparation at Work Program Inclusion.

3.5 Co-financing

There are a number of different types of financing associated with GEF projects, but for typical GEF projects there are two primary types of funding: GEF resources and co-financing. The GEF maintains a very specific definition of co-financing, reiterated in a recent Council information document: "[Co-financing is defined as] resources that are committed by the GEF agency itself or by other non-GEF sources and which are essential for meeting the GEF project objectives. Typically, such resources are committed as part of the initial financing package, but in some cases part of the co-financing may actually be mobilized subsequently" (GEF, 2003e). Co-financing may include grants, loans, credits, equity investments, committed in-kind support, and other forms of resources provision. The GEF makes a distinction between co-financing and "associated financing" and "leveraged resources." These terms are explained in the previously cited Council document.

Overall, the GEF biodiversity portfolio has had a co-financing ratio of 1.9 at project approval, meaning that on average, GEF resources have generated two times as much money for GEF-funded projects. This is, however, as agreed to at project approval. Sometimes GEF project partners have failed to provide the promised co-financing when a project starts implementation, and co-financing can also be added after project approval, as mentioned in the definition above.

Figure 3.9 GEF Biodiversity Co-financing Ratios, FY 1991-2003

Table 3.6 GEF Project Approval Process: Average Time Frames in Years[9]

	GEF Approval Process (Pipeline to CEO endorsement)		Breakdown of the GEF Approval Process for FSPs		GEF Approval to Project Start-up (begin implementation)[10]	
	FSP	MSP	Pipeline Entry to Work Program Inclusion	Work Program Inclusion to CEO Endorsement	FSP	MSP
Total	3.0	1.8	2.4	1.2	1.1	0.4
UNDP	2.9	2.2	2.7	1.2	1.6	0.4
UNEP	3.7	1.8	2.8	1.1	0.5	0.3
WB	2.6	1.6	2.1	1.2	1.2	0.5

9. Because of the limited data available regarding specific dates in the project cycle, especially for projects approved during the early years of the GEF, the figures for this table have been calculated using the best available data within each specific timeframe. Because different sets of projects had data available for different time periods, readers will note that total time periods cannot be directly computed by simply adding the two phases of project approval. The figures provided are averages (means), not medians.
10. Data on the approval process for UNEP projects was provided directly by UNEP because it was not available at the GEF Secretariat.

As seen in Figure 3.9, among the Implementing Agencies, World Bank implemented projects have generated the most co-financing, followed by UNDP and UNEP. This is likely due to the inherently different nature of these respective institutions; the World Bank has a greater availability to associate loans and credits with project budgets than either UNDP or UNEP. When these resources are in the form of a loan, it is in fact the recipient country that is the co-financier. The greater World Bank co-financing ratio may also be due to the nature of financial accounting when GEF projects are "blended" with larger World Bank projects that have significant budgets for objectives that are in addition to GEF objectives. A recent World Bank study suggested that when co-financing is limited to funds used strictly for biodiversity, the co-financing ratio may be closer to 1.0 (one dollar co-financing for one GEF dollar) in World Bank implemented projects (World Bank, 2003b).

Another important point about co-financing ratios is that a small percentage of the projects in the portfolio generate a disproportionate amount of the total co-financing. Adding together the 10% of projects with the largest amounts of co-financing within each IA's portfolio, and then dividing this by the total amount of co-financing for each IA,[11] shows that the top 10% of projects for each IA generate between 40-50% of the total co-financing. In other words, 90% of the projects account for only 50-60% of the co-financing.

Table 3.7 Co-financing Ratios (Co-financing $/GEF financing $) by Region and Primary OP

Region	Ratio	OP	Ratio
AFR	2.3	OP 1	2.4
Asia	1.8	OP 2	1.7
ECA	1.5	OP 3	1.8
LAC	1.8	OP 4	1.1
CEX	2.2	OP 13	1.9
Multi-regional	1.5	Multiple	2.5

As shown in Table 3.7, among the different regions, AFR projects have generated on average the most co-financing, followed by LAC, Asia, and ECA. Global projects have a co-financing ratio of 2.2, second only to AFR. Also shown in Table 3.7, within the operational programs, OP1 has the highest rate of co-financing, and OP4 has the lowest ratio. Interestingly, projects with more than one OP as a primary OP—that is, that focus on multiple ecosystems and thereby involve multiple sectors—have generated the highest rate of co-financing overall with a ratio of 2.5. Overall, FSPs have an average co-financing ratio of 1.9, while MSPs have a co-financing ratio of 1.8.

3.6 Support to Specific Topics and Cross-cutting Areas

GEF projects have worked in a number of the cross-cutting areas identified by the CBD. Table 3.8 gives a broad overview of the degree to which GEF projects have touched on a number these topics. This table is only intended to give an approximation of GEF project involvement in areas for which data is available and should not be considered authoritative. Protected areas, production environments, and globally significant sites are discussed below. For additional analysis on the other topics included in Table 3.8, please see Chapter 7.

3.6.1 Protected areas and production environment

Table. 3.8 GEF Projects Involving Special Topics and Cross-cutting Areas (All FSPs and MSPs, N=336)

Category	#	% of Portfolio
Protected Areas		
PAs (Total)	249	74%
PAs – OP 1	54	16%
PAs – OP 2	96	29%
PAs – OP 3	116	35%
PAs – OP 4	61	18%
PAs – OP 13	7	2%
Non-protected Areas		
Production Environment	n/a[12]	~50%
Globally Significant Sites		
World Heritage Sites	54	16%
Man and Biosphere Reserves	66	20%
Ramsar Sites	65	19%
Cross-cutting Areas		
Taxonomy	34	10%
Invasive Alien Species	40	12%
National Policies	73	22%
Capacity Building	326	97%
Public Awareness	302	90%
Technology	243	72%
Migratory, Pollinating, and Endemic Species	98	29%
Research	324	96%
Training	290	86%
Alternative Livelihoods	110	33%
Stakeholder Involvement	324	96%
Indigenous Peoples	92	27%

Overall, approximately 75% of GEF biodiversity projects have involved protected areas, even if the protected area in question is not the primary objective of the project. For example, of the fifty FSPs and MSPs approved in FY03, only one did not involve a protected area. The SGP has also targeted support for protected areas; as of August 2003, the

11. For example, if an IA had 150 projects in its portfolio, the co-financing for the 15 projects with the largest amounts of co-financing was added, and then this number was divided by the total amount of co-financing for the full portfolio.
12. Because of a lack of clarity among all stakeholders regarding the term "production environment" and because of data limitations at the portfolio level regarding specific project activities, it is not possible to meaningfully identify the exact number of projects working in the production environment. GEFME estimates that at least half of all GEF-funded biodiversity projects work in the production environment as defined by GEFME.

SGP had contributed almost $4.0 million toward activities within 207 protected areas. At least 50% of GEF projects have worked within the production environment (defined as all areas outside of formal protected areas).

3.6.2 Areas of global biodiversity significance

Another interesting component of the GEF biodiversity portfolio is the degree to which GEF projects have addressed sites of global significance. Examples include World Heritage sites, Man and Biosphere Reserves (MAB), and Ramsar sites. These three are among the most prominent at the global level, and this analysis is limited to these designations. Fifty-three GEF projects have addressed World Heritage sites, and some projects have addressed more than one site, resulting in the inclusion of 62 World Heritage sites in GEF projects. This accounts for approximately 55% of World Heritage sites eligible for inclusion in GEF projects, which is limited to natural or mixed natural/cultural heritage sites in developing countries or countries with economies in transition. Sixty-five GEF-funded projects have included MAB sites, with 106 sites included in these projects; this is 40% of MAB sites. Similarly, 65 GEF-funded projects have included Ramsar sites, with a total of 90 Ramsar sites included in these projects.

3.7 Countries with the Largest GEF Biodiversity Portfolios

Within the CBD, a self-appointed group known as the "Like-minded Megadiversity Countries" has formed. It is composed of 15 countries estimated to hold 70% of the world's biodiversity (see www.megadiverse.org). Though prioritizing funding to this group of countries has not been a stated policy of the GEF Biodiversity Program, these countries have received a large percentage of GEF resources for biodiversity conservation. Table 3.9 lists the top 20 countries in terms of GEF funds received, plus the additional three megadiverse countries that are not in the top 20 (megadiverse countries are shaded in gray). The amount of funds and number of projects listed in Tables 3.9 for each country is for individual country projects only, and does not include global or regional projects in which the countries might have participated.

Ten of the 15 megadiverse countries make up the top 10 countries in terms of GEF biodiversity funds received, and 11 are among the top 15. Notably, the top 10 megadiverse countries have received approximately one-third of GEF's Biodiversity Program funds.

Table 3.9 Countries with the Largest Allocation of GEF Biodiversity Funds, FY 1991-2003

Rank in GEF Funds	Country (Megadiverse in gray)	GEF Funds	Number of Projects
1	Brazil	$77.4	7
2	Mexico	$76.1	9
3	China	$55.0	8
4	Indonesia	$49.7	10
5	Peru	$40.6	10
6	Ecuador	$39.3	9
7	Colombia	$39.0	9
8	South Africa	$35.9	8
9	Philippines	$31.2	7
10	India	$31.1	4
11	Russian Federation	$30.7	5
12	Costa Rica	$26.1	6
13	Papua New Guinea	$25.9	3
14	Ghana	$24.6	4
15	Bangladesh	$23.0	3
16	Pakistan	$22.5	3
17	Madagascar	$22.3	2
18	Burkina Faso	$21.2	2
19	Sri Lanka	$21.0	5
20	Bolivia	$20.6	3
35	Venezuela	$10.8	2
48	Kenya	$8.8	4
55	Malaysia	$7.2	2

Figure 3.10 Project Size-Duration Correlation among GEF Biodiversity FSPs and MSPs, FY 1991–2003

Table 3.10. Total Number of Projects, Including Global and Regional Projects, FY 1991-2003

Country	Number of projects
South Africa	15
Mexico	14
Kenya	14
Peru	14
Indonesia	13
Ecuador	13
Brazil	12
Uganda	11
Colombia	11
China	9
Costa Rica	9
Belize	9
Philippines	8
Panama	8
Ghana	8
Burkina Faso	8
Tanzania	8
Bolivia	8

If global and regional projects are counted among the number of projects in which a country has participated, many of the same countries remain at the top, although the order changes slightly, as seen in Table 3.10. The most notable jump is by Kenya, which has participated in the greatest number (10) of global and regional projects, many of which are implemented by UNEP. The same analysis cannot be done regarding funding as there are no records available at the GEF Secretariat of what percentage of project funds go to which countries in these types of projects.

3.8 Correlation of Project Size to Duration

The size of a project in relation to its duration can very widely. At one extreme is the World Bank Amazon Region Protected Areas program in Brazil, with $30.4 million in GEF funding over a 4 year span. At the other extreme is the World Bank/IFC EcoEnterprises Fund project in the LAC region, which has $1.0 million of GEF funding over 10 years. Across the entire portfolio, the average funds per year is $920,000. The study attempted to identify a relationship between project length and size across the full portfolio, but no significant correlation was found between these variables. Figure 3.10 shows a computer-generated "best fit" trend line for all FSPs and MSPs, which demonstrates the low correlation. The degree of correlation between length and size decreased when outliers were eliminated. This is discussed further in Chapter 5. Among the IAs, World Bank projects plan to disburse GEF funds at the greatest rate, followed by UNDP and UNEP. For projects implemented or co-implemented by the World Bank, the rate is $1.1 million/year; for UNDP, the rate is $880,000/year; and for UNEP, it is $680,000/year. For projects implemented by a single IA, these numbers are: World Bank–$1.1 million per year; UNDP–$740,000 per year; and UNEP–$510,000 per year.

4. Responsiveness to CBD

This chapter reviews GEF's responsiveness to decisions and guidelines provided by the CBD COPs. The first part is an assessment of responsiveness using desk reviews of relevant CBD and GEF documents, an analysis of the GEF Biodiversity portfolio, and interviews with CBD Secretariat and GEF Secretariat staff. Because it builds on previous evaluations of the GEF, particularly the OPS2 and Second Review of the Financial Mechanism (GEF, 2002a; UNEP, 2002), which reviewed guidance from COP1 to COP5, this assessment pays special attention to guidance provided at COP6. The second part presents GEF stakeholders' perceptions regarding the GEF Biodiversity Program's responsiveness to decisions and guidance from the CBD. Both external (NGOs, other conventions, etc.) and internal (GEF Secretariat/IAs) viewpoints are presented.

4.1 Assessment of the GEF's Institutional Response

Guidance to the GEF is augmented every two years through the COP process, where new decisions concerning policies, programs, and eligibility criteria are taken by Parties and then put forward to the GEF. The guidance is contained within the COP decision on further guidance to the financial mechanism. Annex 4 summarizes, by CBD theme or work program, the guidance provided to the GEF in each COP. The nature and level of details of guidance have evolved significantly over time. Guidance from COP1 (1995) was generally broad and vague, while subsequent guidance became more focused and detailed. For example, COP1 instructed the GEF to "promote the conservation of biodiversity and sustainable use of its components in environmentally vulnerable areas such as arid and semi-arid areas" (UNEP, 1995) while COP5 instructed the GEF to "support projects that implement the Convention's program of work on biodiversity of dry and sub-humid lands, in accordance with decision V/23, through the development, review, and implementation of its operational programs, in particular, the operational program on arid and semi-arid ecosystems" (UNEP, 2000a). The program of work suggested in decision V/23 precisely addresses objectives to be pursued and details of the activities to be undertaken.

The process of operationalizing COP guidance was described in Chapter 2. It was noted that the type of proposals developed by countries, in cooperation with the IAs and ExAs, determines to a large extent the actual response of the GEF, in terms of funding, following the GEF principles of country-driven priorities.

Each new round of COP guidance has increased the complexity regarding breadth of coverage of GEF interventions. Although COPs have attempted to provide some guidance regarding the scope of priority areas for intervention, often COPs have not clearly indicated the relative importance of the areas. In addition, prioritization of all COP guidance, representing the views and conditions of different Parties, assumes that prioritization at national or even regional levels has already taken place, at least to some degree. In the absence of clear direction from the COPs regarding prioritization and given GEF's limited resources, the GEF has tried to develop its own strategies to allocate resources between priority areas, for example, the GEF Business Plan FY04-06 (GEF, 2003c), which offers a framework for planning GEF activities within its various focal areas.

4.1.1 Responsiveness to COP guidance, in particular COP6 and previously identified gaps

The Second CBD Review of the GEF concluded that GEF actions, policies, and procedures complied with COP1 through COP5 guidance (UNEP, 2002). The review provided significant details on how the GEF has been responsive to the COP in many areas of guidance. However, the review also identified areas in which the GEF has been less successful in terms of responsiveness and formulated several recommendations to the GEF for improving its responsiveness.

In April 2003, the GEF prepared the *Action plan to respond to the recommendations of the Second GEF Assembly, the policy recommendations of the Third Replenishment, the Second Overall Performance Study of the GEF, and the World Summit on Sustainable Development* (GEF, 2003f). This action plan was also consistent with the guidance approved by COP6 based on the second CBD review. This document, along with the *Action Plan to Respond to Recommendations for Improving GEF's Performance* (GEF, 2003g) prepared in October 2003, the GEF report to COP7 (GEF, 2004c), and the GEF Business Plans for FY04-06 (GEF, 2003c) and FY05-07, have been the main sources of information to assess GEF progress in responding to both previously identified gaps and to COP6 guidance.

Annex 5 presents a more detailed analysis of the actions taken by the GEF in response to the gaps identified by OPS2 and the Second CBD Review. It seems that the GEF has followed up on most of the gaps, particularly the issues of co-financing (GEF, 2003e), private sector engagement (a review was conducted, GEF, 2004d, and a strategy is being developed), monitoring and indicators (addressed at the project level and to a lesser degree at the program level, although there was progress regarding the indicators and targets of the new strategic priorities for GEF3, GEF, 2003a), consistency with national priorities (responsiveness to national priorities as one of the main determinants in elaborating GEF3 strategic priorities), sustainability (on which GEF3 strategic priorities place increased emphasis), and protection of traditional knowledge (many SGP projects have helped to capture and document indigenous knowledge). On the other hand, it is not apparent that actions have been taken to improve such areas as: effectiveness and sustainability of the Convention's clearinghouse mechanism, implementation of incentive measures in projects, the role of NBSAPs in identifying priorities for GEF support or catalyzing the integration of global biodiversity priorities into national action plans, access to benefits from genetic resources, and the use of local expertise in GEF projects.

In addition to guidance on the gaps mentioned above, COP6 encouraged the GEF to continue its efforts in areas that have already received guidance from previous COPs, such as capacity building for biosafety; support to the inland water, forestry, marine and coastal, and agrobiodiversity work programs; national reports; invasive alien species actions and strategies; and communication, education, and public awareness. COP6 also included guidance in new areas, such as support for implementing the Action Plan for Access and Benefit Sharing, the Global Strategy for Plant Conservation, the Global Taxonomy Initiative, and the first report on the State of World's Animal Genetic Resources. GEF has supported projects in all of these areas (see Table 3.8 in Chapter 3).

Guidance from COP7, held in February 2004, is reflected in 34 decisions. In fact, COP7 requested the GEF to support the following major work programs: protected areas; technology transfer and technological and scientific cooperation; access and benefit sharing; marine and coastal biological diversity; guidance on capacity building to develop biodiversity indicators; global taxonomy; preparation of Parties' future national and thematic national reports; the implementation of the ecosystem approach; national communications, education, and public awareness (CEPA); invasive alien species; the Strategic Plan of the Convention; the application of the Addis Ababa Principles and Guidelines on sustainable use; and ongoing projects dealing with climate change and biodiversity. Once again, no prioritization was given. The GEF Secretariat submitted the document *Institutional Relations* to the GEF Council in May 2004 arguing that on the basis of an initial review, it appeared that most of the additional guidance could be addressed through the preparation and implementation of country-driven projects (GEF, 2004a). It was noted that the guidance on national reporting and access and benefit sharing would require further consideration.

Based on the review conducted for this study, the GEF appears to have been responsive to most areas of COP guidance, providing financing for biodiversity initiatives in many sectors and countries around the world over a significant period of time. Support for guidance on forest ecosystems and capacity building in biosafety has been particularly strong. However, increased responsiveness is still needed for implementing effective incentive measures, implementing national plans and strategies, developing indicators, developing and applying baselines to monitor changes in the status of biodiversity over time, and establishing mechanisms for promoting the sustainability of project outcomes. A more in-depth assessment, no doubt, will be undertaken during OPS3 and the third review of the financial mechanism for the CBD.

4.2 Challenges for the Future

Among the various challenges facing the GEF in implementing COP guidance, three seem most important. The first can be attributed to the poorly focused and prioritized COP guidance. As in the GEF's first years, the guidance is again expanding and becoming vague and overly ambitious, leaving much room for interpretation and lobbying by special-interest groups. Despite decision COP5/20, para. 8, which states that "guidance to the financial mechanism should be incorporated into a single decision, including the identification of priority issues which will provide support for cross-cutting issues and capacity building" (UNEP, 2000a), cohesive and consolidated prioritization of COP guidance to the GEF is absent. Furthermore, the broad guidance

has tended to result in a project or two for every decision without a clear strategy of what cumulative achievement will result. The second challenge is forging a participatory approach among relevant parties to enable an agreement on the clarification and prioritization of COP guidance. Such an agreement, although challenging and possibly arduous, will require a level of collaboration and interaction between the GEF, the Parties, the IAs, and other key stakeholders in civil society that is presently lacking. In light of the need for prioritization, the final challenge is the apparent expectation that all COP guidance will be supported by the GEF, at the same level and in perpetuity. Efforts will need to be increased in some areas while being reduced or phased out in others. Such issues will require a potentially difficult balancing of considerations.

While responding to guidance from the Parties and providing resources to country-driven projects and programs in support of national priorities and objectives, the GEF should remain vigilant regarding its mandate as a catalytic fund to support the incremental costs of securing global biodiversity benefits. As explained in Chapter 2, this is one of the major challenges facing the GEF. Chapter 10 provides some suggestions on possible ways forward.

4.3 Perceptions of GEF's Response to Guidance

4.3.1 External views: governments, NGOs and other conventions[1]

There is little understanding of the limited freedom and autonomy the GEF is entitled to or able to exercise in its responses to guidance. The views expressed in interviews and questionnaire responses demonstrated that many misperceptions remain about the process of interpreting and prioritizing guidance from the Parties. The majority of those responding wondered just exactly how the GEF makes its decisions and, accordingly, why the GEF supports some specific areas of work and not others. While some respondents were far better informed and expressed an understanding of both the political context of the decision making and the problems associated with the COP's continued broad guidance and overloading of priorities, a general sense remains that the planning and prioritization process is far too "internal" and lacks transparency and accountability.

External sources stressed that in such circumstances, the GEF Secretariat could provide leadership by providing a clear and transparent rationale for prioritizing and operationalizing the many directions given to it by the COP. Though most feel strongly that the processes for interpreting COP guidance should be far more open, overall, there is much support for the GEF and its efforts in this regard. While there is no way to guarantee that perceptions can be changed, there seems to be a need for more concerted efforts to improve communications and achieve deliberate partnering with the "external" world to begin reducing misperceptions and increasing understanding and buy-in.

Rec (GEF Secretariat): There is a need for more concerted efforts to improve the dissemination of information on how the GEF responds to guidance. The GEF-sponsored Country Dialogue Workshops could provide a good venue to clarify GEF processes and strengthen the outreach process.

4.3.2 Internal views: GEF Secretariat/IAs

Despite some frustration with the vague nature of the guidance and the problem of supply and demand, internal views expressed great enthusiasm for the progress made to date on the guidance provided. Those interviewed felt that significant progress has been made in the realm of protected areas, global taxonomy, and invasive alien species. Within the World Bank, there was a general feeling that further work in production landscapes and agricultural biodiversity issues could be even more successfully advanced through their lending programs.

IA and GEF Secretariat sources pointed to several areas where they felt that existing guidance did not provide sufficient direction, specifically in the areas of access and benefit sharing and biosafety. Many also commented on the continued call for capacity building, stating that capacity building is not simply a matter of more money or more projects but requires perhaps a different, more targeted approach. Internal views also supported an increased focus outside traditional protected areas work. The chief concern stemmed from the view that there is a growing tension between implementing country-driven priorities and focusing on generating *global* biodiversity benefits. The consensus was that this tension will play itself out in future responses and directives of the COP that will place unusual pressures on the GEF Secretariat and the IAs.

All three IAs seemed to agree that improved synergies among them are evident in their operational responses to COP guidance.

1. Annex 3 provides a list of the individuals and institutions interviewed and from whom the study received responses to surveys.

5. From Projects to Program: A review of processes

This section looks at the process governing the access and expenditure of GEF funds for biodiversity. The findings provided below emanate from a combination of desk reviews, questionnaire replies, and interviews as described in Chapter 1. The study found that this topic was rife with opinions and misperceptions, many of which had their origins in simple ignorance or the complexity of the system administered by the GEF and its IAs. Whether perceptions are correct or incorrect is far less important than their simple existence and prevalence among important GEF partners and stakeholders. In reading this section, it is important to remember that when perceptions are incorrect the onus lies on those "in the know" to correct them, not the other way around.

5.1 The GEF Maze: Why is it so difficult to access GEF funding for biodiversity?

It is widely felt that the process for accessing GEF funds remains complex, heavily laden with transaction costs, and highly confusing to the average applicant. While presenting major challenges to sophisticated international NGOs and experienced governments, the process can be daunting for less experienced governments and particularly for the national and local-level NGOs and CBOs whose participation is called for in Article 8j of the CBD. Respondents and interviewees in this study commented that the transaction costs, which sometimes require project proponents to invest years of technical and administrative resources, can be almost too much for an organization or institution to bear, even when it is receiving project development funds from the GEF. It is hardly surprising, therefore, that calls to streamline the process go back almost to GEF's origins.

At any one time, there may be dozens of incoming concepts to the national focal points, the IAs, and even the GEF Secretariat, just within the biodiversity focal area. On any single day, there may be hundreds of projects moving through the design and approvals process and another 300 being implemented.

The lengthy and complex GEF funding process—from pipeline entry to GEF Council approval—places a burden on the staff responsible for processing GEF funds at all levels. Added to this are the unique and often complex internal policies and procedures of the IAs; in some cases, the World Bank's highly developed procedures and regulations appear to drive the GEF process rather than the other way around. In the absence of a simple map of the procedures within the GEF, the process of requesting project funding can be overwhelming. As mentioned in Chapter 2, information on navigating the project cycle was recently summarized in the GEF Council document, *Project Cycle: an Update* (GEF, 2003d). The document is very recent, and while it does address some of the issues related to streamlining the process, fundamental solutions remain elusive. In addition, the document often uses highly technical language and is only available in English; therefore, it is not readily accessible to all.

Among the many steps along the way to accessing GEF funds, there are many places where delays and bottlenecks may occur. As discussed later, some delays may be attributed to the IAs or the GEF Secretariat, while others may occur during processing by the GEF National Focal Points, internal country approval, co-financing negotiations, intra- and interagency deliberations, and even within the proponent executing agencies themselves.

Taking all these factors together, attempts to access GEF funds have created a pervasive discomfort among many relevant stakeholders. Although this is a perception fueled largely by ignorance of the process and its complexities, this study has found what appears to be a strong element of truth to some of the more widely held views, primarily criticisms of the time required to prepare projects and the complexity of the process. For those trying to prepare and process

projects, the system seems to lack transparency and accountability, and the overly bureaucratic processes may ultimately hinder GEF's potential to be truly innovative and catalytic.

5.2 Where Does the Time Go?

To improve understanding of the approval process, it is important to look at the various steps and the time each takes. Some worrisome patterns emerge through these analyses (see Chapter 2 for an explanatory diagram of the project cycle and Chapter 3 for data on time milestones).[1] A more general analysis, across all focal areas, was presented in PPR 2003.

On average it seems to take about 2.4 years for an FSP to move from pipeline entry to work program inclusion. This interval has been increasing over time (see Chapter 3). There are still about 100 biodiversity projects in the pipeline that have not reached work program inclusion. Although many of these projects have received PDFs to support project preparation and many require extensive consultation processes (in particular for regional and global projects), the process seems unacceptably long, especially for projects focusing on a limited number of sites or in single countries.[2] It takes an additional 1.2 years on average to secure CEO endorsement, during which project proponents respond to comments made by the GEF Council and Secretariat and prepare a revised project document. The GEF approval process, then, averages 3.6 years for FSPs.

However, after more than 3 years, the approval process is still not over. Implementation cannot begin until the project has been approved through the IAs' internal procedures. Thus, following GEF CEO endorsement, it takes an additional 6 months, 1.2 years, or 1.6 years, respectively, for UNEP, the World Bank, and UNDP to process biodiversity projects so they can start implementation.[3] From the data available for this assessment, the average FSP takes requires between 4 and 5 years from pipeline entry to begin implementation on the ground.

Given that there is no information about the time it takes for a project to reach pipeline entry—that is, the time invested by project proponents prior to reaching the GEF process—the situation may be even worse than these few statistics demonstrate. In this world of nearly constant change, a project design—approved nearly 5 years after its conception—may need revision, before it even starts, to adapt to a changed operational environment.[4] Even with the modest assistance provided by PDFs, can proponents in search of support reasonably be expected to invest more than 4 years of human capacity and financial resources to prepare a project?

In the case of MSPs, which is a modality created, among other reasons, to address complaints about the process' complexity and duration, the preparation time is indeed less. It was estimated that an MSP in the biodiversity focal area takes just under 2 years (1.8) on average from receiving a PDF-A to CEO endorsement. There is a difference among agencies: 1.6 years for the World Bank, 1.8 for UNEP, and 2.2 for UNDP. It takes another 5 months on average for the IAs to internally approve the MSPs (this is equal across the three IAs). So, in total, it takes more than 2 years for an MSP to go from receiving the PDF-A to beginning implementation. Since MSPs are meant to involve local NGOs and CBOs, is 2 years too long an investment for these organizations? Or is this simply "the cost of doing business" with the GEF?

The GEF Council has echoed the request by many of GEF's stakeholders to streamline the project cycle for years. Another recommendation on this subject would be redundant. The GEF and the IAs need to demonstrate their responsiveness. One way of tackling the problem might be through the establishment of statutory limits on the time a project can be in any of the different stages of the process before either being dropped or moved to the next step.

The fact that the tracking of key data within the GEF system is not standardized across IAs or even consistently collected makes such analyses difficult and increases the outside perception that the process is complex and lengthy. Although within the IAs some of the necessary data are available, there are no clear and standard procedures for the IAs to report to the GEF Secretariat on different milestones in the project cycle, particularly after the project is approved by Council.

1. Some projects encounter significant delays in the approvals process, and consequently end up taking an uncommon amount of time to reach approval; however, these outliers are few, and they do not significantly influence the average time for projects to reach approval.
2. On average it takes the same amount of time to process a single country project as a regional project. Data shows that global projects are processed faster but there were few in the database.
3. Comparing these data to the entire portfolio for all focal areas, the 2003 PPR shows that it takes, on average 2.2 years and 1.1 years, respectively, for a World Bank FSP and UNDP FSP to go from Work Program inclusion to implementation start-up. The PPR data is different than the one used for BPS2004 because these data include all focal areas and do not represent the same milestone in the approval process.
4. Of the 34 completed projects reviewed, five had to be restructured (these five projects were prepared during the Pilot Phase). The main reason for this restructuring was changes in the local conditions that occurred between the project preparation phase and start of implementation.

Therefore, it is not currently possible for the GEF Secretariat to answer the simple question: On average, how long does it take to prepare and implement a biodiversity project for GEF funding?

Rec (GEF Secretariat): The GEF Secretariat should develop standards for reporting by IA/ExAs and GEF National Focal Points on project cycle milestones and establish a data handling process to ensure that vital statistics on the GEF project cycle are compiled and can be provided as and when required. These data should be made available and easily accessible in the public domain to increase accountability and transparency of the entire project approval process.
Rec (GEF Secretariat): To inform the streamlining process, it might be helpful to conduct a comprehensive, comparative study of the project processing cycle in other similar donor agencies, including bilaterals and international NGOs.

5.3 Following the Recipe

To put the study's finding in context, it is helpful to review each step in the project cycle to more clearly understand the processes at work, along with their strengths and shortcomings. While the following remarks are based on the analysis of information collected for the biodiversity focal area, they may also apply to the other focal areas.

5.3.1 The pre-design phase

Following no strict rules or procedures, this phase is one of the cloudiest, though it is obviously of great importance to potential applicants. The submission of project concepts, even in their nascent stages, is a step that results in much consternation. Many of those interviewed and surveyed during this study shared their experiences of submitting project concepts or proposals and never being informed of their fate. Project concepts can be submitted by proponents to any of the GEF partners but eventually the project idea has to be channeled through a GEF IA or ExA to the GEF Secretariat for inclusion in the GEF pipeline. At present, there is no way to assess how many concepts are brought to the national focal points or, with the exception of UNDP, to the IAs and, of these, how many make it to the next step for consideration. In fact, it is not possible to determine the actual demand for GEF funding, the origins of these demands (geographical or institutional), or the areas (for example, taxonomy, invasive alien species, protected areas expansion, or sustainable use activities with communities in buffer zones) in which demands primarily fall. Due to the need for broad consultation, the pre-design and design phases for projects in the biodiversity focal area perhaps present a unique challenge. The constituencies that must be consulted range from local, district, and national levels to sometimes well beyond national boundaries, a vast undertaking carrying major costs. Many proponents are inexperienced with the design of large, complex projects and many skills must be learned before a project is ready for approval. Inevitably, potential applicants have significant built-in transaction costs from the start.

Annex D of the *Instrument for the Establishment of the Restructured GEF* (GEF, 1994) lays out the areas of particular emphasis for each of the IAs; however, in practice, these have been open to broad interpretation by the IAs in accepting concepts and proposals for development and implementation. This has led to considerable confusion among those attempting to access GEF funds and to the widespread complaint that it is not clear "which agency you go to for what."

This is not helped by the additional view that the different IAs give proponents different messages, which are difficult to verify and follow up, particularly for those in the developing world. In addition to GEF considerations, IAs have to take into account their own development agendas in their dialogue with countries. Although, as stated by the IAs, the formal procedures and criteria for application are available on their individual websites and in hard copy, the process of applying to GEF remains a "black box" for many and, in extreme cases, "a black hole." In the light of these perceptions, it is hardly surprising that the current situation has given rise to the widely held sentiment that without a champion within one of the IAs to shepherd a project through the maze, proponents have little hope of making it through to eventual GEF funding.

Rec (GEF Secretariat): To both streamline the process of accessing GEF funds and help increase transparency and improve accountability, the GEF should develop a real time, online concept/project tracking system to allow proponents to see, at any given time, where their concepts or proposals have progressed to along the continuum from concept submission to project approval. This service should be provided by the GEF Secretariat and perhaps broadened to include the other GEF focal areas.

Rec (GEF Secretariat, the IAs, and ExAs): In addition, comprehensive and user-friendly online and hard copy guidelines on project processing, in all the Convention languages, are needed. These should be written in simple language and widely disseminated, laying out the roles and responsibilities of the GEF Secretariat, the IAs, and the ExAs; their comparative advantages, their eligibility requirements; and clear-cut procedures for application to each of the IAs

5.3.2 Project design and preparation

5.3.2.1 Budgeting and planning

Although the Small Grants Programme allows project proponents to apply for a maximum of $50,000, the average size has been between $19,000 and $20,000. Average sizes of GEF MSP projects have been closer to the maximum amount allowed under streamlined approval procedures. Although the maximum for MSPs has always been $1.0 million, streamlined procedures were originally only available for projects up to $750,000. Streamlined procedures were made available for MSPs up to the $1.0 million mark midway through GEF2, and the average size of MSPs subsequently increased. While there are no stated limits to the size of individual FSPs, they remain large in both absolute and relative terms, averaging almost $7 million, which is expended over implementation periods averaging approximately 5 years. Clearly, the rates of annual expenditure through these three funding mechanisms are significantly different from one another.

Concerns have been expressed that the level of grant funding provided to governments through the FSP mechanism could lead to governments reducing funding commitments for biodiversity conservation; preferring instead to access interest-free grants from the GEF. BPS2004 could not substantiate these concerns but observed that, with the exception of the SGP, there is a tendency for many proponents to go for the maximum they are able to secure, regardless of their proposed outcomes or their demonstrated capacity to absorb or implement the planned activities. This is most notable with MSPs, which have tracked the maximum allowed under this mechanism but is likely also happening with FSPs. The study was not able to find any budgeting guidelines for scaling GEF project sizes in dollar terms to any objective assessment of capacity or need. The rather constant average size of FSPs suggests that projects of similar size (in funds) are designed to deliver similar outcomes, regardless of the size of the areas being covered or any objective measure of the absorptive capacity of the recipient executing agencies. In addition, IAs have reported that sometimes they face the challenge of keeping the executive agencies realistic on how much they can deliver.

The proliferation of planned activities, the relatively short duration of project implementation, and the current focus on approvals (that is, the incentive within the IAs to move GEF funds) results in large allotments of money committed to individual projects with predictable ensuing difficulties. Many project reports suggest that executing agencies have neither the individual nor institutional absorptive capacities to handle this inflow. The issue of unrealistic time frames and overly ambitious project scopes were highlighted in the 2003 PPR in the UNDP Comoros and NGO-Government Partnership projects and the World Bank Egypt Red Sea project. In all three cases, final evaluations pointed out that there was a mismatch between the short time span, the scope of activities involved, and the ambitious changes sought by project completion. Due to limited absorption capacities on any given project, it may well be the case that over a certain amount, additional project funds may simply spill over and run off. Procedurally, unused funds are meant to be recaptured and cycled back into the IAs for reallocation to other deserving projects, but excess funding can also leave the door open to misuse and abuse at the project level. Modifying the current funding process (especially where funding is too great and projects are too short) may be the only way to better balance project budgeting and duration with the absorption capacities of executing agencies as well as produce more tangible progress in achieving outcomes and impacts (see Chapter 8 on issues surrounding cost-effectiveness). The apparent increasing trends in project duration (see Chapter 3) could be an indication that the process is moving in the right direction.

Rec (Council): There is a need for a high-level institutional review and reconsideration of the budgeting process (that is, money allocated versus project objectives, needs, and capacities) currently applied to projects in the Biodiversity Program.

Rec (GEF Secretariat and IAs): Following on from the recommendation to Council, projects should be designed in a way that appropriate phasing is built in from the outset. Projects should evolve gradually, at a pace that aligns well with the assimilation capacities on the ground rather than follow a "punctuated equilibrium" of massive inputs reaching a saturation point early on. While this "trickle feed" may result in a far longer project cycle or a cycle of phased or interrelated projects or interventions, a slower infusion of funds over a longer period of time should allow better absorption as well as the opportunity to scale up over time.

Contrary to an original design intended as a smaller scale, simpler funding mechanism for NGOs, MSPs have grown in complexity with the result that they now go through virtually the same weighty preparation process as FSPs, which may carry budgets 10 times as large. Interestingly, the project development funds (PDF-A and PDF-B) available for preparing these complex projects have not been correspondingly modified or rationalized. For example, only $25,000 (the PDF-A) is made available for the development of an MSP worth $1million (a ratio of 1:40) as opposed to the $350,000 - $700,000 (in a PDF-B) available for the preparation of a $5 million project (1:15), yet the same quality of output is expected of both processes. As a result, both project propo-

nents and IAs often end up subsidizing these processes with their own human and financial resources.

Over the period of FY99-03, the average implementation period (project start-up through completion) for MSPs has been about 3.4 years (vs. 5.3 years for FSPs). Evidence from this review of projects suggests that MSPs may, in fact, be outperforming the larger FSPs in some realms. Most notably, they seem to have a greater likelihood of sustainability (see Chapter 8). This may be attributed to the more manageable flow of funds (for example, $200,000–250,000 annually) instead of figures in the millions for FSPs.

Many ongoing and completed projects, especially SGP projects and MSPs, have reported impressive outcomes relative to the amounts spent and greater prospects for sustainability, promoting a "small is beautiful" and "less is more" emphasis (Wells et al., 1998; Wells et al., 2003). This approach should be encouraged where smaller amounts of money are well aligned with more modest and focused objectives (see Chapter 8). Given their impressive track records and potential to contribute significantly to the implementation or more sustainable future of interventions, it may be beneficial to find other means to move greater support to local levels through the existing UNDP/GEF SGP or additional small-grant mechanisms. There is much scope to investigate other alternative mechanisms, which might be established in different ways to achieve the same goal—getting more manageable amounts of money to more implementers on the ground. Over time, local capacity building through such mechanisms is likely to enable scaling up future interventions in terms of financial, sociopolitical, institutional, and technical sustainability (see Chapter 8 on issues surrounding sustainability).

The issue of finding funding modalities appropriate to the scale of the problem being tackled or the capacity to do so remains a challenge for many. Related to this is the issue of incremental cost. As other evaluations have concluded, the concept of incremental cost and its specific application in biodiversity remains highly problematic.

Rec (GEF Secretariat): This study did not look at the issue of incremental costs but recommends that a review of the issue be conducted leading to the creation of a handbook setting out simplified guidelines on project budgeting as well as incremental cost calculations.

While currently the IAs demonstrate the understanding and ability to use logical frameworks in the basic design of both MSPs and FSPs, this has not always been the case. The assessment of completed projects in the BPS2004 cohort shows that most did not have a logical framework in their initial designs, which led to severe problems in implementation (for example, the UNDP South Pacific project). While MSPs are not required to have logframes, they are highly encouraged, and a review of recently approved MSPs revealed that logframes are being created more and more frequently. For projects averaging almost $1 million each, this level of planning should be required by the GEF as it is by most donor agencies. GEF projects have shown the tendency to be overly complex, including too many discrete activities, which often result in a lack of clarity regarding the linkage to higher level project objectives. In many cases, projects include activities whose relationship to project objectives are at best indirect or tangential and occasionally difficult to establish at all. The "something for everyone" approach, also known as the "Christmas tree approach" to project designers, has prevailed. Many proponents seem not to understand the need for logical framework planning approaches, which might better match the objectives sought to their capacities to implement.

The IAs each use a different logical framework approach, which puts a burden on the GEF Secretariat review process to standardize their thinking across all projects. As will be discussed later, it also creates significant problems for assessing performance at the Biodiversity Program level when trying to aggregate and roll-up from the project level. The task would benefit greatly from the use of project logframes for MSPs as well as FSPs and a cascading or nested logframe nomenclature for the Biodiversity Program that is standardized, to the extent possible, across the IAs (further discussion on this topic is presented in Chapter 10).

Another difficulty is the design of projects to deliver on an unrealistic four to six year implementation schedule when the actual time needed to address the ultimate underlying threats is more on the scale of decades (see Figure 1.1). Within the current project design approach, it is most likely that, while many outputs, along with some outcomes, will be achieved, most projects will fall short of making the longer term, project-level impacts they seek, such as improving the status of biodiversity, and thus will fail to contribute to positive impacts at the Biodiversity Program level (see Chapter 9 for a more detailed discussion of this topic). This may not be the fault of individual project designs, per se, but may be the obvious outcome of a system which is project based and relies on a portfolio of one-off projects to deliver its overall objectives.

Rec (Project proponents and IAs): Proponents should be realistic and pragmatic when working with the IAs to design effective projects. There is a serious need to develop achievable, measurable

time-bound targets, which can be rolled up from the project to the program level. This can only be done after a much earlier and clearer assessment of capacities and commitment at the implementation level.

Box 5.1. Lessons on project design

Several completed projects provide substantial lessons on how project design may affect project implementation. The main lesson here is the value of a strong logframe with time-bound targets coupled with an ability to monitor progress and modify logframes along the way, thereby maintaining flexible and adaptive management throughout project implementation. A weak logframe may doom the project to failure from inception: in the UNDP Belize co-management project, the terminal evaluation concluded that the project was unclear, often contradictory, and unrealistic in terms of what it was meant to achieve; furthermore, appropriate, clearly defined, and comprehensive outputs were never specified. Several projects had to be restructured because project preparation took so long that the initial designs were based on conditions that were no longer applicable. For example, the World Bank Mexico Protected Areas project was restructured in response to institutional instability, and it successfully delivered most of its outcomes. In the case of the World Bank/UNDP Madagascar project, restructuring modified the objective from "reversing" to "reducing" environmental degradation trends, making the project objectives more realistic. Building in the proper mitigation strategies, particularly for addressing potential external risks, such as civil war (in the World Bank Congo Wildlands project) or the unanticipated construction of infrastructure in the project site (in the UNDP Panama Darien project), is a critical but frequently forgotten aspect of project design. There is also a need for project implementers to monitor their assumptions and reactions as well as the effects of their responses when predicted risks are unexpectedly realiz

In building on the progress that has been made in stakeholder consultation, one of GEF's guiding principles, the IAs need to redouble their efforts to involve local and indigenous communities far more as active partners in the design of project interventions. As a participant at the COP7 Stakeholder Consultation shared, "[we] may not always make the best decisions, but then people 2,000 miles away may not either!"

It was also noted that project designs rarely include dedicated exit strategies from the start. This omission has many potential ramifications but one very likely result is that sustainability, of all types and at all levels, suffers. The issue of sustainability will be covered in more depth under Monitoring and Evaluation, below, and in Chapter 8, Guiding Principles.

5.3.2.2 Conducting appropriate threat analyses and accurately assessing and managing inherent risks

All these issues point to a problem apparently arising early in the design phase of GEF projects. And stepping back even further, many of these shortcomings suggest flaws in the conceptualization of projects. In some cases, projects' threat analyses have been conducted at the wrong level on the continuum from the ultimate/root/cause to the proximate/direct/effect relative to their duration, or assessments of inherent external risks and assumptions are inadequate, resulting in project designs that are unrealistic and unmanageable from the outset.

An improved starting point would feature a far more precise initial assessment of the problems, constraints, and actions needed to address problems. In this regard, it must be absolutely clear that the time-scale of the project directly aligns with the time-scale required to address the identified problem. For example, it may take 4 to 5 years to address a proximate problem's realm of influence and something like 15–25 years to address ultimate or root causes, whose solutions likely extend far beyond the life, boundaries, and remit of the project.

Many projects also suffer from overly simple or inaccurate assessments of the external constraints and do not adequately answer a key question: What external factors are not influenced by the project but may affect its implementation and long-term sustainability? Thus, the degree of risk is not properly gauged from the outset. Additionally, the potentially lengthy period from pipeline entry to implementation can mean that external factors and key assumptions may have changed dramatically in the interim. Therefore, the current and potential contexts in which projects are to be implemented must be more clearly established. Once this is achieved, the selection of the optimal actions or range of actions to address the identified problems will be far clearer, more realistic, and more achievable.

Although it is not possible for a project to consider all possible risks, there are some that have recurred throughout the

portfolio. It seems that during the course of project design, assumptions included in an approved proposal often are not challenged rigorously enough from the start.

War and political instability. Civil disturbances, terrorist attacks, and war have caused problems for GEF projects, particularly in Africa. This has been a factor in the development of projects in Liberia and Sierra Leone and in the implementation of some projects in Côte d'Ivoire, the Republic of Congo, and Zimbabwe. In Eritrea, the war with Ethiopia disrupted project activities, while terrorist attacks within Egypt and Kenya caused many downstream effects for projects. Projects in Nepal, Philippines and Indonesia faltered in the wake of civil war and political insurrection. Projects in Colombia and Panama encountered similar difficulties. In some cases, projects were approved before political instability became a factor, but in others, projects were approved with the full knowledge of the current and potential future instability. However, there are important examples which demonstrate that, despite ongoing circumstances of war or civil unrest, the uninterrupted continuity of project interventions on the ground may be crucial to achieving conservation successes in the longer term.

Economic uncertainties. Operating in a constantly changing and often unpredictable global economy is an inescapable reality, and economic factors, including those stemming from the impacts of global forces further afield such as rising fuel prices and subsequent market responses, are relevant in virtually all biodiversity conservation projects. Unforeseen or unexpected economic circumstances can severely hamper projects or unexpectedly enhance their prospects. Salient examples include projects focused on organic/shade grown coffee, medicinal plants, and ecotourism. The World Bank/IFC Terra Capital project encountered adverse market conditions in the form of private and foreign investors' decreased confidence in investing in Latin American markets and high interest rates in Brazil. On the other hand, another project reported a reduction in the rate of land conversion that was attributed to a decrease in sugar cane prices, which reduced incentives for farmers to expand their production areas. Although exchange rate fluctuations can occasionally be harnessed to provide greater leveraging of financial resources, such as in Argentina or the SABONET project in Southern Africa, they can often result in adverse effects. Though the magnitude of initial gains has not been sustained, the conservation trust fund established for Bwindi and Mgahinga National Parks in Uganda was especially successful in the strong global investment climate of the 1990s but has not performed as successfully under more recent global economic conditions.

Corruption. Found in both of financial and societal processes, corruption leads to problems in the implementation of many projects at many levels. Specific cases are not needed in light of the established fact that corruption is an important risk in projects in areas harboring important biodiversity, particularly those where exploiting species or resources offers significant financial gains (Boyle, 2003; Smith et al., 2003; Transparency International, 2002; UN Security Council, 2002).

Disease and morbidity. From China, there were reports of SARS preventing the required travel of project staff. Perhaps of greater interest is that no projects referred to the impacts of HIV/AIDS. This is particularly extraordinary in the context of the disease's known impacts on individual and institutional capacity and the downstream effects on the natural resource base and, subsequently, in the many areas of global biodiversity significance in Africa (ABWG, 2002).

Weather and climate. To date, the majority of GEF projects have not encountered difficulties related to weather and climate, but in the few cases where these factors have been a problem, the effects have been debilitating. Drought considerations were particularly critical for agrobiodiversity-related projects in West Africa and Ethiopia. In Central America, floods and hurricanes delayed project activities, resulting in a decreased likelihood of achievement of project objectives. The severe effects of El Niño recorded in the late 1990s resulted in a worldwide loss of coral to bleaching and may have had adverse effects on projects working to conserve coral reef biodiversity resources. Likewise, the predicted impacts of global climate change on biodiversity, which are in some cases likely to be substantial, must be factored in to project designs, particularly in those interventions involving protected areas or other delimited areas where boundaries may have to be modified or significantly changed in order to achieve conservation goals in the future.

As directed by the Negotiations for the Third Replenishment of the GEF Trust Fund, "All projects must include ... identification of risks and other factors designed to improve quality at entry and to maximize impact" (GEF, 2002b). Led by the World Bank in 1996, all three IAs have moved proactively on the issue of risk management, each developing its own system of identifying ongoing projects at risk and necessary actions to redress them. Applying these systems should improve the opportunities to solve problems before they become insurmountable. One element, however, still seems to be missing. There is currently no standard system in place for assessing the probability of success for each project as it proceeds from the design through the approvals stage and,

thus, determining the risk of each investment against the likelihood of it ultimately delivering biodiversity benefits.

Rec (GEF Secretariat and IAs): When designing future projects, more conscientious attention should be devoted to conducting threat analyses at the appropriate stage along a continuum from direct to root causes.

Rec (GEF Secretariat and IAs): The degree of risk due to external factors (such as war and political instability, economic uncertainties, corruption, HIV/AIDS and other pandemic diseases, as well as the impacts of weather and climate change) should be more rigorously articulated, and the tools required to mitigate these risks must be built into projects from the start. Taking these together, a system of ratings relating a set of criteria to the probability of successful implementation should be developed. All projects should carry this rating from their inception to provide an early warning system.

5.3.2.3 Forming technical partnerships

In the realm of biodiversity conservation theory and practice, the IAs have collaborated with many technical partners outside the GEF (in setting priorities, identifying gaps, and promoting best practices at the project level), including those in both civil society and the private sector. However, most of the NGOs who were asked, through this study's interviews and questionnaires, still suggested that there is more room for closer collaboration in project design, preparation, and implementation.

5.3.2.4 Learning lessons from designing regional projects

One interesting finding that emerged pertained to the strength and impact of properly designed projects at the regional rather than national or local level. Examples of these included UNDP's African NGO-government partnership, East Africa Cross-Border, and SABONET projects. These and others reported significant gains in building capacity, reducing reliance on external experts, boosting national and regional ownership, improving political credibility, and delivering outcomes at a higher policy level within the global conservation community. These benefits resulted from sharing lessons and practices and, interestingly, from a healthy degree of peer pressure and competition that occurred among project implementers within these larger efforts. Though such projects may take more time to design, negotiate, and deliver on their objectives, the breadth of impact may be greater in the end. The major lesson emanating from such projects is the need to avoid creating heavy coordination and management superstructures that can reduce the amount of funds going into action on the ground. In the BPS2004 consultation side-event held at COP7 in Kuala Lumpur, Malaysia, in February 2004, it was further highlighted that, although such projects may be best organized and administered at a national or local level for delivery of outcomes, projects of this nature should proactively include components that allow outcomes, such as policy interventions, to be delivered at the regional level as well as better exchanges of experiences through visits between projects within the same region.

5.3.2.5 Establishing strategies for lesson learning, dissemination, and replication

At present, the majority of projects do not or have not included distinct components for the dissemination of lessons learned (both from achievements and shortcomings) or best practices developed during the life of the project at any level of implementation—local, national, regional, or global. This is a fundamental shortcoming because many projects have important lessons that are lost as a project reaches completion. There is a wealth of information and lessons documented in the successes and failures of biodiversity conservation projects, and more recent attempts at systematic compiling and consolidating of these lessons should enable the improvement of new and future projects (see Chapters 6 and 8).

5.3.3 Project approvals

Before project approval by Council, a few additional steps have to be completed. The relevant country (or countries) must endorse the final project[5], a member of the STAP roster must review it, all IAs not working on the project as well as the CBD Secretariat must review it, and lastly the GEF Secretariat must conduct its third and final review of the project. Because there is really no time at this late stage to organize a proper consultation process, reviewers' comments are sometimes seen as being out of context, that is not emanating from or directed to the relevant perspective of the project but rather to the IA headquarters level. The IAs and project proponents expressed concern that these reviews come too late in the process to have major impacts on project design. Too much has been invested already; going back

5. Endorsement by GEF National Focal Point may have happened already if the proponents received PDF funding. The endorsement has to occur before the proponents receive approval for any GEF funding.

to the drawing board with a project is unlikely and, after years of preparation, the expectations for finally launching the project are high.

At present, the GEF Secretariat spends considerable time on the process of reviewing and re-reviewing project documents from the concept through final approval by Council and endorsement by the GEF CEO. The GEF Biodiversity Team has been seriously understaffed for some time, and this undertaking occupies an inordinate proportion of their time. While it is useful to have such knowledgeable individuals overseeing the project design, review, and approval process, it remains unclear whether this is the most appropriate use of their time or the most important role for the GEF Secretariat in terms of the catalytic role the GEF is meant to play in financing global biodiversity conservation (see Future Directions, below). Furthermore, this intensive review process seems to contradict Council's recommendation on streamlining the review process as presented in the Council document, *Driving for Results in the GEF: Streamlining and Balancing Project Cycle Management* (GEF, 2000a).

Rec (GEF Secretariat): The need for repeated reviews and revisions could be streamlined by reducing the number of stages at which project proposals must be reviewed and instead having a single, exhaustive review to be conducted by the GEF Secretariat and one or more senior experts from the STAP roster at the beginning of the process (pipeline entry) coupled with more involvement in project implementation to review conformity with GEF principles.

5.3.4 Project implementation

The study found high levels of ignorance among partners and stakeholders with regard to implementation of the GEF Biodiversity Program. For example, it remains widely believed that the GEF Secretariat is a fundamental player in implementation as well as project design and approvals; few understand that implementation lies exclusively with the IAs. Not surprisingly, this basic misunderstanding leads to confusion and frustration when the GEF Secretariat does not respond directly to problems experienced by the executing agencies during implementation.

5.3.4.1 Clarifying policies, rules, and regulations

Following on from the confusion mentioned above, implementers find it difficult to separate the rules and procedures of the three IAs from those of the GEF. More generally, project implementation reviews, mid-term reports, and terminal evaluations revealed that many implementers struggle with the complex regulations and requirements of the IAs, particularly, though not exclusively, those regarding disbursement procedures and financial accounting.

Perhaps this confusion is not surprising in the absence of a broad array of issue-specific policies, rules, and regulations on the part of the GEF. While the GEF does have a policy on the relatively non-controversial topic of public involvement (GEF, 1996b), the absence of clearly articulated GEF policies on relocation or indigenous people promises to be a problem in the future (Forest Peoples Program, 2004). Lacking its own policies on such issues, the GEF has traditionally used IA policies as its default. However, this fallback may provide only temporary cover. While the IAs' policies are no doubt thoroughly developed in their own institutional contexts, they may not fully suit the GEF or cater to its goals.

Rec (Council): The GEF should develop clear policies, rules, and regulations of its own, particularly on issues of a highly political nature and profile (for example, relocation, indigenous people, land tenure, and stakeholder participation).

Much uncertainty remains with regard to cancelled GEF projects. Although not consistently reported to the GEF Secretariat, there are a few projects that have been prematurely terminated or not extended for a variety of reasons, for example the World Bank Tana River project in Kenya, the World Bank Park Rehabilitation and Conservation project in Zimbabwe, the World Bank Water Resources and Biodiversity project in Chile (which was cancelled before implementation ever began) and the UNDP Belize Co-Management project. What remains unclear to the evaluators is the intent of the IAs or GEF Secretariat for the original objectives of those projects. It is assumed that all projects that made it through to approval contained worthy conservation objectives and related outcomes, if not impacts. What happens to the intended outcomes and impacts when a project is cancelled? No answers were found to this conundrum in the course of this study.

Rec (IAs): The GEF Secretariat should be officially informed by all the IAs when a project is prematurely terminated, closed, or canceled with an explanation of the circumstances and a description of any plans to deal with the unfulfilled objectives, as initially identified.

5.3.4.2 Expanding technical guidance

While the IAs currently have dedicated and highly experienced practitioners among their senior ranks, there are still limitations in the breadth of their coverage. As the GEF

biodiversity portfolio spreads more actively into the realms of sustainable use, access and benefit sharing of genetic resources, global biodiversity monitoring and mainstreaming of biodiversity (both within and across sectors) over the next few years, there will be a need to source different fields of technical expertise, including the legal realms of intellectual property rights and patents; drafting relevant legislation for access and benefit sharing; entry into contracts or the practices leading to sustainable use such as securing of tenure rights; the preparation of synergistic, "green" management and business plans in the production or extraction sectors; or dealing with special constituencies such as indigenous groups, among others. Although such expertise may already exist in the broader institutional environment of the IAs, it will be necessary to harness such expertise to deliver on the goals of the GEF Biodiversity Program, specifically. These needs must be anticipated and properly prepared for in advance.

Rec (GEF Secretariat and IAs): Greater and broader technical proficiency will be needed in the future among the staff of the GEF Secretariat and the IAs to improve technical assistance to the executing agencies in project design and implementation on new and emerging issues within the CBD. While this is especially true for people working close to the field (GEF focal points within government and in national and regional IA offices), it is also important at the headquarters level.

5.3.5 Strategic planning, monitoring, and evaluation

In the absence of a strategic framework at the Biodiversity Program level, it is currently not possible to roll up from the achievement of outcome and impact targets at the project level to those of program level. And the closely related issue of a near total separation of project-level and program-level M&E, an inherent limitation in the current process, may be one of the reasons this is not possible. While it is clear that the loose construct of the GEF partnership accounts for this disconnect in the strict operational sense, it goes without saying that the quality of delivery at the project level will seriously affect the quality of delivery at the portfolio/program level. This separation would seem to be an inherent flaw in the current process. Proper strategic planning and its accompanying monitoring and evaluation must pull the thread all the way through from the projects to the program and beyond to the level of the CBD and not be undertaken as separate or vaguely related actions at each level. This must be augmented by clear processes for implementation of evaluation findings and recommendations. Adoption of a more utilization-focused evaluation[6] culture (Patton, 1997), where all forms of evaluation and assessment feed directly back into the project and program review processes, could be a decided step in the right direction.

In addition, and apart from their variable participation in SMPRs, the PPR, and other project evaluations, the absence of a clearly defined role for the GEF Secretariat Biodiversity Team in project-level monitoring is problematic. Surely the monitoring of progress towards achieving program-level targets and goals should be seen as vitally important to their central role in overseeing and guiding the GEF Biodiversity Program overall. It follows logically that standardizing and overseeing the evaluation aspects belongs within the purview of the GEFM&E Unit.

At both the project and program levels, there seems to be difficulty distinguishing between the evaluation of efficiency (i.e., how well something is done) versus effectiveness (i.e., what has been achieved).

5.3.5.1 Standardizing project level M&E

The BPS2004 attempted to conduct an assessment of a group of completed projects as an important piece of this study. However, the assessment was hampered by completion reports and terminal evaluations that were inconsistent in form and quality. This points directly to a problem of consistency at the level of project M&E. At present, this responsibility lies solely with the IAs. Each IA is responsible for implementation as well as monitoring progress and assessing the performance of its own projects.

However, there are no standard criteria for this process and there is, therefore, considerable variability among the IAs in how such assessments, reviews, and evaluations are conducted, including the question of whether they are totally external, partially external, partially internal, or fully internal exercises. While UNDP and UNEP always use external evaluators to assess the performance of their projects, the World Bank has the Operations Evaluation Department (OED) for this purpose. OED's true ability to independently evaluate all completed GEF projects seems limited, with only a few days of desk review (largely derived from a highly internal reviewing system). With responsibility for the entire Bank portfolio, it is rare that OED goes deeper, including site visits, in their evaluations of GEF projects.

In addition, many terminal evaluations focus on the completion of activities (at the performance/response level) rather than outcomes (achievements/reduction of pressures)

6. Utilization-focused evaluation evolves from the premise that evaluations should be judged by their utility and actual use. This use concerns how people in the actual operational world apply evaluation findings.

or, more importantly, higher level objectives (impact/change in biodiversity status). Furthermore, the role of completion reports or terminal evaluations should be to identify weaknesses that can be avoided in the future or highlight methods or mechanisms that may have worked particularly well and should be used again. Therefore, project completion reports or terminal evaluations that are incomplete or not particularly rigorous will only hamper future performance. Although recent progress within the IAs demonstrates movement in the right direction, in the interests of transparency and accountability, the GEFM&E Unit should play a central role in assisting this process.

Rec (IAs and GEFM&E): The GEFM&E Unit should continue to improve the minimum standards for evaluation and criteria that all IAs must meet and the process through which findings and recommendations will feed back into periodic reviews of the GEF Biodiversity Program.

In fact, at the project level, there continues to be a good deal of confusion over monitoring and evaluation. While monitoring and evaluation must take place at all levels along the project continuum, from activities to outputs to outcomes and impacts, some projects refer to monitoring and evaluation primarily as it pertains to their activities and outputs. Although many projects only consider M&E within the domain of regular supervision and administration, in assessing the GEF Biodiversity Program, M&E is conducted in the context of evaluating outcomes and impacts on biodiversity. There is no universal language or practice of M&E across projects in the portfolio. The most common problems, many of which were highlighted in 2003 PPR, include: the absence of clear M&E plans; inadequate finances to cover the costs of necessary M&E and no foresight in building these costs into project budgets from the onset; the lack or inappropriate selection of biodiversity and socioeconomic targets and goals as well as indicators with which to measure progress towards targets; non-existent, inadequate, or mistimed collection of baseline data on both biological and socioeconomic indicators; failure to monitor assumptions throughout the life of the project; inadequate differentiation between the evaluation of project efficiency and project effectiveness; and inconsistent linkages between selected indicators and targeted outcomes and impacts.

All the IAs are working to remedy this situation. For example, UNEP has instituted standardized M&E plans, rigorous internal review processes to enhance project designs, and annual review meetings to review lessons learned; has promoted the use of a logframe tracking tool; and is exploring the possible production of a standardized project procedures manual. UNDP has begun retrofitting indicators as and where necessary, has developed a web-accessible Resource Kit for Measuring and Demonstrating Impact, and has developed standardized TORs for evaluations aimed at strengthening M&E in project. The World Bank has conducted an extensive review of M&E in project design and implementation, which provides important insights and lessons. In fact, for the past 2 years, the GEF Council has insisted that projects, when presented for their approval, have an appropriate M&E system, including a clear plan and budget. And, indeed, on paper, newer projects increasingly show improved M&E planning over earlier ones (see Chapter 8), especially in the establishment of logical frameworks, biological indicators, baselines, and systematic monitoring. It is still too early to assess progress on the implementation of these advances. There is still need for continued higher level thinking and guidance by the IAs to overcome M&E deficiencies and establish clear plans and timelines for remedial action at the project level.

Notably outstanding is the problem of developing and selecting appropriate indicators for assessing both biological and socioeconomic trends; many projects still struggle to select or develop appropriate indicators at all levels, making it difficult to measure achievement or impact over time (see Chapter 9). There is growing recognition, seen in newer projects, that such monitoring should be a more integral and inherent part of the entire process of project implementation and beyond. Given the crucial goal of sustainability of outcomes and impacts, there also is a need, for example, for greater engagement of regular park staff (not specialized scientists) and the members of the local community to collect the necessary biological and socioeconomic information for monitoring changes over time. Though several GEF projects report the development of systems to monitor the status of biodiversity, some appear too complex, designed <u>by</u> experts <u>for</u> experts and unlikely to be sustainable. The focus should be on simple, practical, and sustainable monitoring systems, whether for evaluating a project's administrative performance or its outcomes and impacts (Danielsen, 2003a, 2003b; Rodriguez, 2003; Yoccoz, 2003). The IAs are keenly aware of these shortcomings and the need for such simple and replicable systems, and many challenges still lie ahead in the development of these systems. However, no monitoring system, regardless of its simplicity and practicality, can succeed without adequate financing.

Rec (IAs): As a standard procedure, the IAs should redouble efforts to ensure their growing rigor in establishing and financing clear M&E plans from the outset, including the articulation of targets at all levels, the selection of both biological and socioeconomic indicators to measure progress along the way, and the establishment of baselines. These plans must be further strengthened to include

simple, practical, and sustainable systems for measuring and tracking these indicators on meaningful time scales through periodic assessment. The cost of developing these monitoring plans, including the selection of indicators, should be written into the PDF-B for FSPs or into the project budget for MSPs.

5.3.5.2 Demystifying the practice of adaptive management

Further substantiating the reported value of utilization-focused evaluation techniques, the need for "adaptive management" in the project domain is frequently cited. Historically, projects have shown some rigidity in the face of changing circumstances. Adherence to logframes developed sometimes years earlier provided little flexibility to implementers on the ground. While attempts have been made to restructure projects following mid-term evaluations, some very successfully (for example, the World Bank Mexico Protected Areas project, UNDP's Bhutan Jigme Dorji project, and the jointly implemented UNDP/World Bank Madagascar Environment Program II), greater flexibility and room for innovation is needed to allow project implementers to rise to the occasion when confronted with changes in external factors, operational circumstances, or violations of assumptions. This is particularly important given the fact that many GEF projects are being carried out in some of the world's most unstable political settings. It is often said that "necessity is the mother of invention," and practitioners on the ground can be surprisingly adept and creative when it comes to operating in adverse conditions. But they must be given freedom to do so. For areas of high risk, this can be addressed with logframe planning that includes multiple scenarios or by reviewing the project logframe regularly and allowing more flexibility for changes to planned project outputs and activities. Logical frameworks as well as targets and indicators at the performance, achievement, and impact levels should be actively used as management tools. This is the true practice of adaptive management—it need not be merely a conceptual construct but instead a system of trial and error and revisiting of assumptions, risks, and activities, followed by lesson learning and modifying and implementing rejuvenated approaches. The World Bank's risk management strategies (already in practice) and those of UNEP and UNDP that are under development provide important examples of the practice of adaptive management in action at the project level (see paragraph 39).

5.3.5.3 Improving program-level M&E

Just as projects in the biodiversity portfolio require clear logical frameworks so too does the Biodiversity Program. This important element is still largely missing at the program level. Consequently, and to some degree related to M&E weaknesses at the project level, problems in the aggregate monitoring and evaluation of performance also exist at the program level. In 2003, the GEF Biodiversity Task Force made an attempt at building a retrospective logical framework for the program (GEF, 2003a), but it has not yet been retrofitted over the current portfolio. Although the articulation of the framework at the outcome level seems to respond, in part, to the mandate given to the GEF by CBD and Council, the connection between how changes in human behavior (outcomes) will actually improve biodiversity status (impacts) was never truly defined. The current logframe falls short of articulating a goal for the Biodiversity Program and formulating measurable targets to measure progress towards its achievement.

An assortment of different tools and methods, in the form of a vast array of topical or thematic studies, reviews and evaluations, mid-term evaluations, SMPRs, the annual PPRs, the TERs, and final evaluations, are all carried out but their cumulative value in providing an overall assessment remains unclear. As both BPS2001 and BPS2004 discovered, this fact and the paucity of relevant data make it challenging if not impossible to readily assess the overall impact of the GEF Biodiversity Program's interventions to date.

In accordance with the Negotiation of the Third Replenishment that stipulated: "the [GEF] Monitoring and Evaluation Unit should establish more rigorous minimum standards for GEF-specific aspects of projects, relating to GEF policies and strategies expected of monitoring and evaluation units of the Implementing and Executing Agencies" (GEF, 2002b), there is a need for establishing measurable targets at all levels of project and the Biodiversity Program logframes, standardized criteria for M&E from project through to program level (on matters ranging from efficiency through effectiveness), as well as clear procedures for independent and accountable evaluation at critical stages in project and program implementation. Establishing targets at the project level will rely heavily on the efforts of project proponents and the IAs, while making certain these will roll up to the program level and ensuring minimum M&E standards remains within the roles and responsibilities of the GEFM&E.

Rec (GEFM&E): Clear standards and guidelines should be developed for M&E at the project level and a system of M&E that will roll up to the Biodiversity Program level to allow true evaluation of the performance of the entire portfolio in efficiently and effectively attaining its objectives.

Although most of the world's major donors now consider the delivery of measurable impacts an essential condition for giving, strategic planning and M&E is not a simple matter,

and the development, adoption, and application of proper systems is costly. In fact, figures of 10–15% of core budget costs for the purpose of planning and related M&E are increasingly reported by others for assuring the ability to measure the impacts of strategic interventions in the field of conservation and sustainable development. Even though it was not possible within the limits of this study, to determine the actual amounts spent on planning and M&E at the project or program levels, arriving at the answers donors seek will require considerably greater intellectual and financial investments than are presently being made.

Another issue pertaining to project and program-level evaluation is the difficulty of assessing progress towards sustainability. Although other aspects of sustainability will be discussed in Chapter 8, one issue deserves mention at this stage. Currently, GEF projects do not include financing or planned activities that would accommodate post-project completion evaluations. Without prior integration of this approach into the GEF's M&E planning, it will always be forgotten, thus crippling the GEF's ability to truly assess the sustainability of the outputs, outcomes, and impacts of projects funded in the biodiversity focal area. In the PPR 2003, some IAs indicated that their evaluation departments conduct select ex-post project impact evaluations (World Bank), thematic/sectoral studies (World Bank and UNDP), outcome evaluations (UNDP), and country evaluations (World Bank and UNDP) that cover, in part, GEF projects. However, GEF biodiversity projects are not subject to systematic post-completion assessments. While this need should perhaps be taken up across all focal areas by the GEFM&E Unit, it should not be forgotten. Not unlike BPS2001, had this study been given the opportunity to evaluate the program based on projects long since completed, the findings could no doubt have contributed far better to lesson learning with regard to sustainability.

Rec (GEFM&E and IAs): Mechanisms should be established at the project or program level to conduct post-completion evaluations in order to assess sustainability beyond the life of the project.

5.4 Future Directions: Strategically designing, guiding, and managing the Biodiversity Program

After over a decade of project design, approval, implementation, and evaluation, the GEF Biodiversity Program has accrued many experiences of both achievements and shortcomings. Further studies are not necessary to underscore the need for a meaningful streamlining of the project preparation process to reduce the lengthy and unacceptably high transaction costs for proponents (now averaging about 5 years), increased consistency in the application of strategic planning through the use of the logical framework approach at both the project and program levels, the strengthening of project implementation both technically and operationally, and the adoption of industry standards for M&E. While it is recognized that streamlining the project preparation process and some of the steps recommended for more rigorous strategic planning, implementation and evaluation may appear antithetical, it is possible to achieve both in shorter time frames if all steps in the process are made more efficient. Perhaps the most challenging time commitment, and one that may be difficult to redress, but necessary nonetheless, is the time required to conduct the required level of stakeholder consultations in large, complex biodiversity projects.

The GEF Biodiversity Team and the greater GEF family should now think more critically about their exact roles in supporting catalytic activities to bolster the efforts of others, particularly national level capacity, in delivering global environmental benefits. It is time to move beyond an era of supporting and administering a loosely associated portfolio of projects, designed at different levels by different players to deliver different outcomes and impacts. A more strategic, higher level vision is urgently needed that will enable the contributions of the GEF Biodiversity Program to build on its unique identity and the experiences of more than a decade of operations, and provide guidance and assistance to countries in making measurable contributions to the goals, objectives, and targets of the CBD.

Rec (GEF Secretariat): The time has come for the GEF Biodiversity Team to move from simply administering the portfolio of projects to actively and strategically providing greater vision and better cohesion to, and stronger delivery of, the GEF Biodiversity Program.

6. The Culture of LessonLearning: Progress in implementing recommendations from OPS2 and BPS2001

In conducting an evaluation exercise such as BPS2004, it is important to separate and assess two issues related to the culture of institutional lessons learning. The first is the content or substance that has been gleaned from earlier assessments and actively put to use, and the second is the process by which the uptake of these previous conclusions and recommendations occurs. Together the "what" and "how" provide valuable insights and some measure of institutional learning.

The Negotiations for the Third Replenishment of the GEF Trust Fund stipulated that "a formal 'feedback loop' should be established between evaluation findings and management activities to ensure more systematic use of the results and outputs of GEF projects for the improvement of planning and subsequent activities" and furthermore that "as each of the IAs and ExAs has its own system for drawing lessons from operational experiences, the GEFM&E Unit should facilitate more intensive interagency sharing of experiences relevant to the GEF" (GEF, 2002b).

The BPS2004 looked for indicators of institutional learning by the GEF, including the Secretariat, the GEFM&E Unit, and the IAs in response to lessons learned from both the OPS2 and BPS2001 and the recommended actions emanating from the Negotiations of the Third Replenishment relevant to the GEF Biodiversity Program. Furthermore, BPS2004 looked more broadly across the entire project cycle from inception to completion and across the GEF Secretariat and the GEF IAs/ExAs since learning opportunities exist at all levels, and the different players must act upon those opportunities between, within, and among each other.

6.1 The Substance of Lessons Learned from BPS2001 and OPS2: What was learned?

Although some aspects of the key conclusions and recommendations of BPS2001 and OPS2 have been discussed in other sections throughout this document, Table 6.1 highlights the BPS2004 findings regarding how recommendations have or have not been adopted or acted on to date.

6.2 The Process of Learning Lessons from BPS2001 and OPS2: How were they taken on board?

The study sought to assess the formal process for institutional learning of conclusions and recommendations from BPS2001 and OPS2 among the GEF Biodiversity Program partners. This assessment was primarily accomplished through GEF and IA staff interviews and through the identification and tracking of information uptake. Three key processes related to institutional learning began with BPS2001. First, BPS2001 was intended to assess performance of the GEF Biodiversity Program and to provide experiential lessons as an input to OPS2 which, in turn advised the Negotiation for the Third Replenishment; second, the BPS2001 input to OPS2 provided insights used for the revised biodiversity strategies in GEF3 and, last, conclusions and recommendations of the BPS2001 and OPS2 were made available to the IAs so that they might improve their operational delivery to the GEF. The first two processes followed somewhat formal, documented procedures but no formal mechanisms for the uptake of recommendations from program studies or OPS by the IAs were found.

In practice, UNDP has taken direct management action to implement many of the recommendations of OPS2. This fact was verified through both the interview process and the paper trail from senior-level managers to staff closer to projects on the ground. UNEP reported that it disseminated the findings of BPS2001 to its project executing agencies and uses the OPS2 findings as a "checklist" against which it assesses incoming project proposals. There was no clear evidence that the World Bank has a formal process to incorporate the conclusions and recommendations coming from OPS2 and BPS2001 although as well as the other IAs, the

Table 6.1. Key Conclusions and Recommendations from BPS2001 and OPS2 and the Evidence of Subsequent Follow-up by Relevant Players

	Key conclusions & recommendations	Subsequent follow-up by the relevant players & suggested actions from BPS2004
BPS2001	Project preparation should, where appropriate, include a project design workshop involving critical stakeholders in the country or region to get initial ideas about project design.	By all indications, the IAs have increased stakeholder consultation activities, at all stages, from project design to project initiation. The active participation of stakeholders in collaborative management agreements or full devolution of activities could benefit from additional definition and attention (see Chapters 7 and 8).
	Projects should involve the private sector in appropriate activities and support.	Engagement of the private sector seems to present challenges that have not yet been addressed and overcome, although the GEFM&E Unit has conducted a review and the GEF Council is now discussing a strategy. It would, perhaps, be helpful to consult with the private sector or conservation organizations working with the private sector and responsible business councils that are familiar with the broad interests of conservation and sustainable development to look for better synergies and collaboration on issues of mutual concern. Many knowledgeable individuals can be found in the world's leading private sector organizations, from the World Business Council on Sustainable Development to Shell International, Rio Tinto, and Unilever. (see Chapters 7 and 8).
	GEF should continue to strengthen its relationship with all government sectors and IAs by cross-sectoral mainstreaming of biodiversity within their organizational operations.	Consultation and action needs to be taken further and with greater intent to strengthen the relationship between the GEF Biodiversity Program interventions and key decision makers at the national policy level to promote cross-sectoral mainstreaming of biodiversity into other critical line ministries and government sectors, such as finance, planning, and energy. It will be these ministries that, in the end, will determine the use of a nation's land and resources and the inevitable impact of these activities on biodiversity. The second biodiversity strategic priority of GEF3 is a first step forward. (see discussion on mainstreaming in Chapter 7).
	Each project should conduct a capacity assessment exercise prior to project initiation.	UNDP has now taken action to conduct capacity needs assessments as part of project preparation. Through a new initiative, the GEF finances projects in support of National Capacity Assessments.
	To improve implementation, projects should move away from a time-bound schedule and evolve a new way of functioning.	The issue of the GEF still operating from a project paradigm of rigid project management structures as well as unrealistic time frames and overly ambitious objectives remains unresolved and will take major action on the part of Council. This study, however, reiterates the need to do so as soon as possible (see Chapter 5).
	Funding patterns during the project must be compatible with the economic realities of the host country.	Creating a balance between funding levels and absorptive capacity still presents an enormous challenge. The upcoming Fourth Replenishment provides a good opportunity to address these issues (see Chapter 5).
	A more effective, ongoing monitoring system is needed to determine projects' impacts on biodiversity and related areas.	The issue of implementing a more effective system for monitoring and assessing impacts is covered in Chapters 5 and 9. Interviews with key players revealed that the issue of impacts has clearly been "heard" by the GEF Secretariat, the GEFM&E Unit, and the IAs, though no systematic or institutional response has been formulated or implemented to date at the Biodiversity Program level. While UNDP has a system to proactively retrofit project level indicators and all the IAs are tightening up on the use of their logframes in adaptive management at the project level, work remains at the level of the Biodiversity Program (see Chapter 5). The IAs are making efforts to ensure that indicators are selected and baselines established in the PDF-B stage or during the first 12 months of project implementation. A concerted effort is needed to standardize these practices across the portfolio.
	Assembling a database should be among the first project activities so that monitoring of impacts can be established.	
	GEF and its partner institutions should establish a system of independent post-completion assessments.	The GEF family still does not have guidelines or formal procedures for conducting post-completion assessments (see Chapter 5).

	Key conclusions & recommendations	Subsequent follow-up by the relevant players & suggested actions from BPS2004
	Targeted research activities are recommended to demonstrate and evaluate conservation's contribution to economic growth. Activities include: (1) reviewing existing methods for assigning economic values to biodiversity and (2) disseminating credible information on the extent of biodiversity that should be conserved and the human use compatible with such conservation.	Attempts to review existing methods for assigning economic values to biodiversity and ecosystem services have been subsumed under the UNEP/GEF Millennium Ecosystem Assessment project. Progress to date on the technical basis of the conceptual framework developed has been outstanding. Over the next year, the results will be rolled out. Putting these results to use in the global policy arena, and at local levels among practitioners and managers, will be a challenge for the future. Though the intent of this recommendation is not entirely clear, the call to "disseminate credible information on the extent of biodiversity that should be conserved and the human use compatible with such conservation" is potentially an enormous topic for investigation, dealing with the issue of conflicts between protection and utilization of biodiversity resources. This work could be supported by the GEF, but it is unlikely that it could be carried out within its existing technical resources.
	The GEF should set up a network of biodiversity practitioners and other experts to promote effective learning from past experience.	This recommendation has yet to be acted on, however the value of such partnerships has been highlighted in Chapters 5 and 7. There is potential to make progress in the new joint-IA proposal "Strengthening Capacity to Generate, Disseminate, and Adopt Good Practices in Biodiversity Conservation."
OPS 2	GEF must emphasize more strongly initiatives that promote sustainable use and benefit sharing of biodiversity products and services.	With the exception of those examples highlighted in Chapter 7, the topical areas of sustainable use and the sharing of benefits have not been strongly represented in the GEF biodiversity portfolio to date. However, recent discussions within the GEF Biodiversity Task Force indicate that it is addressing these two important elements. Priority is first being given to more clearly defining these two areas and, second, to determining what role the GEF should play in securing outcomes in the two areas. This work should be assisted by the recent adoption by the CBD of the Addis Ababa principles on Sustainable Use and the extensive discussions with the CBD on the relationship between access and benefit sharing (as defined by CBD) and existing regimes.
	An interagency task force should be organized by the GEF Secretariat for the purpose of developing an effective and systematic way to document information on stakeholder consultations and participation, including the involvement of indigenous communities, in GEF-funded projects.	No action has been taken in the GEF Secretariat. The GEFM&E Unit is supposed to develop indicators for stakeholder participation but it has not happened. It is assumed that this will be done within the ongoing "Local Benefits Study."
	There are weak linkages with other sectors of the economy that influence project success (cross-sectoral impacts).	See above.
	The GEF Secretariat and the IAs need to take responsibility for catalyzing action to ensure that NBSAPs effectively serve as documents for integrated biodiversity conservation and sustainable development planning.	NBSAPs are normally mentioned in project documents as one of the contexts for the project to be proposed. = However, it was noted that there has been a slower than expected rate of NBSAP preparation (See Chapter 3).
	Continued improvements are needed in efficiency, effectiveness, and streamlining of procedures, including the time that passes between the Council's approval of a work program and actual project implementation on the ground.	As this study has revealed, improvements are urgently needed to streamline procedures, including the time between Council's approval of a work program and actual implementation of project activities on the ground (see Chapter 5), and strengthen capacity for the monitoring and evaluation of impacts and trends (see Chapter 9). These areas continue to be a challenge and require concerted attention.
	The capacity to monitor and evaluate impacts and trends must be strengthened.	See above.
	The CBD has not given guidance on what an optimal distribution of projects should be to ensure a balanced portfolio.	In absence of clear guidance from the CBD, it seems the GEF Secretariat also failed to provide leadership on this key issue. In preparation for GEF4, the GEF Secretariat should make these issues a major focus along with the more general need for greater strategic vision and planning, accompanied by the proper management and evaluation processes. Suggestions for how they might be tackled can be found in Chapter 10.

Bank has produced guidelines and tools to improve GEF and Bank projects. Beyond this, opportunities for institutional lesson learning and direct incorporation within the GEF Secretariat and the IAs appear to be limited to the Biodiversity Task Force and discussions led by the GEFM&E Unit during the annual Portfolio Performance Review (PPR).

6.3 Current Lesson Learning Within the GEF Biodiversity Partnership

In addition to the less-than-formal mechanisms described above, ad hoc lesson learning takes place actively, at all times, at many levels of interaction (for example, within projects, among projects, between the GEFSEC and their IAs, and vice versa) and from the GEF to its larger constituency in the public sector, civil society, and the private sector.

Contrary to the opening recommendation cited above from the *Summary of Negotiations on the Third Replenishment of the GEF Trust Fund* (GEF, 2002b), the GEFM&E Unit has not established a systematic approach to sharing lessons. The GEFM&E Unit conducts a wide variety of studies, including the overall performance studies, portfolio performance reports, thematic studies and evaluations, program studies, and periodic, issue-oriented lessons notes. The publications coming from these studies have been made available through the GEF website and through targeted distribution with differing results. The uptake of these reports by member governments, civil society, the private sector, and even the IAs themselves appears to be limited to those "in the know." There is a risk that this perpetuates a culture of "preaching to the converted," while ignorance persists in the broader constituency.

The GEFSEC and IAs also produce many reports, such as the recent publications on the GEF and CBD (GEF, 2004c), stakeholder participation (World Bank, 2003a), protected areas (World Bank, 2003b), mainstreaming (Pierce et al., 2002), forest biodiversity (Boyle, 2003) and small businesses and conservation (Bovarnick and Gupta, 2003). While some of these are very valuable documents attempting to share lessons, others focus more on institutional promotion than knowledge promotion. The IAs have also worked together to submit a project concept, under Strategic Priority 4, for "Strengthening Capacity to Generate, Disseminate, and Adopt Good Practices in Biodiversity Conservation." The concept requests an estimated $500,000 in GEF PDF-B funds and, indicatively, as much as $8-9 million for the full-sized project. While it is definitely a step in the right direction, much more can and should be done so that "cross-learning within the GEF [will] be strengthened and accelerated so that GEF resources can be used more effectively" (GEF, 2002b). As such, there must be an intentional effort to link this initiative with the larger strategy for knowledge management in the GEF Secretariat (see below).

6.4 Improving Knowledge Uptake: Recommended way forward

6.4.1 Evaluation

It is also necessary to revisit the evaluation approaches being used. At the corporate level, the GEFM&E Unit has an extensive list of tools used for monitoring and evaluation and has even produced some guidelines and standards for program evaluation, terminal evaluations, annual project implementation reports and special project reviews but there is no clear strategy or vision on how all of them fit and work together.

As noted in Chapter 5, it is important not only to set standards but to adopt a clear conceptual basis for evaluation. There are many possible strategies, however the utilization-focused evaluation approach (Patton 1997 and 2000) appears most appropriate, given its clear paradigm of making a direct and intentional link between the evaluation findings and recommendations and the existing institutional, lesson-learning processes. Evaluation functions should be effectively separated from monitoring activities but, of necessity, need to be closely linked to such activities and clearly synchronized with the entire strategic design framework of the GEF Biodiversity Program's planned interventions and the greater GEF processes with regard to timing and levels of analysis. It logically follows that the selected tools, mechanisms, and timings must be synchronized and rationalized into a system that allows dovetailing of the various inputs for the purpose of higher level assessments. The GEFM&E Unit should capitalize on its recently granted independent status and the appointment of a new Director to move forward with this work.

> *Rec (GEFM&E and IAs): There should be a dedicated effort to link all evaluation tools and outputs directly to the relevant levels of the Biodiversity Program's strategic framework, its targets, and its time lines while ensuring that a formal process is in place for incorporating key evaluation findings and recommendations, such as those from BPS2004 and OPS3, to better inform future plans and actions.*

6.4.2 Knowledge management

During this review, it was noted that there has been a tendency to do one of two things with regard to both project-

level experiences and aggregated lesson learning: (1) to put aside or ignore the problems of unsuccessful projects and focus only on achievements, or (2) to focus lesson learning solely on shortcomings. Both approaches can be informative and, therefore, a better balance should be sought between the two. Because lessons are best derived from both positive and negative experiences and institutional learning is needed both at and between the project and program levels, a robust process is necessary that collects, compiles, consolidates, articulates, and delivers the key lessons. Positive lessons that are suitable for replication will form the basis of good practices to be passed on to others but a system is needed to deliver these to current and future projects, the portfolio at large, and the wider global conservation and development community. This may best be achieved through a clear strategy, laying out roles and responsibilities at all levels in the chain. There has been a void in the area of knowledge management but apparently the GEF Secretariat is now taking steps to create such a strategy. Given the years of experiential learning already in hand, this should be given high priority.

The establishment of baselines and databases for critical data requires continued attention at the project level. It is particularly important that such systems are practical and sustainable and not based on technologies and technical expertise that must be secured externally. It should be a matter of priority to identify the distinction between different levels of information gathering, where the information is to be used, how and where it is to be consolidated, and how the transformation of information into knowledge will occur. Additionally, appropriate actions should be stipulated as needed at appropriate levels in the hierarchy.

There is a need to redouble and refocus efforts on lesson learning and, importantly, to focus not only on collecting data, information, and lessons but also developing appropriate mechanisms at each level in the GEF partnership and consolidating this information to create knowledge. Managing this knowledge will require creativity and intent especially as it involves combining home-grown wisdom with cutting-edge scientific and technical information. With knowledge management now a discipline in its own right (Creech and Willard, 2001) and many of the world's largest conservation and development NGOs as well as GEF partners grappling with issues such as the use of internal networks, information networks, and formal networks for knowledge management, the GEF Secretariat should collaborate with any efforts that may enable harnessing the best expertise available.

> *Rec (GEF Secretariat): There is a need to establish an overall strategy and action plan for Knowledge Management in the GEF Biodiversity Program, including collecting, compiling, and analyzing information acquired at the project level for program-level consolidation and distribution to GEF partners and the global conservation and development community. The information should include lessons learned, both technical and operational, at all stages in the GEF process from project design through project completion.*

7. Outcomes of the Biodiversity Program

This chapter presents the results of the study's review of projects' outcomes. As noted in Chapter 1, this is how most projects propose to change the behavior or activities of people affecting, positively or negatively, the biodiversity around them. Many sources of information were used for estimating the outcomes, but as the GEF program is based on a portfolio of projects, the information was collected primarily at the project level. A review sheet was prepared for each project with more than 80 fields of information using primarily annual project reports and terminal evaluations. Interviews and surveys from key GEF stakeholders provided additional information about the general perception of how the different types of outcomes had been achieved. In some cases, it remained difficult to establish achievements at the outcomes level and only performance, as demonstrated by outputs, could be highlighted. An attempt was made to keep this to a minimum

Four specific areas are explored in depth: (1) in-situ conservation efforts focusing primarily on the expansion of areas under protection and their effective management; (2) the sustainable use of biological resources; (3) the equitable sharing of benefits arising from the use of genetic resources; and (4) the enabling environment in which biodiversity conservation occurs. In addition, the study also explored other areas of particular interest to the GEF Biodiversity Program and the CBD, such as taxonomy, invasive alien species, agrobiodiversity, and the Small Grants Programme.

Before discussing the details of the review of outcomes according to the areas presented above, it is important to state that a study of this nature is limited in its capacity to pick out all the colors and textures in the rich tapestry of the current project portfolio. While a very thorough review of available documentation was conducted for all 141 projects in the BPS2004 cohort, it was not possible to discern the details underlying such summarative documents. The need to cover a vast breadth of information imposed limits on the depth that could be attained and, of necessity, limited the ability to highlight all the projects that provided us with insights of both achievements and shortcomings. Furthermore, it was not possible to include all the new innovations, adaptive responses to lessons learned, and unique contributions occurring at the project level. Those projects mentioned should be considered examples of more general observations. These caveats notwithstanding, the conclusions presented in this section are believed to represent a fair and standardized overview.

Additionally, the study conducted a special in-depth review of 34 projects completed in the last 3 fiscal years (Annex 2 includes a list of these projects). Each terminal evaluation[1] was reviewed, and qualitative information was collected and analyzed for the different dimensions of the study. In particular, the in-depth review tried to judge the project accomplishments by estimating ratings of two dimensions: (1) the achievement of outcomes (presented in the next paragraph); and (2) the likelihood of attaining sustainability of project benefits (presented in Chapter 8).

Just under 50% (16 of 34) of completed projects reviewed were considered to have achieved "satisfactory"[2] outcomes. This percentage is roughly equal for UNDP and World Bank and slightly better for UNEP. On the other hand, just over half of projects (18 of 34) reported achieving less-than-

1. In the case of the World Bank the study also considered the review conducted by the Operational Evaluations Department (OED) of the World Bank, an independent branch of the Bank.

satisfactory outcomes, receiving "marginally satisfactory" or "unsatisfactory" ratings.[3] The next few pages provide a detailed analysis of the achievements and shortcomings reported across the entire BPS2004 cohort, including these 34 completed projects.

7.1 Biodiversity Conservation in Protected Areas

Early on, in interpreting the first objective of the CBD, the GEF decided to focus more on in-situ rather than ex-situ aspects of biodiversity conservation. Within that, it chose a rather narrow interpretation of in-situ conservation by focusing on Articles 8a and 8b (that is, identifying, establishing, and managing protected areas). Though it may be impossible to prove, it is widely believed that there is a strong correlation between GEF inputs and the notable increases in protected area coverage over the past decade. In fact, the GEF is credited by many with helping to achieve the goal of 10% of the world's land area under protection, an achievement announced to the international community in 2003 at the IUCN World Parks Congress in Durban, South Africa.

Despite the fact that the GEF was given no direct guidance on protected areas (PAs) from the CBD until COP7 (February 2004), protected areas have featured prominently in the GEF portfolio. Between FY91 and FY03, approximately 75% of the projects in the GEF biodiversity portfolio have supported activities related to protected areas. This prominence may be linked to the earlier establishment by the CBD of allied programs of work for forest, coastal and marine, and freshwater ecosystems. The GEF has considered PAs as "the cornerstones" or primary tool for conserving biodiversity, presumably because they take a precautionary approach by attempting to secure some form of protected status for as much area as possible over the shortest period of time and then effectively managing these areas over a longer period (World Bank, 2003b). Considerations of quantity took precedence over quality in the race to get protected status for important and vulnerable areas. This is reflected in the fact that progress in biodiversity conservation is measured in hectares rather than some independent measure of the status of biodiversity. Within the framework of the Operational Programs, the GEF sought to conserve biodiversity using a broad set of activities and approaches laid out in the Operational Strategy (GEF, 1996a) related to in-situ conservation. More recently, the GEF Biodiversity Program has further advanced the concept of protected areas by selecting "catalyzing the sustainability of protected area systems" as one of its four strategic priorities in the coming years (GEF, 2003b).

Regarding ex-situ conservation, a rough assessment by this study estimated that about 10% of GEF biodiversity projects have a component of ex-situ conservation. Ex-situ conservation activities have most often focused on the conservation of plant species, including medicinal plants and agricultural species or their wild relatives. Examples of ex-situ conservation activities undertaken by GEF projects include training a new generation of taxonomists, establishing plant nurseries, creating or expanding gene and seed banks, and fortifying collections in herbariums.

7.1.1 Focus of protected area projects

By the end of FY03, the GEF had supported investments in 1,232 protected areas (Table 7.1). This is equal to approximately 1% of the world total. The protected areas supported by GEF-funded projects cover nearly 257 million hectares, which is 15% of the total terrestrial land area protected globally (UNEP, 2003b). This ratio indicates that the GEF is supporting many of the larger protected areas—again, presumably those that hold the greatest value for biodi-

Table 7.1. GEF Biodiversity Portfolio: Number of projects providing support to protected areas by region and area of protection, for FY 1991–2003 (FSPs and MSPs only)

	Number of Protected Areas	Hectares
Latin America and the Caribbean	411	106,707,415
Africa	309	87,820,946
Asia	296	36,080,476
Eastern Europe and Central Asia	177	22,048,910
Global Projects	39	4,090,339
Total	1232	256,748,086

2. In the case of the World Bank, 11 of the 21 completed projects had a rating by OED on the achievement of outcomes. These ratings are basically identical to the study (in only two projects there was a minor difference). On the other hand, 80% of the Bank Implementation Completion Reports (ICRs) outcome ratings were satisfactory compared with 40% by the BSP2004 (and OED) rating.

3. The main issue considered to determine the rating of outcome was: were the project objectives achieved?

versity conservation though this relationship has not been precisely established. Most of these projects pertain to the expansion of protected areas and the effective management of these areas. The UNEP-WCMC figures are global and do not separate countries that are eligible for GEF support from those that are not, so the percentage would be higher if considering the extent of protected areas in eligible countries. It is anticipated that the number and hectares of protected areas supported by the GEF will continue to increase, though perhaps more slowly as the cumulative total begins to asymptote. For example, projects approved in FY03 support 192 protected areas covering more than 30 million hectares; this includes 40 new protected areas covering more than 320,000 hectares.

GEF publications and project documents rarely provide reference to distinguishing among the well-recognized IUCN categories I–VI, or any other accepted international system, despite the fact that different categories of protected areas clearly have different management objectives, not all of which place biodiversity concerns like conserving species abundance, distribution, or ecosystem functioning at the forefront.[4] Likewise, no apparent thought or consideration has been given to the likely impacts of global climate change on species distribution and the likely need to modify, in some cases significantly, PA boundaries over time in order to meet long-term conservation objectives. GEF resources have been distributed very broadly over large areas to date. By not restricting PA investment to any particular category or categories or to any specific conservation objectives and not taking into account likely impacts due to predicted patterns of global climate change, investments have not necessarily been focused on any particular attributes of a PAs, which may include those that have the greatest biodiversity now or in future, or the most abundant and ubiquitous biodiversity, or the most threatened biodiversity, or even to those PAs targeting biodiversity conservation as their primary management objective. Without a clear strategy, GEF interventions

Figure 7.1: Types of Protected Areas, Including IUCN Categories and Their Relationship to Biodiversity Concerns, such as Conservation of Species Abundance and Species Distribution (modified from Dublin, 1998)

4. Although more than half of all sites being addressed by GEF projects do not specify within the project document the IUCN management category, those which provided this information suggest that the GEF has addressed protected areas in all categories, but most predominantly areas in Categories II and IV. Other projects present national categorizations in their rationale and justifications, such as: national refugee, indigenous reserve, natural reserve, ecological reserves, fauna reserve, among others which do not necessarily correlate directly to the IUCN categories (e.g., in Ecuador, oil extraction is possible within otherwise strictly protected national parks).

(whether they are for individual PAs or PA systems) may become diluted and possess limited abilities to deliver global biodiversity impacts overall (see Figure 7.1).

Likewise, it seems that no distinction was made for the many production landscapes (including MAB reserves) that also fall within the IUCN protected area categories. Somehow production landscapes are referred to as separate and distinct from PAs but, in reality, there is a continuum from full protection to intensive utilization (Figure 7.2).

> *Rec (GEF Secretariat and IAs): Future investment in the protected areas portion of the portfolio should be accompanied by more intentional consideration of the full range of protected areas. By better distinguishing between the different categories of protection and their differing conservation objectives, support can be rationalized on this basis.*

The recent emphasis on supporting PA systems and networks, as proposed in the first strategic priority of the Biodiversity Program for GEF3, as opposed to individual PAs should be encouraged only when such systems are rationalized on the basis of biodiversity values and the determination of government authorities to clearly articulate their biodiversity goals. In some of the most recently funded projects, there has been an allied focus on new approaches to creating linkages in the landscape, including the establishment of biological corridors stretching beyond national boundaries. This responds well to a widely expressed sentiment that the GEF "is winning a few battles inside the PAs but losing the war in all the areas around them." While interest in and examination of such large-scale approaches is to be encouraged, and may provide an interesting opportunity to link practical attempts to apply and operationalize the Ecosystem Approach, as adopted by the CBD, extreme caution (as noted in Chapter 5) should be exercised regarding the tendency to design large, unmanageable megaprojects that exceed the capacities of most executing agencies and even most countries in the developing world. Lessons can be learned and guidance sought from regional projects undertaken to date. Clearly, the establishment of strategic partnerships to design and implement such initiatives may be the way forward but, again, with caution.

Additional insight is gained in considering the representation of protected areas within the GEF biodiversity portfolio at the regional level. The relative percentages correspond roughly to the size of the GEF portfolio in each respective region. The Latin America and Caribbean region holds the greatest number of protected areas in the GEF portfolio, followed by Africa and Asia (Table 7.1). Again, no articulated rationalization was found for the uneven distribution between regions. There is also no way to analyze the magnitude of

FIGURE 7.2: THE CONTINUUM FROM FULL PROTECTION TO INTENSIVE PRODUCTION LANDSCAPES (MODIFIED FROM DUBLIN, 1998)

funding proposals made to the GEF versus those actually funded across the entire GEF Biodiversity Program at present. One can only surmise that funding patterns reflect those countries with more areas requiring protection and governments with greater intent to secure funding for PAs.

In recent years, the international conservation community has attempted to establish and promote the preeminence of protected areas as effective tools for conserving biodiversity but still with mixed success. Testing the underlying assumptions and establishing this link is neither straightforward nor trivial but does need to be tackled. For now, and not unlike many of the publications available in the public domain, which promote the role of PAs in conserving global biodiversity, the GEF publications and reports consulted for this study also do not sufficiently validate their common underlying assumptions—that significant biodiversity impacts will accrue from GEF support for the establishment and effective management of protected areas and that activity-level inputs, presumably operating through better management, will ultimately reduce threats to biodiversity. Two basic steps are required to test these assumptions: (1) the outcomes achieved through GEF investments must be broadly established; and (2) these outcomes, taken together, must be shown to have led to improved management effectiveness that subsequently improved conservation of biodiversity. As these assumptions remain largely untested, it is important to look at them in the light of the large investment in support of PA projects.

A review of the BPS2004 cohort showed a wide array of outputs and outcomes including stakeholder participation; capacity building; management planning; provision of local benefits; infrastructure improvements; strengthening of legal and policy frameworks and, to a lesser extent, M&E; staff hiring; public awareness; biological management; and research.

Several of these issues, including stakeholder participation and capacity building, will be covered within the discussion of GEF's guiding principles in Chapter 8. Monitoring and evaluation at the outcome level has been discussed as part of the project cycle in Chapter 5, and M&E at the impact level will be discussed further in Chapter 9. Public awareness and education will be covered later in this chapter in the Enabling Environment section.

7.1.2 Findings: Protected areas

A majority of the completed projects reviewed have protected areas as their primary or secondary objective and, as a result, many protected-area inputs were supported through the GEF. A subset of highly relevant outputs related to management effectiveness and outcomes were selected for further analysis of performance, including expansion of area, strengthening of legal and policy frameworks, management and planning, reinforcement of park staff, innovative financing mechanisms to meet recurrent costs of protected area management, and local benefits to neighboring communities. While notable achievements are reported below, project shortcomings and failures were also experienced—often as a result of external constraints that were unforeseen or inadequately planned for, such as a lack of government commitment, corruption, political instability, economic crises, and natural disasters.

7.1.2.1 Expansion of area

Among completed projects, many existing parks and new PAs have received support from the GEF. One example is the UNDP Comoros project that established and inaugurated the Mohéli Marine Park as its first action, thus preparing the ground for increased management support. Important expansions of protected area networks have also been reported in Brazil, China, Madagascar, and the Philippines. As mentioned, the concept of scaling up to larger landscape-level approaches, including corridors and transboundary conservation areas, was demonstrated in the World Bank projects in Brazil (ARPA), the Belize Northern Corridors, and the MesoAmerican corridor. Concern was reflected by some recipient governments that large infusions of money into single PAs can often cause problems for the larger, national network of PAs; singling out one PA for support can cause disillusionment among managers and the wider stakeholder constituency in other PAs. The GEF has responded to this concern by placing emphasis within the new Strategic Priority 1 on the sustainability of PA systems, rather than on individual PAs.

7.1.2.2 Strengthened legal and policy frameworks

In terms of legal and policy initiatives, several projects report having supported the drafting and proposal of new legislation including amendments to existing PA laws, support to new protected areas laws, and new management plan regulations. For example, the World Bank's Cambodia project supported drafting a new PA law that will apply to all PAs nationwide and also contributed to national-level policy and strategic planning. On the other hand, policy shortcomings or failures to mainstream biodiversity concerns across sectors undermined progress in a number of countries (for example, Albania, Congo, Croatia, Ecuador, Georgia, Lao, Mongolia, Russia, and Vietnam) where governments went ahead with infrastructure development projects in direct contravention of GEF project objectives.

7.1.2.3 Management and planning for protected areas

Many projects supported successful management and planning initiatives, including the establishment of new management structures and planning units, drafting of management plans, and establishment of collaborative management agreements. However, fewer projects from the cohort could report success in implementing draft management plans, and many reported that the plans were overly complex, actions within them were not properly prioritized, the capacity and resources for implementation were lacking, or poor relations with communities or other stakeholders stood in the way of progress. Two completed projects, the World Bank's Congo Wildlands and UNDP's Darien project in Panama, were notably troubled. However, the World Bank's ongoing Cape Peninsula project in South Africa stands out as an exemplary exception in this regard; the project is expected to set international standards for best practices in management, planning, and implementation.

7.1.2.4 Reinforcement of park staffing

A number of PA projects have provided funding to hire additional staff, usually for law enforcement activities, administrative, or other management-related functions. Some of the projects stress the importance of hiring local people. However, the use of external funds to pay for the recurrent costs of staffing often creates major problems with respect to long-term sustainability. This potential trap is well known in the conservation community, including the IAs, but in developing countries facing pressure to reduce the size of their civil service operations, for example, there remains a high demand for such funding.

7.1.2.5 Innovative financing mechanisms for supporting the recurrent costs of protected areas

Approximately 10% of the projects in the BPS2004 cohort (15 out of 141 projects) reported support for setting up visitor fee systems, tax systems, and trust funds or for conducting valuation studies to find new and diversified products.

The World Bank's Mexico Protected Areas project has established an endowment fund, which has since been capitalized to over $40 million, and the more recent World Bank protected areas project in Bolivia has established a trust fund to finance the recurrent costs of managing a protected areas network. This fund has already raised $17 million, significantly surpassing its original target of $2 million. In the cohort examined, a number of projects reported on the complexities and difficulties, sometimes bordering on hopelessness, of establishing endowment or trust funds (for example, UNDP's Comoros, Guatemala, and Lebanon projects as well as the World Bank Lao and Congo projects). Problems include the difficulties of initial capitalization, the unreliability of the frequently fickle ecotourism industry to support park running costs, and the lack of government commitment to proposed financing models. Chapter 8 looks at the role of trust funds and financial partnerships in the field of conservation in the broader context of sustainability across the portfolio.

Despite the acknowledged contribution of protected areas to the conservation of biodiversity and the many innovative attempts to expand and diversify the funding bases for PAs (including trust funds, greater cost recovery, conservation concessions, tax incentives for private use, and partnerships), government budgets for protected areas are unlikely to increase, and the search for adequate and sustainable means to support the growing network of protected areas remains elusive. While people are keenly aware of this looming problem and there remain active debates over whether or not PAs and PA systems should be expected to be self-sustaining, it is equally important to ensure that GEF funding to PAs is not merely exacerbating the longstanding problem of "paper parks" in the biodiversity-rich but resource-poor countries of the world (see Chapter 8 on all aspects of sustainability).

7.1.2.6 Local benefits to neighboring communities

The GEFM&E Unit is currently undertaking a very large study (commonly referred to as the "Local Benefits Study") to investigate the linkages between local benefits, such as improvements in local livelihoods, and the accrual of global environmental benefits. Therefore, the BPS2004 has taken a more cursory look at the topic of local benefits, particularly focusing on those related to protected areas, the enabling environment (later in this chapter), and long-term sustainability of GEF-supported interventions (see Chapter 8).

The term "local benefits" covers a broad range of activities along a continuum from highly relevant and closely linked actions like preparing community resource management plans, mapping land tenure and use, and supporting beekeeping, small-scale fuel wood, and agricultural extension activities, to providing community benefits such as new clinics and schools or specialized training and, in some cases, individual benefits (termed alternative livelihoods) that are sometimes

of questionable relevance. In many cases, these activities may provide welcome supplementary income to individuals or households in neighboring communities rather than truly providing alternatives to those whose livelihoods negatively affect biodiversity. Such activities are frequently used to win local communities' trust when first introducing them to the concepts of conservation and sustainable use (see section on sustainable use later in this chapter).

There are many examples of projects providing local benefits to communities bordering protected areas. The World Bank's Trust Funds for Bwindi (Uganda), FUNBIO (Brazil), Profonanpe (Peru), and SNAP (Bolivia) provide reliable and continuous funding for community development initiatives. The World Bank Cameroon Biodiversity project helped establish mechanisms that have allowed local communities to improve the capture of revenue from local, ecotourism-related activities. In Bolivia the SNAP has helped to establish a new national fee system that will contribute up to 25% of park fees to development projects in neighboring communities. Not all projects within the BPS2004 cohort have succeeded in their attempts to provide direct community benefits (for example, the UNDP Madagascar and Belize Co-Management projects and the World Bank Tana River project), and even those that have provided such benefits have often failed to demonstrate direct linkages to conservation.

Although GEF funds have been used to provide direct benefits to individuals and communities bordering protected areas, there is very little evidence that they have been similarly used to reduce direct costs to local communities, such as the loss of property, livestock, or life because of persistent conflicts with wildlife, and indirect costs like the loss of productive work time and reduced school attendance. It is also frequently mentioned that investments in local communities are often insufficient relative to the size of the human population in areas adjacent to protected areas. Although the Operational Strategy (GEF, 1996a) called for attention to be given to integrated conservation and development projects, it was foreseen that such projects should avoid creating immigration "magnets" in buffer zones and thus exacerbating threats to biodiversity in protected areas." It is not clear that this warning has been adequately heeded.

Significant GEF funds have been directed to the provision of local benefits and some notable outcomes have resulted (the upcoming Local Benefits Study will shed further light), but as many other studies have demonstrated, there remains far less evidence that benefits accrued by individuals and communities resulted in changes of behavior that in turn favored biodiversity conservation (Wells and McShane 2004; Wells et al., 2004).

7.1.3 Have all these inputs and outcomes taken together delivered effective management?

The Management Effectiveness Tracking Tool (METT), collaboratively designed by the World Bank and WWF (Stolton et al., 2003), uses a scorecard approach to monitor a wide variety of component variables that contribute to effective management strategies in protected areas. The METT was originally developed as a tool for local managers on the ground to assist in guiding required adaptations to their management actions. Although the METT was not designed or developed as a diagnostic tool to determine management areas in need of investment at the PA or PA network level, or to measure progress in achieving overall management effectiveness at all levels, including the entire PA portfolio, it has been adopted "off-the-shelf" to fulfill the latter need by the GEF.

The idea of using the METT as a monitoring tool for the PA project portfolio is based on the fact that, over time and through active investment, changes in answers to the METT's questions will demonstrate the progress or shortfalls along the road to heightened management effectiveness; the ideal regime envisaged applying the METT at approval, mid-term, and completion of the project cycle; at the individual project level; and then aggregated at the portfolio level. It must be assumed that if protected areas in the portfolio score "perfect 3s" across all 30 variables (on a scale of 0–3, with 3 being the best) then "effective management" has been achieved and, presumably, biodiversity is being well conserved. Such an assumption suggests that a clear relationship has been established between the two, though evidence is not available to support this assertion.

To assess the effect of the Biodiversity Program's inputs in influencing outcomes on management effectiveness to date, the BPS2004 attempted to use the METT. The study's attempt was handicapped by the fact that, for the most part, the tool has only been applied a single time; to establish a baseline in 63 protected areas. Few protected areas applied the tool more than once at the time of the study, specifically, seven protected areas in the World Bank's India Eco-Development project. In the latter case, despite the tool being consistently applied by the same individuals over time, the results are inconclusive. A recent study by WWF looked at a larger sample and, although it found signs of progress, it reported some inherent problems with the METT process.

There appear to be fundamental problems with using the METT in establishing baselines to assist in the initial identi-

fication of weaknesses, the targeting of GEF project inputs to address those weaknesses, and the analysis of the impact of such inputs over time. The more than 30 component variables that are measured include high degrees of correlation among them and considerable scope for confounding any analyses. For example, one of the variables, current budget, is directly correlated to many other variables, especially those involving staff number, law enforcement, staff training, equipment, and equipment maintenance. It may well be that budget alone explains an enormous amount of the variability found in management effectiveness within and between PAs. If this is the case, and it does seem quite logical, then over time the scorecards, aggregated at the portfolio level, will merely show that more funds and greater security of funds is needed to achieve effective management and biodiversity benefits. Such a conclusion again highlights the most fundamental and most clearly understood constraint: protected areas rely heavily on externally provided subsidies and will always need more funds. This is hardly a desired message in the search for sustainability, and it is unclear that a sophisticated tracking tool is required to enhance current knowledge and awareness on this matter.

In looking at the results of applying the tool across 30 variables in 63 protected areas, it was also striking that two-thirds of the variables were given 2s on the scale mentioned above. Therefore, there is a worrying tendency to answer "somewhat good" rather than "somewhat bad," suggesting a bias in the design most likely introduced through the self-assessment methodology. If this bias is constant, then it will be consistent when aggregated (and require correction); if it is not, the picture will become blurred and outcomes uncertain. Another problem exists in using the tool for tracking trends in management effectiveness at the portfolio level. Given the low variability reported in the seven PAs in India, measured over three time periods, the power of the METT to measure meaningful changes over time is unclear. When trying to measure positive and negative changes over time and across many areas, as well as the factors most directly responsible for these, the lack of independence among variables and the high degrees of correlation (both auto and partial) will likely cause almost insurmountable challenges to interpreting these results in any truly objective manner.

At this stage, it was not possible to use the METT to determine whether inputs and outcomes aggregated across the portfolio had, indeed, delivered greater PA management effectiveness. With some modifications, the METT may become an improved diagnostic tool for GEF investment and adaptive management at the project level. However, if it is envisaged as contributing to meaningful, long-term trend analyses for measuring the outcomes of the GEF Biodiversity Program, the METT needs serious statistical assessment. There is a likelihood that reworking the tool into a broader information system approach rather than a series of periodic measurements will provide a better grasp on the areas of concern. Form should follow function, and the METT should deliver what is required of it. The question is whether it needs modification or a more radical overhaul to serve the needs of the GEF.

Rec (GEFM&E, GEF Secretariat and IAs): There is a need to more clearly define both the diagnostic and analytical capabilities of the Management Effectiveness Tracking Tool to inform further modifications and to enable it to better fulfill its functions for the GEF Biodiversity Program.

7.1.4 Does more effective management lead to better conservation impacts?

Although considerable GEF resources have been invested in PAs and their improved management effectiveness, often in sites containing many threatened species or important habitats and ecosystems, there are often surprisingly few examples of qualitative changes in their conservation status. As reported above, there are quantitative statistics on the number of hectares that are legally provided with some level of protected status, under protection, or effectively managed or sustainably used within protected areas. But these are measures of outcome, not impact. There is still a need to establish the qualitative link between better or more effective management and conservation impacts.

Even in the absence of a clearly established relationship, all projects supported by the GEF in PAs should be delivering clearly measurable biodiversity benefits, even if these are only at the local or site level. Therefore, it was disturbing to find so little corroborative evidence was being reported. Over 50% of the completed protected area projects reviewed in this study actually reported that they had little or no positive impacts, while still other projects reported possibly negative biodiversity impacts (despite, or possibly in spite of, large infusions of project funds); most of the remaining projects simply had no information on which to base any judgment at all. Despite a thorough review of available reports, it was not possible for this study to garner more in depth information from these documents. This may suggest shortcomings in monitoring and reporting at the project level rather than a true assessment of the level of impacts produced by the projects.

Although there was a surprising paucity of important monitoring data across the portfolio, some projects did report increases in the abundance of "target," "keystone," or

"indicator" species (though little if any distinction was made between these distinctly different species groups) or decreases in the rate of forest cover loss (see Chapter 9, Table 9.1). Examples include local population increases of endangered or threatened species or forest cover increases; however, these are still only snapshots of site-specific, local benefits for individual species and individual patches of forest. Looking at the results as a group of local biodiversity impacts, they say little about aggregated global biodiversity benefits.

At their higher level objectives, virtually all GEF PA projects are designed to produce biodiversity benefits. And many assumptions have been made about the roll up effect from inputs to outputs to outcomes to impacts within projects and among projects, and further to the cumulative, portfolio level. In fact, such linkages have yet to be established. There is still a dearth of information and tools with which to directly determine whether attempts to enhance the management effectiveness of PAs will ultimately help secure the improvements in biodiversity status that are universally sought.

> *Rec (GEFM&E): Despite its very significant financial and technical contribution towards expanding the world's PAs and PA networks and enhancing their management, the GEF has yet to conduct a study that looks at the additive or aggregate contribution of local, project, or site-level outcomes and impacts in PAs to the GEF's overall contribution to higher level, global biodiversity impacts. Such a study would seem to be a matter of urgent priority.*

7.2 Sustainable Use of Biodiversity Resources

Sustainable use of biological diversity, one of the three objectives of the CBD, is essential to achieve the broader goals of sustainable development and is a cross-cutting issue relevant to all biological and natural resources. According to the CBD, "sustainable use is the use of components of biological diversity in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby inhibiting its potential to meet the needs and aspirations of present and future generations." (UNEP, 1992). The CBD provides further guidance on measuring aspects of sustainable use in Article 10 of the Convention.

Regarding sustainable use, the GEF Operational Strategy (GEF, 1996a) explains that it "is not possible to conserve all species in a region by using conservation areas alone. Biodiversity conservation and sustainable use must also be achieved outside the designated conservation areas, including protected areas, and must be integrated into the management of the natural and modified surrounding areas." In this section, therefore, the main type of outcome that will be assessed is the development, promotion, and implementation of sustainable management schemes across all landscapes, from fully protected areas to intensively modified areas. When discussing sustainable use, the Operational Strategy includes the concept of integrating biodiversity considerations within the production sectors and across all relevant sectors of a national economy, known within the GEF as "mainstreaming." The study team chose to consider this issue in the section below dealing with the enabling environments.

It was not until the recent COP7 that the CBD provided direct guidance to the GEF on sustainable use.[5] This particular guidance requested the GEF to assist parties in implementing the Addis Ababa Principles and Guidelines (UNEP, 2003c). The GEF now must help to operationalize them. The 14 principles, prepared by a group of experts after a COP5 request and finally presented at COP7, represent a way forward in this still underdeveloped area of the CBD, but they remain somewhat confusing in the context of the GEF and the larger context of biodiversity conservation. Some of the difficulties of grappling with this issue may be related to the fact that sustainable use is a desired but intangible outcome. According to the technical work conducted by SBSTTA, "sustainable use is not a fixed state, but rather the consequence of balancing an array of factors which vary according to the context of the use." In addition, SBSTTA noted that "sustainability of uses cannot be expressed with certainty, but rather as a probability that may have to change if the conditions in which management is taking place change." Achievement of the desired state—sustainability—also depends on institutional capacities to adapt to changing conditions based on monitoring and feedback.

7.2.1 Findings: Sustainable Use

From the 141 projects reviewed in the BSP2004, 43 (one-third) could be considered to have the sustainable use of a particular biodiversity component as their primary objective. Sustainable use activities are taking place primarily within buffer zones around protected areas and in more extensively modified landscapes. Further, sustainable uses supported by the GEF can be categorized as consumptive or non-consumptive uses and subsistence or commercial uses. Some examples of project objectives include sustainably using a globally significant biodiversity component or resource in a particular area within a PA or in a production environment, supporting sustainable economic sector-based activities and other livelihood activities that result in better conservation of

the resource base, promoting sustainable economic uses of biodiversity resources by communities living in and around the protected areas, and integrating local communities within the park in implementing a community natural resource management plan. The most common, though not mutually exclusive, sectors include natural resource management, agriculture, fishing, hunting, wild species (wildlife resources), ecotourism, medicinal plants, forestry, coastal and marine resources, and aquaculture. All three IAs are implementing sustainable use projects, which are equally distributed among the three major regions (LAC, Africa, and Asia).

One of the most common activities financed by the GEF within these projects is alternative income-generating activities. It is believed that the concepts of sustainable use, including the importance of conserving, are best introduced to local communities through accrual of benefits. Several projects have demonstrated that these activities can produce additional income for low-income populations that are already engaging in the extraction of biodiversity components for commercial purposes and others engaged in low-level subsistence activities. For example, the second phase of UNDP's Uruguay wetlands project has developed a vast range of sustainable activities for local actors and land owners, the participatory approaches used in the its Bangassou Forest project in the Central African Republic has helped create of local consensus for stopping unsustainable activities, and a UNDP Burkina Faso project has increased the income generated through ranching operations. In the World Bank project in Benin, more than 100 village associations have been created. Some have received direct financial benefits from safari hunting and visitors fees since the 2000-01 hunting season; over $30,000 was generated in the first year and $50,000 in year two. Despite other problems, the World Bank Forest Management project in Lao developed an excellent model for village participation and benefit from sustainable management of production forest that is considered worthy of replication. Because many of these activities are within the buffer zones of protected areas, more discussion can be found in the previous section. Of course, there are potential shortcomings to the application of alternative income models, which are described below.

Even when the primary objective of the project is not solely sustainable use, the preparation and implementation of natural resource management plans is a common activity. Projects that have developed such management plans with GEF support have succeeded in involving a broad range of stakeholders at many levels, from government institutions to local communities. A number of projects have actually assisted in or been responsible for drafting a management plan for a particular resource or area, such as in the UNDP project in the Bangassou forest, for which a land management master plan was drafted, along with four local natural resource management plans. Some management plans have used zoning as a way to ensure that resource use is properly managed. For example, in the UNDP project within the Jozani Chwaka Bay National Park in Tanzania, use and non-use zones have been designated through community management plans.

Of course, after drafting or developing any type of plan, the critical next step is implementation. Evidence of active implementation could be used as one indicator for measuring the desired outcome: sustainable use of biodiversity resources. There are indications that this is occurring with GEF-supported management plans. In the case of the World Bank Nanay River Basin project in Peru, a series of economically viable and ecologically sustainable alternatives for commercializing the region's natural resources have been implemented for fishing, agroforestry, and harvesting medicinal plants. In particular, the project has developed a sustainable management component based on the following central strategies: (1) adaptive management (analyzing the economic potential at the regional and community levels based on practices for access and use of natural resources), (2) spatial focus (zoning the watershed according to the use of its natural resources), and (3) time focus (identifying productive alternatives that generate results in the short, medium, and long term).

Some of the most common shortcomings in these types of projects are related to a limited capacity to commercialize the most promising biodiversity components because some of the management plans, including planned harvest regimes, are developed without determining the demand for the commodity or product. Several projects (for example, the World Bank Venezuela Llanos project) reported that serious delays in establishing the biodiversity monitoring called for in the sustainable management plans reduced the effectiveness of the necessary feedback into the management of the resource itself.

Many GEF-supported sustainable use activities are linked to creating alternative (or supplemental) incomes for local populations, but several projects reported that these activities did not produce enough cash income for these populations; thus, at the end of the day, their demand for the targeted resource had continued and, in some cases, increased (for example, the UNDP Cross-border sites in East Africa project regarding timber). In some project sites where the alternative livelihood activities in support of sustainable use were more successful, there was an influx of immigrants seeking to take advantage of new economic opportunities (for example, UNDP's Bangassou forest project). More problematic and of major concern for the GEF is that sometimes there is no

clear link between support for income-generating activities and biodiversity conservation.

In addition to project specific shortcomings, projects dealing with sustainable use also suffer from external constraints, such as those presented in Chapter 5.

> *Rec (GEF Secretariat and IAs): With regard to contributions in the field of sustainable use, there is a great opportunity to make a linkage between the operationalization of the Addis Ababa Principles and the Malawi Principles for ecosystem approach, particularly regarding the necessary legal frameworks and governance, spatial and temporal scales of management, land tenure and land-use planning, adaptive management of the resource under use, and potentially damaging impacts on ecosystems services. To improve chances of success, the operationalization of the Addis Ababa Principles should encourage partnerships between GEF and other actors, particularly the private sector, at all levels, from small-scale producers to intensified industrial production systems. If the intended use of a particular biodiversity component is commercial in nature, a business planning approach should be considered, including a market analysis for demand and a biological analysis for supply.*

7.3 Access and Benefit Sharing of Genetic Resources Between Countries

The issue of access and sharing of benefits from genetic resources is a complex one, long discussed by the Conference of Parties. The third objective of the CBD is officially described in Article 1 of the Convention as "the fair and equitable sharing of the benefits arising out of the utilization of genetic resources, including by appropriate access to genetic resources and by appropriate transfer of relevant technologies, taking into account all rights over those resources and to technologies, and by appropriate funding." (UNEP, 1992) As the financial mechanism for the CBD, the GEF is responsible for providing resources for the incremental costs of activities that support this objective and that achieve global environmental benefits.

Over the years, this third objective of the Convention has led to confusion and misinterpretation in the various contexts in which it has been discussed. Though the third objective specifically refers to "genetic resources," the "equitable sharing of benefits" component of this objective has often been separated, stretched, or expanded to include the equitable sharing of any and all benefits arising from all forms of biodiversity use. For example, reference is commonly made to sharing benefits such as tourism revenues from protected areas with local communities that live in or near these areas, who often bear a disproportionate share of the costs of the biological resources being protected by restricting access. Although this broad interpretation of benefit sharing has gained widespread political capital within the context of CBD, it does not truly fit within the third objective as it was initially conceived and formally drafted.

The third objective of the Convention, outlined in Article 15, specifically refers to "access to genetic resources." In Article 2 of the Convention, Use of Terms, "biological resources" is defined as including "genetic resources, organisms or parts thereof, populations, or any other biotic component of ecosystems." This definition of "genetic resources" as a specific component of biological resources distinguishes these resources as a unit of biodiversity to be considered in its own right, separate from other aspects. Further, in Article 2, "'genetic resources' are defined as 'genetic material of actual or potential value,' and 'genetic material' means any material of plant, animal, microbial or other origin containing function units of heredity." In other words, "genetic resources" specifically refers to genes or genetic material as a separate element of biodiversity and cannot be construed to mean all components of biodiversity including organisms and ecosystem components that *contain* genetic resources.

The equitable sharing of benefits arising from these resources is further elaborated in Article 15, paragraph 7, which states that Parties to the Convention "shall take legislative, administrative, or policy measures, as appropriate, and in accordance with Articles 16 and 19, where necessary, through the financial mechanism established by Articles 20 and 21 with the aim of sharing in a fair and equitable way the results of research and development and the benefits arising from the commercial and other utilization of genetic resources with the Contracting Party providing such resources. Such sharing shall be upon mutually agreed terms" (UNEP, 1992). Although these articles have now been subjected to many different interpretations and applications, their original intent was to address the issues surrounding bioprospecting, for example, the possibility that pharmaceutical companies from developed countries would use genetic resources from developing countries, deriving extensive profits without appropriate compensation to the country in which the resources originated. This includes the associated issues of biotechnology, technology transfer, and property rights, from local to national levels.

However, there is the desire and a strong demand to capture the broader elements of "benefit sharing" included under Article 8(j). This includes respecting, preserving, maintaining, and promoting "knowledge, innovations, and

practices of indigenous and local communities embodying traditional lifestyles" (CBD, Article 8[j]). This portion of the CBD calls upon Parties to "encourage the equitable sharing of the benefits arising from the utilization of such knowledge, innovations, and practices" (CBD, Article 8[j]). This provision was designed to address the intellectual property rights associated with the use of genetic and other biological resources. This was intended to prevent, for example, medically beneficial traditional knowledge being used for profit without proper compensation being agreed on and paid to the guardians of this knowledge.

The point of this discussion is not necessarily to strictly limit the interpretation of the CBD by the GEF with regard to equitable sharing of benefits, but to attempt to clarify some of the confusion surrounding the third objective of the CBD. This discussion is not intended to define what activities or components of biodiversity are or are not covered under the CBD; the intention here is to identify and draw a distinction between the various ways in which the concept of "equitable sharing of benefits" is currently used within the CBD and to give context to the BPS2004 assessment of performance on this objective.

> *Rec (CBD, STAP, and GEF Secretariat): Currently, access and benefit sharing is considered and applied in different ways, by different stakeholders, at different times and in different contexts. Clarity is needed among all individuals or parties involved in discussions, negotiations, or other communications involving "access and benefit sharing." Failure to identify confusion and make critical distinctions has led to widespread misinterpretation and misuse of the concepts in many contexts within the CBD; consequently, expectations have grown. In creating unrealistic expectations, the stage has almost certainly been set for widespread disappointment in the future, when any and all use of biological resources is expected to provide benefits to one and all.*

7.3.1 Findings: Access and benefit sharing

Given the current lack of clarity on access and benefit sharing (ABS) in the broader CBD context and the need for the BPS2004 to clearly define what was going to be assessed before attempting to do so, the decision was made to review ABS-related outcomes within the formal definition, limiting consideration to genetic resources rather that the broader context of equitable sharing of benefits arising from all forms of biodiversity. In the broader context, equitable sharing of benefits is often included within assessments of local benefits. An in-depth examination of this topic will be provided in the forthcoming GEF Local Benefits Study, and it is also touched upon in other portions of this evaluation.

Although the Convention recently celebrated its 10th anniversary, formal progress toward implementation of the third objective has only recently taken substantial steps forward. The first significant step towards implementation was the adoption of the Bonn Guidelines at COP6. The guidelines are non-binding, but they have helped to build momentum towards the establishment of an international regime. At the World Summit on Sustainable Development in 2002, the Parties agreed to begin negotiating an international regime, and this process was formalized at COP7 in Decision VII/19, Section D (UNEP, 2004a), which set the terms of reference for the regime to be negotiated. The GEF Secretariat has followed negotiations on the topic through attendance at meetings of the Ad Hoc Open-ended Working Group on Access and Benefit Sharing. The formal negotiation process will take place in the coming years.

The CBD has issued guidance to the GEF regarding ABS throughout the past decade (see Annex 4, COP Guidance). In particular, Decision IV/13, paragraph 8, outlined activities the GEF should finance in support of the ABS objective.

The GEF has produced reports for COP4, 5, 6, and 7 that record how it has responded to the overall guidance provided but some confusion seems to remain, even within the GEF, about the distinction between access and benefit sharing of genetic resources and the broader goal of the equitable sharing of benefits. When discussing the three objectives of the CBD in a recent report produced for COP7, "GEF and the Convention on Biological Diversity," the line between ABS and equitable sharing of benefits is severely blurred (GEF, 2004c, pg. 14); although later in the publication (pg. 27), an appropriate characterization of ABS is made. Furthermore, neither the GEF Operational Principles nor the Operational Programs have outlined specific GEF operational policies on this topic.

Although ABS has received the least attention of the three CBD objectives among GEF-funded activities, the GEF has funded a number of interventions in support of this objective. A report conducted for the CBD concluded "the second CBD review noted that the GEF had indicated a commitment to supporting specific 'benefit sharing initiatives,' such as policy, regulatory, and institutional frameworks for mechanisms that will facilitate access to genetic resources and benefit sharing" (UNEP, 2002). Countries have received funds to assess their needs and capacities on this topic through the Enabling Activities funding.

In addition to enabling activities, some GEF-supported projects have addressed ABS issues within project designs, either at a primary or secondary level. The GEF-produced report for COP5 (UNEP, 2000b) was specifically intended to outline GEF contributions to the ABS objective. However, the project-specific information in this document was drawn entirely from project planning documents, and there is no discussion of implementation or post-implementation results or achievements. This report did point out that a majority of the projects recently approved under OP13 have objectives relevant to ABS activities. Although the GEF Biodiversity Program has approved a number of projects that have endeavored to address ABS issues, in reviews conducted for the BPS2004, few projects reported on this topic, achievements or otherwise. In the future, perhaps achievements may be quantified through documentation of intercountry ABS agreements created with GEF support (such as bioprospecting contracts between governments or local communities and multinational pharmaceutical companies). Within the BPS2004 cohort, some examples of projects working on ABS issues include two UNDP initiatives, Peru's In-Situ Conservation of Native Cultivars and Their Wild Relatives and A Dynamic Farmer-Based Approach to the Conservation of African Plant Genetic Resources in Ethiopia.

In addition to projects that specifically address ABS issues, the GEF Biodiversity Program has also supported projects that work on taxonomy issues, which are linked to ABS activities. To be able to work within the ABS objective in the long term as outlined in Article 15 of the CBD, countries will need to know what the genetic resources within their boundaries are. Therefore, taxonomic initiatives can play an important role in the identification and classification of genetic resources (see Taxonomy section below).

In the coming years, the COP will be negotiating a regime regarding ABS. Once this regime is in place and distinctions have been clarified, the GEF Biodiversity Program will have a greater ability to appropriately direct its resources. The GEF Biodiversity Task Force discussed this issue internally.

7.4 Enabling Environment and Mainstreaming Biodiversity

7.4.1 Findings: Enabling environment

The majority of GEF-financed projects include components that seek to improve the enabling environment for conservation and sustainable use of biodiversity. "It is widely recognized that a number of factors such as policy, information, capacity, and finance often play major roles in limiting progress towards halting biodiversity loss and degradation" (GEF, 2003a). These contextual factors are generally known as the enabling environment, though many different types of factors can be included. Some GEF projects also address the enabling environment at the international level through such activities as international policy, international development, and information exchange and research.

7.4.1.1 Creating and implementing national policies or legislative action

GEF projects have documented a wide range of achievements in influencing policy and legislation. Overall, more than 50% (68) of projects reviewed reported achievements in this area. Many projects have worked on protected area legislation and have helped countries develop stronger protected area systems. Some projects have also worked to secure the legal status of one particular protected area (see findings in Biodiversity Conservation section above).

A number of projects reporting achievements have worked on legislation related to land use and natural resource management. In Côte d'Ivoire, for example, a UNDP project to control aquatic weeds has provided important contributions to water policy and regulation. The GEF has also contributed to policy and legislative issues in sectors relating to the sustainable use of biodiversity, such as hunting, fishing, forestry, agriculture, and tourism.

There have been setbacks on the legislative front as well. Projects have faced many unexpected delays in legislative processes that have diminished project achievements, sometimes due to poor project coordination or interaction with government actors. In some cases, vague, unclear, or inappropriate government policies remain in place. A lesson learned in the UNDP South Pacific Biodiversity Conservation project and the UNDP Belize Co-management project, which has broader applications, was that community-based conservation cannot be sustained in the absence of supporting national policy and legislation, and projects should include components to ensure that this is addressed in the initial phases.

Regarding the implementation or enforcement of national policy or legislation, 21 projects in the BPS 2004 cohort reported achievements, such as the enforcement of protected area laws.

7.4.1.2 Public awareness and environmental education

In the area of public awareness and education, a majority of GEF projects have reported performance through outputs,

but little information about the achievement of measurable outcomes is given. Roughly two-thirds of projects (87) in the BPS 2004 cohort reported achievements at the level of improving public awareness and environmental education. Some projects report that awareness was raised within the community or target population. For example, the World Bank Indonesia Biodiversity Collection project translated field guides into 14 local languages, and the UNDP Sudan Dinder National Project has raised awareness about the park in the surrounding village development committees. Overall, GEF projects have worked with nearly every form of media to raise awareness: radio, television, posters, community outreach, and artistic performances.

While the majority of projects have focused on public awareness at local or national levels, it has also been observed that the very existence of the GEF has raised the level of global awareness regarding biodiversity conservation. Although measuring either global public awareness of biodiversity conservation or the specific influence of the GEF would be impossible, practitioners have posited that the GEF's existence has had a net positive influence in the realm of public awareness. Other observers, however, have suggested that the international profile of biodiversity conservation has waned in recent years, after reaching a peak in the years following the 1992 Rio Earth Summit.

At local, subnational, and national levels, numerous and extensive environmental education programs have been conducted, though the number of students or schools targeted cannot be quantified at this time. The UNDP Barrier Reef project in Belize reported that the project's public information and education component was widely acclaimed, and such components have been cited as one of the most important techniques for bringing about long-term environmental awareness and action. In the UNEP China Lop Nur project, the public awareness activities carried out in the areas near the new nature reserve have been so successful that other areas in Xingjiang, and other provinces in China, are also interested in participating.

Few projects reported troubles in this area, but there were some consistent themes. The most common shortcoming was that, despite some progress, there was much more that needed to be done. In some cases, this resulted from projects not reaching the full audience necessary to achieve objectives. This difficulty was encountered in UNEP's Global Biodiversity Forum (GBF) project, in which a significant number of delegates to the COPs were still unaware of the GBF's existence. Some projects noted approaches to public awareness and education that should have been more strategic.

Some important lessons have come from environmental education and public awareness efforts. To have the greatest impact, environmental education materials should be tailored as much as possible to the specific locale of the students and teachers. To improve the effectiveness of such programs, local teachers should be involved in planning education and awareness programs.

> *Rec (GEF Secretariat, GEFM&E, IAs): To assess the outcomes of public awareness and environmental education projects, baseline studies should be conducted on behavior and awareness levels prior to the implementation of activities, and follow-up studies should be conducted at intervals to identify changes in behavior.*

7.4.1.3 Partnerships

More than 50% of projects (73) in the BPS 2004 cohort reported achievements on creating partnerships. Partnerships are, in fact, fundamental for the GEF to realize its full potential as a catalytic institution. The range of partners in GEF projects is extensive and includes local and national government; local, national, and international NGOs; academia; the private sector; donors; other general stakeholders; and other projects and other international initiatives.

Partnerships are important because they serve as a means to achieve goals that could not be reached by one of the partners alone. By working with other stakeholders that have similar or complementary objectives, projects can increase the likelihood of sociopolitical sustainability (discussed in Chapter 8). One particularly insightful report writer said the following:

> *"Conservation of biodiversity is not the concern of only scientists, government officials, international NGOs, civil society, or local populations; it requires contributions and cooperation from all of these with the government retaining the initiative and overall leadership. For partnerships to be effective, roles and responsibilities of partners must be clearly spelled out from the start, in contracts for which signatories are fully accountable. The coordination, reporting, and information exchange mechanisms must also be defined clearly from the start. Government ministries in charge of forestry and wildlife have 'public authority' duties, which are to enforce forestry and hunting laws and regulations. This culture of law enforcement needs to be adapted in order to increase compatibility with the participatory and educational approach required to achieve the objectives of conservation."*

One example of a well-known partnership in which the GEF is involved is the Critical Ecosystem Partnership Fund (CEPF). This project involves many different types of partners, including NGOs, multilateral organizations, bilateral agencies, and foundations. The CEPF is an innovative mechanism for distributing funds for projects that are

smaller than the typical GEF FSP, although the CEPF has yet to fully demonstrate its effectiveness since it has been in implementation for just a few years.

The most obvious area for improvement in GEF projects is increasing partnerships with private sector actors. This has occurred to some degree, but there is much more potential for private sector actors to become key players in biodiversity conservation activities. As noted in other contexts, government institutions seem to have some difficulty operating in partnerships, and some partners need capacity building, time, or both to become fully engaged. It was also observed that partnerships that do not work, for whatever reason, can threaten the achievement of outcomes for an entire project.

The GEF has greatly benefited from partnerships with partners possessing high technical capacity, such as NGOs, other international agencies and institutions, and international think tanks; this approach should be further encouraged. One important lesson learned during this study was that partnerships with NGOs on the ground can serve to maintain project stability and continuity in areas experiencing political instability, civil strife, or even war (see External Constraints in Chapter 5). Potential benefits from additional technical partnerships in areas of project design, implementation, and even identification of strategic actions should be further explored.

7.4.1.4 Targeted research, information generation, and knowledge sharing

This is another area where more than 50% of projects (75) have reported achievements. It is natural that GEF projects would generate a large volume of knowledge; in almost all cases, there is research conducted on all different aspects of ecological components, as well as other elements of the project environment (even if this rarely results in the establishment of baseline biological data!). Many projects also continue to monitor biological data in one way or another, and these data are recorded and occasionally published. Some projects, though, face difficulties with budgets that are insufficient to meet knowledge generation needs. Information is only useful if it is transformed into knowledge and utilized, however, and problems have been encountered in the linkages between project-generated knowledge and the use of that knowledge for resource management or planning purposes. A good practice can be found in the World Bank's Guatemala Laguna del Tigre project, where communities were involved in the research process as both a source of information and as data collectors. Analyzing information and communicating results to the community has raised people's awareness about the importance of such knowledge for managing vulnerable areas. Complementing this was the lesson that a lot of information can be gleaned from knowledgeable local sources who are willing to share with other local stakeholders and scientists. In UNEP's Global PLEC project, assessing and monitoring locally developed practices of resource management and cultivation at demonstration sites has enabled PLEC scientists to identify and understand the successful systems and technologies that enable people to integrate their livelihoods with ecological processes.

An equally large number of projects reported achievements in knowledge sharing as in knowledge generation. To be successful in this area, projects must establish a system for collecting, recording, analyzing, storing, and sharing information acquired from the project's outset. To that end, projects have held or participated in workshops, meetings, conferences, and other information-sharing opportunities. Publishing scientific papers is another method that projects have embraced to disseminate their knowledge and experiences. Some projects have produced publications such as brochures, maps, and reports. A number of projects have embraced the Internet as a means of knowledge sharing, but this is highly dependent on technical capacity, which has been a constraint for print-based methods as well. Some projects' most significant shortcomings in this area have included severe delays in knowledge sharing and at times a complete failure to produce reports and publications as planned. Regarding the inflow of relevant information from outside the project, a small number of projects reported inadequate learning and communication from external actors.

7.4.1.5 Tool and technology development

Approximately 40% of projects (50) in the BPS2004 cohort reported achievements in tool and technology development. More than half of the projects reported working with Geographic Information Systems (GIS) technology. Approximately one-third of projects reported working on or with electronic databases, though the number of projects that are engaged in this activity may be greater because databases of one kind or another are such critical tools for many aspects of project implementation. About one-quarter of projects have developed maps or conducted mapping activities, sometimes in conjunction with GIS technology. A similar number of projects reported working with "information systems," which is presumed to mean a system of collecting, documenting, and sharing data. Few projects reported shortcomings in this area, but the most frequently cited problem is the limited technical capacity. Internet and GIS-based systems were cited for demonstrating transparency in information sharing and have proven to be an effective means of achieving consensus or resolving disagreements

between stakeholders. In the World Bank Red Sea project in Egypt, GIS technology was used to help achieve consensus on management issues.

There can also be a down side to these types of technology as well. While GIS tools can have positive contributions, many problems are associated with these systems. In particular, they are costly to design and complex to operate, can be over-designed relative to project needs, and may be unsustainable. Because many of these problems may occur after project completion, however, they are difficult to find in project reporting documents.

7.4.1.6 The problem of measuring outcomes when improving the enabling environment

While much work remains, and improvements are needed in the way GEF projects seek to influence the enabling environment, overall, the GEF Biodiversity Program has performed well in this area (particularly in the delivery of outputs). The difficulty comes in quantifying the achievement of outcomes. Clear and easily measurable indicators to track changes in the enabling environment are not currently in operation[6], and even if they were, many projects are not documenting their progress in quantifiable ways. The process for measuring changes in the enabling environment is no different than that for measuring changes in biodiversity. A baseline must be established, and a follow-up assessment must take place once activities are complete. In the case of public awareness and environmental education, this could take the form of a social attitudes survey. Outcomes may be more difficult to measure in areas such as partnerships and knowledge sharing; these subjects may only be measurable in terms of outputs, but they need to be quantified and aggregated in a meaningful way nonetheless. Though the GEF Biodiversity Program can document many outputs in this realm, whether or not they are sufficient to reduce negative pressures and deliver positive outcomes for biodiversity remains to be seen.

7.4.2 Mainstreaming biodiversity

There has been a great deal of discussion in recent years about the concept of "mainstreaming biodiversity" and its necessity for biodiversity conservation. Not unlike the issue of ABS, confusion remains about what exactly mainstreaming encompasses. Though debates over mainstreaming are likely to continue for some time to come, for the purpose of BPS2004 to be able to review and evaluate the achievements and shortcomings of the GEF biodiversity portfolio in this area, it was necessary to have an operational definition of mainstreaming.

Article 6b of the CBD provides a definition of mainstreaming, "…integrate as far as possible and as appropriate, the conservation and sustainable use of biological activities into relevant sectoral and cross-sectoral plans, programmes, and policies" (UNEP, 1992). However, when looking for the definition of mainstreaming in the context of the GEF, some confusion arises. For example, when discussing sustainable use, the GEF's Operational Strategy includes the concept of integrating biodiversity considerations within the production sectors of an economy (GEF, 1996a). The GEF Council also recently highlighted the importance of cross-sectoral mainstreaming as "…. an effective institutional and enabling environment where biodiversity has been mainstreamed across the sectors. This is not an option; in fact, it is critical for ensuring sustained biodiversity benefits. Unless the institutional structures of a country are reinforced to mainstream biodiversity, they remain vulnerable (to alternative development options) and may become islands (in which case the biodiversity value may get eroded over time)" (GEF, 2002b). Furthermore, the GEF Council has requested that during the implementation of GEF3, mainstreaming or integrating biodiversity conservation among relevant sectors should be a primary focus (this is known as the second strategic priority) (GEF, 2003c).

One way of operationalizing the concept of mainstreaming could be to consider the level in which the mainstreaming is taking place (Table 7.2). Some GEF projects have worked at the policy level, seeking to integrate biodiversity considerations into sectoral plans and policies and to establish a more favorable enabling environment for biodiversity conservation. Other projects have worked within the existing policy environment in order to demonstrate effective approaches for integrating biodiversity conservation. It is recognized that these two approaches are mutually supportive—not only may modifications to the existing policy environment be required in order to effect on-the-ground demonstrations, but effective demonstrations may also catalyze any required policy changes, or more generally, changes to the regulatory framework affecting biodiversity conservation. Modifications

6. See the GEF M&E publication "Measuring Results of the GEF Biodiversity Program" for a discussion on indicators for the enabling environment (GEF, 2003a).

to the enabling environment may focus on changes at the national level or at some local or subnational level.

To date, GEF projects have mainly focused on mainstreaming biodiversity within relevant sectors (such as agriculture, forestry, fisheries, and tourism) and have not addressed cross-sectoral needs (such as finance, energy, transport, mining, and health). Furthermore, projects have mainly targeted their activities to government institutions and not the private sector, for example.

Table 7.2. Typologies of GEF-Supported Mainstreaming Projects

	Local/sub-national	National
Enabling Environment	Many GEF projects in this category	Many GEF projects in this category
Demonstrations	Many GEF projects in this category	Few GEF projects in this category

The World Bank is pursuing a policy to increase "blended" projects, that is, development projects that include a small GEF biodiversity component coupled with a larger component related to a relevant sector like forestry. Because of the volume of lending the World Bank conducts, the potential to expand biodiversity mainstreaming through the vehicle of blended projects is potentially very great. The important objective, however, will be to ensure that a biodiversity conservation component does not become a small and unimportant incentive to recipient countries and instead maintains its own profile and priority. According to Pagiola et al., "As an implementing agency for the Global Environment Facility, the Bank has a direct responsibility to help client governments place biodiversity in the mainstream of development" (1998).

The overall volume of development work conducted by UNDP is far less than that of the World Bank, and thus the GEF component makes up a much larger percentage of the overall UNDP portfolio. The mainstreaming of biodiversity is an active objective within the UNDP portfolio, and UNDP contributed to the BPS2004 examination of this topic.

With UNEP's primarily environmentally focused mandate, addressing mainstreaming of biodiversity is an inherent component of UNEP activities. UNEP has worked to ensure that its GEF-related activities are complementary and synergistically related to its regular program of work, while integrating GEF objectives and activities with UNEP's overall management and programming. Mainstreaming, in a broad sense, can be considered related to nearly all UNEP activities, but is specifically addressed through UNEP's policy development, implementation, environmental convention, and communications activities (GEF, 1999a).

7.4.3 Findings: Mainstreaming biodiversity

One way in which projects are mainstreaming biodiversity at the local or subnational level is through linking government agencies with local-level actors. In the UNDP China Yunnan Upland Ecosystem project, co-management councils created by the project to improve biodiversity considerations served as a bridge of coordination between the county government and villagers. In the World Bank Ghana Natural Resources Management project, a major outcome of the sectoral reform has been a shift of focus by the government from a purely command-and-control style to one that ensured greater consultation and cooperation with all key stakeholders, especially local communities under a community-state collaborative management approach.

At the national level, projects are providing technical assistance to governments during their planning and management exercises to ensure that there is a greater awareness of biodiversity considerations. One particular area is when projects are working in production areas, introducing principles of conservation biology. In the World Bank Belize Northern Biological Corridors project, although the government does not legally recognize corridors, government planning officers are considering corridors in their planning activities, as in the case of the land management programs of the Ministry of Natural Resources. Furthermore, mainstreaming can help bring government agencies together that are not used to working with each other and can create synergies, such as those developed in the World Bank Egypt Red Sea project.

Successful mainstreaming is strongly tied to societal and political commitment as well as country ownership, which is discussed under sociopolitical sustainability in Chapter 8, Guiding Principles.

Although there has been some progress in the realm of mainstreaming, many difficulties have been encountered. At the national level, the most common problem is a lack of true commitment to the incorporation of biodiversity considerations by the government. In many projects, the government has opted for approving a development or infrastructure project that completely undermines the mainstreaming efforts supported by the GEF.

Through demonstrations at the local or subnational level, positive lessons have also been identified. When conducted at the appropriate levels, mainstreaming can empower communities to exert their rights to conserve and protect biological resources. In the UNDP Belize Barrier Reef project, the Caye Caulker experience demonstrated that the process may provide a forum for citizens to examine and discuss issues affecting their community, thereby creating ownership by the community of resource management.

A few GEF projects have worked to involve the private sector in mainstreaming activities. The range of private sector actors targeted in those cases is quite surprising, including small independent farmers and multinational oil corporations. In the UNEP China Lop Nur Nature Reserve project, training sessions and awareness programs were held for miners, and Shell China attended a management workshop to provide information about natural gas pipelines. To be successful in this area, however, it is necessary to understand the roles, motivations, and impacts of private sector actors, and then to leverage these factors in a positive way. Often private sector actors need benefits and incentives to be evident for them to become meaningfully engaged.

The dominant lesson that emerges at all levels is that mainstreaming takes time—usually far more time than the length of a GEF project, and it is often underestimated in project planning documents. It has been shown that it is important to both select the appropriate government agency to work with and ensure that they are engaged at the proper time during project preparation, which is *not* when the project actually begins. Many projects that have been successful in mainstreaming benefited by following on from prior capacity building interventions. This linkage is also related to the discussion on sustainability, especially with regard to capacity building for institutional sustainability (see Chapter 8).

Regarding the design of mainstreaming projects, it was noted, "The need for indicators (economic, social, and biodiversity) to measure impact is important. An assessment of the degree to which mainstreaming prerequisites and stimuli are met in project development and design stages, and the degree to which the principles of the ecosystem approach are met, might serve as excellent predictors of success" (Huntley, 2004). In addition, when reviewing proposals for GEF funding, sector-specific considerations need to be addressed. For example, there are few instances of mainstreaming in herding systems, so proposals involving such land use systems should be supported by especially rigorous problem analyses and clear and convincing project strategies.

To help avoid conflicts with other government priorities during project implementation, country ownership and national commitment need to be demonstrated. This could be evidenced through stronger government commitment levels or higher required levels of government co-financing. Building on the previous discussion on partnership, successful mainstreaming requires partnerships based on strong communication, trust, and good coordination.

Over the long term, successful mainstreaming of biodiversity considerations in all aspects of society and governance will be the surest way to guarantee conservation gains. GEF-supported projects have had some successes in this area and have come away with some lessons. However, a word of caution must be noted, as the goal of mainstreaming is to elevate the conservation of biodiversity to appropriate levels of priority across all relevant sectors of society; those working on integrating biodiversity in sectors that affect natural systems must ensure that mainstreaming does not reduce biodiversity to an afterthought in a "business as usual" scenario. By integrating biodiversity into economic, development, and other sectors, there is always a risk that biodiversity conservation will be mainstreamed straight to the bottom of the priority list, diluting the biodiversity concerns to levels such that biodiversity is no longer on the list at all (Lapham and Livermore, 2003). To avoid this, proponents should seek to raise the profile of biodiversity conservation in both technical and political realms.

As previously discussed, the mainstreaming of biodiversity in production sectors is now one of the GEF's strategic priorities for biodiversity over the coming years. To track progress toward achieving this strategic priority, a number of outcome-level targets have been developed including millions of hectares in production landscapes and seascapes contributing to biodiversity conservation or the sustainable use of its components. To help track progress against these targets, the GEFM&E Unit and the GEF Secretariat are developing a tracking tool for projects working in the production environment. Once finalized, this tracking tool will be implemented throughout the course of GEF3.

> *Rec (GEF Secretariat and STAP): Currently, the concept of mainstreaming biodiversity is defined and applied in different ways and in different contexts by different actors. This results in operational complications for the GEF Secretariat and the IAs. Given that mainstreaming is the second of the recently articulated Strategic Priorities, guidelines and clear definitions should be developed to clarify exactly what types of activities, processes, and interventions are covered under the mainstreaming concept in the GEF context.*

7.5 Other Areas of Achievement

7.5.1 Invasive alien species

The Secretariat of the CBD has identified the threat to biodiversity posed by invasive alien species as second only to that of habitat loss, and Article 8(h) of the CBD calls on all Parties to "prevent the introduction of, control, or eradicate those alien species which threaten ecosystems, habitats, or species" (UNEP, 1992). At COP4, the Parties to the CBD decided that invasive alien species were a cross-cutting issue within the Convention and particularly threatening to geographically and evolutionarily isolated ecosystems, such as Small Island Developing States. At its sixth meeting, the COP adopted a set of 15 guiding principles for the control and eradication of invasive alien species and formalized its relationship with the Global Invasive Species Programme (GISP) as the international thematic focal point under the Clearing-House Mechanism of the CBD (see Annex 4 on responsiveness to COP guidance). GISP, which now serves as an information-sharing and capacity-building network, grew out of a partnership between UNEP and a number of NGOs and research institutions.

Of the 141 GEF projects assessed in this study, only nine (6%) had specific objectives directly related to the control of invasive alien species. This likely underestimates the amount of invasive alien species work now in the portfolio (see Table 3.7), as many other biodiversity projects may include some small element of weeding out non-native vegetation or eliminating alien predators. All three IAs have managed invasive alien species projects.

Designed to develop and disseminate best practices and lessons, the global UNEP project on invasive alien species was one of the most interesting and potentially influential of the GEF invasive alien species projects. The project filled a critical gap in scientific knowledge regarding ecosystem restoration. The project's outputs are being disseminated through workshops and publications with additional outreach activities planned. An example of a national project is the World Bank project in Mauritius, which could be used as a model for invasive control in the island context. The project has resulted in the clearing of 90% of the island Ile aux Aigrettes of alien weeds, allowing for the restoration of the last significant remnant of Mauritian coastal ebony forest. On Round Island, the project used a trial and error process of adaptive management, fostering the iterative development of a complete understanding of the Round Island ecosystem and, subsequently, more effective invasive alien species control strategies.

Three other national projects to control invasive alien species are the UNDP project in Côte d'Ivoire (reduction of aquatic weeds in rivers and coastal lagoons) and the World Bank projects in Seychelles (eradication of rats on three islands to restore the habitat for endangered, endemic birds) and South Africa (clearing alien plants in the biodiversity-rich Cape Floral Kingdom). All three projects have reported improved integrity of ecosystems, strengthened local capacity, and increased awareness of the importance of biodiversity and the threats posed by invasive alien species.

7.5.2 Taxonomy

The conservation of biodiversity hinges on the development of a strong scientific understanding of the world's species and ecosystems. Taxonomy—the identification, formal description, classification, and naming of species—allows conservation projects to proceed in an informed, scientific manner. Under the direction and guidance of the COPs, the CBD and its SBSTTA developed the Global Taxonomic Initiative (GTI) (see Annex 4 on responsiveness to COP guidance). The objectives of the GTI are twofold: assess and build the capacity of individuals around the world to undertake taxonomic research and generate and share taxonomic information to promote effective decision-making.

Of the 141 GEF biodiversity projects assessed for this study, 14 projects (10%) had objectives directly related to taxonomy. The cohort of projects did not include enabling activities, which may support taxonomic research or capacity building through National Biodiversity Strategies and Action Plans (133 GEF grants awarded) and National Capacity Needs Assessments (51 GEF grants awarded). A number of the taxonomy projects in the cohort involved the inventory and assessment of agrobiodiversity resources, including medicinal plants and indigenous crop varieties. Other projects focused on the maintenance of biodiversity collections and the creation of databases, networks, and other information-sharing strategies.

A regional UNDP taxonomy project in southern Africa, SABONET, established a website for botanical knowledge sharing, the compilation of Red List data, and other monitoring checklists. Although there has been limited outreach to a broader audience, due largely to limited capacity to produce publications with interest to a broad audience and then disseminate them, the training involved in this project is believed to have created a new generation of biodiversity specialists and influenced the development of NBSAPs in some of the participant countries. The project has also been replicated by a project currently in the pipeline called

BOZONET, which aims to create a similar taxonomic network in East Africa. The World Bank Biodiversity Collection project in Indonesia illustrates the substantial amount of resources needed to create and maintain biological collections, especially in developing countries. Despite exceeding restoration goals, the share of the collection restored represents only about 12% of the estimated two million specimens in the herbarium.

The World Bank's Biodiversity Resources Development project in Costa Rica collected specimens, cataloged taxonomy, and disseminated the information as part of its implementation, but most importantly, the executing agency, Instituto Nacional para la Biodiversidad, negotiated competitive business relationships with biopharmaceutical and biotech companies, including a research agreement with five different companies to explore new natural substances to be developed into potential bio-products (this also relates to GEF work on ABS discussed earlier in this chapter). Although the impact of this program on the environment and economy of Costa Rica has yet to be determined, it highlights the importance of moving beyond taxonomic research and capacity building in isolation. This conclusion is further supported by a regional World Bank project on information management in the Congo Basin. Despite the establishment of environmental libraries in the six countries involved and the creation of a database and related documents of taxonomic information, the reviewers found that this project had failed to meet its objective of influencing decision-makers. Without continued work to apply the results of taxonomy projects in identifying biodiversity conservation priorities or creating sustainable markets, current taxonomy efforts may have little more impact than the identification and cataloguing of a steady stream of species that disappear into extinction.

7.5.3 Agrobiodiversity

Agrobiodiversity refers to the diversity of plants and animals that is integral to human food production systems. Although agricultural landscapes are managed by and for people, they function much like any other ecosystem, with services provided through a complex web of interactions, from pollination and decomposition to pest control. About 7,000 plant species have been cultivated and collected for food by humans since agriculture began about 12,000 years ago. Today, only about 15 plant species and eight animal species supply 90% of our food (UNEP, 2004b). The decreasing diversity of agricultural systems has environmental, economic, and sociocultural implications. GEF's Operational Program 13 (OP13) supports the conservation and sustainable use of biodiversity important to agriculture.

The agrobiodiversity operational program (OP13) grew out of guidance by the COPs and initiatives developed by the CBD and SBSTTA (see Annex 4 on responsiveness to COP guidance). At its fifth meeting, the COP approved a multiyear program of work on agricultural biodiversity, and started an International Initiative for the Conservation and Sustainable Use of Pollinators in Agriculture. The work program applied the "ecosystem approach" of biodiversity conservation to productive landscapes, paving the way for the creation of OP13 in 2000. Another source of guidance relating to agrobiodiversity was the adoption of the Global Strategy for Plant Conservation at COP6, which included the following targets: at least 30% of production lands managed consistent with the conservation of plant diversity (target vi) and 70% of the genetic diversity of crops and other major socioeconomically valuable plant species conserved, and associated indigenous and local knowledge maintained (target ix).

Of the 141 GEF biodiversity projects assessed in this review, nineteen (13%) could be considered as working on issues related to agrobiodiversity, for example, involving agricultural landscapes, farmers, and traditional agricultural practices.[7] Agricultural biodiversity projects in the cohort include the development of biodiversity conservation policies for the farmland in the UNDP Fertile Crescent of the Middle East, the presentation of best practices for the sustainable use of African grasses and associated insects (UNEP), the promotion of organic and shade-grown coffee in Mexico (World Bank), and the creation of a network of conservation-oriented farmers in Peru (World Bank). Although a few projects potentially dealt with pasturelands, no project specifically targeted livestock and pastoralists, with all focusing on plant and insect agrobiodiversity issues.

The monitoring and evaluation of locally developed farming practices at demonstration sites enabled scientists from the UNEP PLEC project to learn about how people integrate their livelihoods with ecological processes. The program also helped to strengthen farmers associations, engendered appreciation for the value of landscape-level diversity in agriculture among a large number of stakeholders, and developed and refined sustainable models for agriculture.

In response to previous efforts to conserve crop diversity through ex-situ gene banks, which isolate landraces from their associated pests, predators, pathogens, and traditional farmer knowledge, A Dynamic Farmer-based Approach to the Conservation of African Plant Genetic Resources was implemented in Ethiopia by UNDP. Through this project, 12 community gene banks have been constructed and are managed by conservation associations, and over 2,300 farmers

have been trained in in-situ conservation and management practices. An initial obstacle to this project was the Ministry of Agriculture's preoccupation with high-yield crop varieties, as opposed to the "farmer varieties" promoted by the project. However, the adoption rate of the farmer varieties was very high due to low levels of inputs, minimal risk, better adaptation to marginal conditions, and superior culinary, nutritional, and straw qualities.

One important additional requirement for any agrobiodiversity project that attempts to bridge conservation and economic development—for example, the financing of shade-grown organic coffee—is the identification or development of an appropriate market for goods before launching a potentially economically and ecologically unsustainable investment. This proved to be the downfall for a World Bank coffee project in Uganda, where insufficient market research doomed the project to failure when participants realized the certified wild and shade-grown coffee did not result in enough income to sustainably support the community or protected area. Due to premium prices secured by the Rainforest Alliance, a similar shade-grown coffee project in El Salvador (also implemented by World Bank) has achieved much greater success: certified shade-grown organic production on 44 farms, with another 180 in the process of certification, educational outreach programs to over 2,000 children and adults, and the briefing of over 600 farmers in shade growing techniques. However, moving to the level of outcomes, there is no compelling data that certified organic coffee production has actually reduced the pressures on biodiversity in these sites.

Agrobiodiversity projects have the potential to combine sustainable use and biodiversity conservation through the promotion of healthy, productive, income-generating landscapes. As the projects discussed illustrate, this begins by providing alternative, less-destructive livelihoods, discouraging habitat destruction and potentially damaging high-input, high-yield monoculture, and creating networks of conservation-oriented farmers. However, the true impacts of these projects on biodiversity will likely be subtle and hard to measure, especially in comparison to conventional protected area approaches.

7.5.4 Small Grants Programme

Since its establishment in 1992, the Small Grants Programme (SGP) has provided a window for working with communities to reconcile local needs and global environmental priorities. Chapter 3 presented a description of the SGP portfolio, its average project size and overall expenditure. The program has been praised not only in its formal evaluations (Wells et al., 2003; Wells et al., 1998), but also by the GEF's harshest critics (Horta et al., 2002; Young, 2002).

In April 2003, the Third Independent Evaluation of the SGP was completed by a team of external consultants (Wells et al., 2003). This evaluation noted that the SGP had become the permanent public face, in fact, the "human face," of the GEF in many countries. The SGP is well respected by government agencies and other donors and has influenced a whole generation of NGOs and CBOs. The SGP portfolio was commended for being very cost-effective and supporting innovative projects, and its transparent, participatory, country-driven approach to planning and implementation was observed to be strongly conducive to project sustainability. Noting how the program bridges the CBD goals and the Millennium Development Goals, the evaluators commented, "SGP is clearly operating at the cutting edge of international efforts exploring the synergies—and sometimes the incompatibilities—between environmental conservation and poverty alleviation at local levels" (Wells et al., 2003). The evaluation strongly urged an increase in the resources available to the SGP, especially to support the over-extended National Coordinators, growing demands on central staff due to country expansion, and limitations on management expenses.[8]

Wells et al. (2003) noted that the SGP's portfolio in biodiversity had evolved and improved in terms of methodologies and partnerships since the previous evaluation in 1998. The evaluation found that biodiversity projects funded by the SGP seemed to be consistent with national conservation priorities, although their contribution to global priorities and goals is still, perhaps, debatable. The SGP also appeared to be very successful in supporting innovative biodiversity projects outside the traditional protected areas, including activities on medicinal plants, sustainable forestry, and agricultural biodiversity.

As this study amply demonstrates, the impact of any biodiversity intervention is difficult to assess, and this is especially true of the small-scale, locally based programs of the SGP. One SGP country office has attempted to quantify the global benefits of their local actions, a useful exercise that could be replicated by other countries. The Mexico SGP estimated

7. None of the agrobiodiversity projects in the BPS2004 cohort were officially approved under OP13 as it has only recently been created, and they thus fell under other operational programs at the time of approval. At the time of writing this report, eight OP13 projects had begun and another six were pending or in the pipeline. See Chapter 3 for a relative comparison of the GEF OPs.

that it is conserving 127 species and 57,716 hectares of habitat, preventing the annual emission of over two million tons of carbon dioxide, and helping thousands of people. Although this may not seem like much on its own, when the effects of thousands of small grants across 73 countries are added up, the results are likely to be much more significant. In an effort to further support local initiatives related to globally significant sites, SGP joined with the United Nations Foundation in 1999 to create the Community Management of Protected Areas for Conservation project (COMPACT). At the end of 2003, COMPACT had committed an estimated $6 million to support community-led initiatives to increase the effectiveness of biodiversity conservation in UNESCO World Heritage Sites of biological significance.[9] The SGP is planning two exercises in the future that may provide additional assessment of its impact on biodiversity: (1) an overall review of biodiversity projects; and (2) an extensive ex-post project study on the medium-term impacts of SGP projects completed at least three years ago.

The Third Independent Evaluation concluded that the most significant impact of the SGP will not be its direct influence on biodiversity, for example, through protected areas or habitat restoration, but rather the indirect impact of widespread capacity building, policy reform, improved awareness, and the empowerment of local communities to take effective conservation action. These benefits are not easy to measure or track, but the evaluators encouraged the development of a system to document off-site, indirect, and longer term SGP impacts, especially as, "the overall long-term global benefits from SGP activities will be considerable, and are likely to exceed the global benefits generated by most larger projects with financial resources comparable to or even exceeding the entire SGP budget" (Wells et al., 2003). The SGP's on-going overall review of biodiversity projects, mentioned above, may shed valuable light on SGP's true biodiversity impacts.

Rec (GEF Council): Building on the findings of Wells et al. (2003), this study concurs that not only should additional resources be put into this funding modality, to better ensure the capacity and commitment being built at local levels, but that additional mechanisms for the disbursement of funds to projects in the $10,000 to $100,000 range should be sought by the GEF.

8. The SGP is required by UNDP and GEF to keep management and administrative costs below 25% of their funding.
9. The COMPACT program works in six natural heritage sites in Tanzania, Kenya, Mexico, Belize, Dominica, and the Philippines.

8. Implementation of the GEF Guiding Principles: Focusing on sustainability

Though the GEF applies a number of distinct criteria to review the eligibility of proposed projects, the BPS2004 considered them all together within the context of sustainability. The ability to sustain project outputs (when applicable) and project outcomes underlies virtually all the guiding principles of the GEF. While the challenge of achieving sustainability has occasionally been met in GEF projects, in most instances it remains elusive. This result is common to many projects in the field of biodiversity conservation, as well as in the broader development assistance context.[1] In large part, this difficulty stems from the fact that there are many different dimensions of sustainability: financial, institutional, technical, ecological, and sociopolitical, but these are not always recognized and addressed as such. Additional challenges stem from the fact that because biodiversity is a common access resource, many of the benefits are diffuse and only accrued over extended time frames. This chapter will try to explore these dimensions and challenges. Further discussion on the issue of sustainability in the context of the GEF can be found in several GEFM&E Unit reports (GEF, 2000b; GEF, 2002c; GEF, 2003h; GEF, 2004b).

A special in-depth review conducted on 34 completed projects by this study (see Chapter 7 for description) revealed that important outcomes are not likely to be sustained in about two thirds of these projects: more than half of World Bank (13 out of 21) and UNDP projects (6 of 10) and all UNEP projects (3 of 3).[2] This is a noteworthy conclusion given that, if this pattern is not reversed, it is highly likely that all of the notable outcomes and achievements presented in the previous chapter will not be sustained after project completion. In particular, these completed projects point out that life after project completion will continue to be dependent on external financial, institutional, and technical support. Although there are some good examples of projects that have ensured (at least at project completion) sustainable long-term funding (for example, the World Bank Mexico Protected Areas), the majority are struggling with this issue. This chapter explores, in detail, the achievements and shortcomings regarding the sustainability of the BPS2004 cohort of projects.

8.1 Financial Sustainability

Financial sustainability has been one of the most challenging issues within the realm of biodiversity conservation, as has been highlighted in several evaluations both at the program and project levels. This can be attributed, for example, to the generally high cost of biodiversity conservation; a recent study estimated the cost of establishing and running a representative global network of protected areas at $23 billion annually for the next 10 years (Balmford et al., 2003), and an additional investigation suggested that financing needs are at least an order of magnitude greater than what is currently available (Vreugdenhil, 2003). James et al. (1999) estimated an average funding shortfall of $184 per square kilometer of protected area in developing countries. For these reasons, success has been limited in developing mechanisms and circumstances that create situations in which the financial resources necessary for biodiversity conservation are assured. Given that few, if any, protected areas worldwide are financially self-sufficient (even in developed countries), it is possible that true financial sustainability is an unattainable ambition. Despite the difficulties involved, GEF-financed interventions can claim some achievements in this area.

One of the main mechanisms GEF projects have used to attempt to achieve financial sustainability is trust funds (also

1. For example, the World Bank's evaluation department (OED) calculates that only 55% of all World Bank projects (FY91-03) are considered likely to sustain their outcomes.
2. OED rates the likelihood of achieving sustainability for all completed World Bank projects. Its rating for the same projects reviewed in BPS2004 were similar: out of 11 completed projects, six were rated likely to achieve sustainability (55%).

see the discussion on innovative financing mechanisms for protected areas in Chapter 7). The GEF has contributed funds to at least 23 trust funds worldwide, investing more than $180 million (Crepin, 2003). These have been used primarily to support national protected areas systems or individual protected areas. Trust funds can be appropriate when threats to biodiversity are likely to remain or increase over time, when there is a need for modest but long-term funding, and when there is a clear and agreed vision about how funds will be used. The GEF is one of the few institutions able to contribute the financial resources necessary to capitalize trust funds of this size, which are usually in the millions, if not tens of millions, of dollars. Typically once the fund is operational, returns from investments are channeled to the recurring costs of protected area management. These funds can relieve governments of developing countries, whose resources are already stretched thin, of funding biodiversity conservation on an annual basis.

Trust funds have also been used to fund development activities or biodiversity-friendly enterprises for communities living in or near areas of conservation importance, with the idea that monies coming from the trust fund can help relieve community dependence on limited natural resources. It has been observed that trust funds are able to deliver more appropriate-sized grants to the local conditions because their governance structures often have a better understanding of the local absorptive capacity. There have been some difficulties in the process of transferring financial resources to communities, and trust funds rarely have mechanisms to evaluate the impact of their disbursements to communities or other recipients, but overall, research from Latin America and other regions has shown that the approach has promise and could be a reliable mechanism to efficiently and cost-effectively deliver funds at the local level (Oleas and Barragan, 2003).

As promising as trust funds are in theory, there are a number of reasons why they may not be appropriate in all circumstances (for a in-depth review of the GEF experience with trust funds see GEF, 1999b; see Oleas and Barragan, 2003, for the experience in Latin America). One of the main requirements for trust funds is that they operate within a sound financial and institutional framework. A few trust funds earmarked for GEF support have had serious difficulties during the implementation process because of the technical and financial complexity involved in the initial arrangements. In Guatemala, a "refocus" workshop for the World Bank Sarstun-Motogua project concluded that the trust fund established by the project was not feasible. In the UNDP Comoros Island Biodiversity project, consultations showed that the trust fund creation process is more complex and needs both a greater amount of funds and much more time for realization than was forecast in the project document. In the World Bank protected areas project in Benin, preparations for the creation of the trust fund were delayed because of lack of expertise in the area of conservation trust funds.

Another of the primary means by which GEF projects have sought to establish financial sustainability is through ecotourism. In some projects, ecotourism revenues have grown following project interventions, and resources have then been channeled back into biodiversity conservation activities. One example is the UNDP project at Tubbataha National Marine Park in the Philippines, where tourism revenues have grown following project support. There are many drawbacks to dependence on ecotourism however. Tourism is a capricious industry and is subject to uncontrollable externalities. For example, tourism revenues in the World Bank's Lewa Wildlife Conservancy project in Kenya dropped off drastically during the Gulf War, the war in Iraq, and following British Airways decision to suspend flights to Nairobi due to the threat of terrorism. On the whole, ecotourism has a role to play in contributing to the financial sustainability of some protected areas and to biodiversity conservation overall. However, ecotourism is unreliable as a stable source of revenue, and in most cases there is little chance of tourism revenues being sufficient to sustain the demand of recurrent costs for protected area management and community development. Even in the Tubbataha National Marine Park, there is little hope that ecotourism revenues could meet the overall costs of park operations and management in the long term.

Some GEF projects have improved their financial forecasts by leveraging additional donor funds once the project begins or nears the point of project completion. In the Socotra Archipelago project in Yemen, for example, project activities made a great deal of progress, but additional resources were required to ensure that project achievements were sustained. The project was able to secure additional bilateral and other funds to subsidize a second phase. Though there have been other projects that have succeeded in securing additional donor support, it is questionable whether continued reliance on external funding can actually be viewed as sustainable. If the additional resources obtained allow the project to cross the threshold of investment needed for self-sustainability, then this could be considered a success. No such cases were found during this study.

Cost-effectiveness, which is closely related to financial management and sustainability, is also one of GEF's main guiding principles. In the biodiversity focal area, cost-effec-

tiveness as a principle has never been fully defined, and thus it is difficult to identify activities that have been cost-effective. On the other hand, it is generally easier to know what is *not* cost-effective, because it is usually possible to identify when resources have been wasted, or when intended outcomes have not resulted from financial inputs. Fifty-seven projects, or more than 40% of the BPS2004 cohort, reported shortcomings in the areas of financial management and cost-effectiveness. A higher percentage of full-sized projects reported difficulties in this area than MSPs, possibly because the larger sums of money involved in FSPs require more complex financial procedures. The issue of cost-effectiveness was highlighted in the 2002 Project Performance Report (GEF, 2002c), and a recommendation to the GEF Secretariat was included for further clarification on this topic, especially in the context of biodiversity projects.

8.2 Institutional Sustainability

There are many different types of institutions involved in GEF projects addressing biodiversity conservation; the most common are government institutions (national to local levels) and community-based institutions or organizations. GEF projects have also worked at the international level with institutions such as the Global Invasive Species Program. Institutions are created to fulfill a societal responsibility, and in the context of GEF-financed projects, this responsibility involves some aspect of biodiversity conservation. Such institutions must be able to identify with, and be recognized by, the populations and other institutions with which they work. The GEF endeavors to build viable institutions that are capable of working for biodiversity conservation in the long term. Institutions need a cohesive presence and identity to be able to operate and achieve their mandate, and the GEF has contributed to the establishment of these characteristics in many cases. For example, GEF projects have worked to empower institutions, such as protected area management units, within their own operational context, be it among government ministries or within communities.

Institutional sustainability relies on many inputs to create effective, long-lived institutions capable of contributing to biodiversity conservation. One of the inputs or elements important to institutional sustainability is a guaranteed recurrent resource base, such as specific government budgets for agencies or departments that are responsible for natural resource management (for example, protected areas authorities). Another factor is sufficient human resources and technical capacity to carry out institutional responsibilities. Institutions require stability to be effective, primarily in terms of personnel, but also in terms of the institution's mandate, role, and responsibilities relative to other institutions and bodies. Finally, there must be appropriate organizational structure to enable accountability, effective communication, and chain-of-command processes within the institution. All of these aspects help define the character and capacity of an institution overall and relate to its sustainability. GEF projects have helped improve the sustainability of biodiversity conservation related institutions in many cases, but have also faced a number of challenges.

The GEF has made progress in ensuring that effective government institutional mechanisms for biodiversity conservation are in place. In the UNDP Costa Rica Talamanca-Caribbean Corridor project, support to government forestry institutions represented one of the biggest successes of the project. Forest audits carried out by the project catalyzed a very positive change in the government's practices related to their responsibilities in forest management. In Tanzania, the UNDP Jozani Chwaka Bay National Park project worked with the National Environmental Management Council to submit a proposal to create a UNESCO MAB Biosphere Reserve on Zanzibar Island. In the World Bank Nanay River Basin project in Peru, institutional capacity building was rated highly satisfactory. The initiatives are helping to strengthen the host agency and to prepare its largely scientific and research personnel for fully engaging the social issues related to its decentralized work. The World Bank Red Sea Coastal and Marine Resources Management project in Egypt worked to promote environmentally responsible tourism development practices. A Reef Recreation Management Unit was established, and environmental impact assessment capabilities were strengthened.

The main challenges GEF projects have faced when working to build or enhance institutions include hefty bureaucracy, lack of capacity, chronic inertia, and poor coordination. There have also been constraints in terms of the technical limitations of institutions, and high staff turnover rates have hampered activities in many cases. In the UNDP Cuba Sabana-Camagüey project, it was noted that institutionalizing the Coastal Management Authority was a key project challenge. The lack of a completed information system was a barrier to the exchange of project-related information between institutions in a UNDP project in Peru working on native cultivars and their wild relatives.

Beyond government institutions, there have also been positive developments in the building of national NGOs and community institutions. A UNDP project in Ethiopia that worked with farmers to conserve plant genetic resources succeeded in helping some Community Conservation Associations (CCAs) become formal legal entities, even while civil society organizations were the subject of policy discus-

sions in the country. The UNDP Belize Barrier Reef project helped establish five Coastal Advisory Committees. One of the lessons learned by projects working in this area is that local-level institutions must first be established or strengthened for interventions to be sustainable.

8.3 Sociopolitical Sustainability

Almost GEF all biodiversity projects work within a complex sociopolitical context, which out of necessity involves many levels, from international to local or even household levels. Progress in this area can be particularly difficult to achieve, as there are often sensitive social or cultural histories or conditions or a mixing of sociocultural systems that led to present-day circumstances. The primary way the GEF works to increase sociopolitical sustainability is by attempting to ensure broad stakeholder participation in all aspects of project development and implementation, and through strong country ownership. The GEF has developed its own public involvement policy, which the GEF NGO network has called progressive (GEF, 1996b). A special study examining stakeholder participation in GEF projects was conducted in 2003 (World Bank, 2003a). The realm of stakeholder consultation is truly an area in which the GEF biodiversity program has a record of achievement.

Approximately two-thirds of projects (90) in the BPS2004 cohort reported achievements in stakeholder consultation or participation. Overall, GEF projects have made good progress in involving all types of potential stakeholders, although active stakeholder participation has been more common during project implementation than during project preparation. Typical stakeholders in GEF projects include communities, government agencies, the private sector, NGOs, and other civil society organizations, as previously outlined in the discussion on partnerships. A model for community participation in conservation efforts is found in the World Bank Guatemala Laguna del Tigre National Park project, where communities actively participate in the training programs carried out at the biological station and recognize the importance of conserving endemic species, particularly the scarlet macaw. This project received international recognition in the realm of "people and the environment," with a substantial cash award from the Whitley Laing Foundation, which enabled the consolidation of community work as a follow-up to the project.

Another important achievement regarding stakeholder participation in GEF projects has been projects' ability to bring different stakeholders together, creating linkages between communities, NGOs, and government, and encouraging cooperation and improving understanding and dialogue between local and national levels. It has been said that the GEF has empowered local NGOs and has helped them be heard in larger country contexts. A positive example of these effects is seen in Lebanon, where a project to strengthen national capacity and grassroots in-situ conservation developed protected area management units within which NGOs, municipalities, consultants, and government institutions work together for the management of PAs at every site. Additionally, the Ministry of Environment involved all stakeholders in the revision of the Law on Protected Areas in an effort to enhance the participatory process, especially in addressing privately owned lands. However, many governments still have difficulty in being fully participatory, either because of a lack of capacity or commitment, as discussed below under country ownership.

The lack of involvement of the private sector in the GEF portfolio has been pointed out as a weakness of the GEF at both program and project levels. Recent GEFM&E Project Performance Reports have made recommendations on improving private sector involvement across all GEF focal areas (GEF, 2002c), and the GEFM&E Unit recently conducted a review of private sector engagement in GEF projects (GEF, 2004d). The GEF Secretariat is currently in the process of developing a private sector engagement strategy, which is expected to be ready in early 2005. In some projects, the private sector may be involved as a secondary player to be consulted, but it is not fully involved in project design or implementation, with the generic example being ecotourism enterprises in protected areas. Projects co-implemented by the World Bank and IFC have generally had strong participation from the private sector, although there were few examples of these projects in the BPS cohort. However, two notable projects were recently approved in fiscal year 2003—a project in Peru involving poison-dart frog ranching, and a project involving fly-fishing in Mongolia; in both cases, the private sector is a critical partner. Going forward, the GEF is well-positioned to continuously improve linkages with the private sector.

Some GEF projects are addressing gender roles in relation to natural resource use and decision-making. This is particularly relevant at the local level; within households in rural areas of the world, women are generally responsible for agriculture and other activities directly related to the management and use of natural resources. The UNDP wildlife ranching project in Burkina Faso helped women in the 10 villages surrounding the Nazinga ranch organize themselves and develop income-generating activities. In Guatemala, the UNDP Sarstun-Motogua project focused on social participation and gender in planning and implementing project activities. Though projects such as these have a specific gender focus, this theme could be strengthened generally across the

GEF biodiversity portfolio, whenever appropriate and relevant. This was also the conclusion of a recent World Bank study on participation that noted that gender assessments were generally weak in Bank projects.

Working with marginalized peoples is also an important component of sociopolitical sustainability, and GEF projects have partially addressed this issue by partnering with indigenous and mobile peoples. A surprisingly large number of GEF projects have involved indigenous groups—at least 92 projects in the GEF biodiversity portfolio have worked with or focused on indigenous peoples in some manner. Attention to indigenous peoples' issues appears to be increasing; 56 projects with such components were approved during the GEF2, and 16 more have been approved in the first year of the GEF3. One example is the UNDP Upper Mustang Biodiversity project in Nepal, which worked with indigenous cultural and religious institutions during project implementation.

Despite many positive developments, there is room for improvement. Some stakeholders have remarked that more may be written or said about stakeholder participation in GEF projects than actually takes place on the ground. Others have pointed out that while much "consultation" takes place, far less active participation is seen. BPS2004 found that participatory methodologies included a continuum ranging from information sharing and consultations (low-level participation) to collaborative management partnerships (mid-level participation) to self-management (high-level participation), yet little distinction was made among these very different models of engagement. For example, some projects included simple activities that would be considered community outreach or good neighbor programs, where communities living adjacent to protected areas are provided information regarding project activities, plans, and certain amenities or payments that may be offered for prescribed behaviors (often behaviors to *not* do). However, in others, true collaborative management arrangements were being pursued, where adjacent communities and local peoples partner with government authorities, fully participating in the management of and decision making for a protected area. Last, is the model of fully devolved community-based natural resource management, where resident communities take total responsibility for managing their available resources, within the policies and laws that govern natural resource assets—a model still rarely seen in GEF-funded projects. Among practitioners, these are seen as clearly distinct models of participation with different levels of engagement and different expected outcomes (Barrow and Murphree, 2001) and should be better differentiated for the sake of improving analyses.

Rec (GEF Secretariat and IAs): Stakeholder participation involves a continuum of models that are not clearly distinguished within the GEF. In the absence of such distinctions, there is a noted tendency to try to achieve one set of objectives with an inadequate or incorrect application of the appropriate model of stakeholder engagement. The confusion regarding the use of these models and reporting of progress on these approaches is a technical matter and should be redressed.

Despite the ever-improving stakeholder participation reported in many projects, there are growing indications of "stakeholder fatigue," particularly where there is limited local ownership of the projects' objectives. In a world where most donors are consumed with the ideals of democratization, where broad and inclusive consultation and participation is the order of the day, many stakeholders at the local level are feeling beleaguered by the demands on their time. Likewise, many project teams are also weary from the extensive and highly participatory approaches in use.

When more than one executing agency or donor is conducting project work in an area, local stakeholders face the prospects of consultation and participation becoming a full-time job. While it is increasingly acknowledged as fundamental to the successful implementation and long-term sustainability of outcomes and impacts, such participation is generally uncompensated. The donation of time for consultation processes is likely to find resonance in communities where clear ownership of the process is linked to such participation; where it is not, participation can lead to a bias in representation towards those who are economically advantaged and able to commit their time without compensation.

Occasionally there is confusion among stakeholders about project objectives, and there can be difficulties establishing the appropriate relationships with stakeholders such as local communities. This can be especially true when there are elements of mistrust or poor transparency. Overall achieving strong stakeholder participation has been an often unexpectedly time-consuming and complicated process, albeit one that is considered very important for project success.

Another important component of sociopolitical sustainability is country ownership and country drivenness, a fundamental premise of the CBD and the GEF. Although it does not guarantee it, a strong in-country or site-level commitment to a project is absolutely necessary for project success and the sustainability of project results. A lack of such commitment is almost sure to prevent project sustainability. An important dimension of country ownership is the need to identify entities (for example, executing agencies and stakeholders) that can further develop project ownership by

national and local constituencies. A positive example can be found in the UNDP project in Uzbekistan that is establishing the Nuratau-Kyzylkum Biosphere Reserve. The project has received extremely positive support from regional and district authorities, a fact that has greatly contributed to project success. This commitment translates into satisfactory and sustained project outcomes. In other cases, achievements have been attributed to strong intra-governmental coordination or good cooperation between the government and NGOs involved in project execution. Within the GEF biodiversity portfolio, the well-known premise that government decentralization helps to ensure effective government participation at the local level has been demonstrated.

In circumstances where government commitment or ownership has been weak, the sustainability of project achievements has been virtually non-existent. Sometimes governments fail to deliver the resources they previously committed to, or intergovernmental agency rivalries or poor coordination and communication cause delays and hinder the achievement of project objectives. There are at least two notable examples where the lack of government ownership and commitment led to projects' failure to achieve their objectives. In the World Bank Wildlife and Protected Areas Conservation project in Lao PDR, the project developed a successful community resource management model, which was recognized to have developed a global best practice with great potential for replication. Despite this promising innovation, the central government declined to put the model into practice. Likewise, a UNDP project to create a co-managed system of protected areas in Belize faced a number of difficulties and setbacks and received limited support from government's line ministry agencies.

8.4 Technical Sustainability

Technical sustainability can encompass a number of different aspects, but the main areas in which GEF projects have worked is in technical capacity building and direct technical assistance. In addition to stakeholder participation, technical capacity building is another area of strong GEF achievement. More than three-quarters of the projects (105) reviewed within the BPS2004 cohort reported achievements in some type of capacity building; the majority of these achievements were in technical aspects of project implementation. Capacity building occurs at three levels: individual, institutional, and systemic.

Among the achievements reported by projects focused on capacity building, one of the most common was important and substantial capacity increases among local NGOs, community-based organizations, and, to a lesser extent, government agencies. Although it is difficult to objectively measure capacity levels, projects reported numerous inputs, outputs, and outcomes in capacity building, such as extensive workshops for training of protected area staff in management techniques and field operations, leading to improved management of protected areas. Overall, training in a broad array of fields and realms was noted, such as agriculture, medicinal plant collection, field surveying, and monitoring techniques. One project, which was highly focused on developing capacity, was a regional UNDP project designed to enhance government and NGO partnerships in Africa. According to project reports, the project has had a significant impact on capacity at several levels. The project supported 10 indigenous NGOs, partially covering operational and start-up costs. The project made good use of BirdLife International's Important Bird Areas process to develop NGO capacity. Many of the local NGOs have been transformed through their involvement in the project, and some have become the national focal points for bird-related issues. The UNDP Southern Africa Botanical Diversity Network project (SABONET) is one of the more successful capacity building projects of the GEF and has been well-documented. In general, the project outputs were highly satisfactory. In the World Bank wetlands project in Ecuador, the executing NGO grew to be seen as an important source of information and expertise on wetlands management.

However, as in nearly all areas, there is room for improvement. In some cases, the programmed activities were not sufficient to meet the capacity needs of the recipients to ensure project success, sometimes because of under budgeting or inaccurate or inadequate capacity needs assessments; in other instances, more follow-up on capacity building activities was needed. One challenge projects often face is that once capacity has been built within the staff of NGOs, government agencies, or other actors, staff attrition can be great. Those staff trained with project resources may have the ability to look for more highly paid jobs in other sectors and may end up leaving the context of the project. An important lesson learned is that equity must be a key consideration in capacity building programs; there have been GEF projects where some stakeholders felt left behind or left out and became resentful or hostile towards project activities as a result. On the other hand, it was also demonstrated that capacity building can have a positive multiplier effect, as individuals or institutions with increased capacity work with other stakeholders to build their capacity as well.

In addition to capacity building, direct technical assistance has also contributed to the technical sustainability of GEF projects. In Vietnam, agricultural productivity has improved with the adoption of ecologically benign farming practices under the PARC project. In one national park, first season

agricultural demonstration plots indicated that an estimated 50% increase in productivity is possible purely through the adoption of more efficient cultivation techniques. Other technical contributions, such as providing more efficient stoves, mapping resources, and implementing certification schemes, have played important roles in project success. However, in some projects, the lack of technical follow-up severely reduced the potential benefit of technical contributions. This was noted in the UNDP Panama Darien project and the World Bank Mexico COINBIO project.

8.5 Ecological Sustainability

Ecological sustainability can be considered the ability of genes, species, populations, and ecosystems, in terms of diversity and distribution, to persist over time. This persistence implies that any activities involving biodiversity should not irreparably deplete it. The "ultimate test" for all GEF biodiversity project activities is whether ecological sustainability is maintained. While ecological sustainability may be the ultimate goal of every successful GEF biodiversity project, it will rarely be attained. Ecological sustainability is highly dynamic and is thus subject to future influences not foreseen by the project. Ecological sustainability is particularly relevant in the context of the consumptive use of biodiversity. In some sectors, product certification may be used as a way to measure whether ecological sustainability of a targeted component of biodiversity has been achieved or at least that sector activities are not contributing to unsustainable consumption. All GEF-funded projects aspire to work within the principle of ecological sustainability, and even if they cannot guarantee success in the long-term, they contribute to the likelihood of attaining this goal. Ecological sustainability was explored at further in the Sustainable Use section of Chapter 7.

8.6 Sustainability Through Replication

Though the GEF Biodiversity Program provides more financial resources in total to biodiversity conservation than probably any other organization or institution, these resources still fall far short of what is needed for to conserve the world's biodiversity. To try to make the most of their support, the GEF seeks to act in a catalytic manner by piloting or supporting demonstrations and replications of innovative practices, or by scaling up best practices and mechanisms.

The successes in demonstration and replication in the GEF biodiversity portfolio have been realized primarily on an ad-hoc basis; this appears to be a problem not only within the Biodiversity Program but in all focal areas (GEF, 2004b). On the whole, MSPs seem to have more components that are more replicable than FSPs: of the 56 projects in the BPS2004 cohort reporting achievements in demonstration and replication, nearly two-thirds were MSPs. Many projects identified their successes or best practices and noted that these examples could or should be replicated in other projects. In some cases, initial steps were taken toward beginning the replication process, such as in the UNDP project in Tanzania's Jozani Chwaka Bay National Park, where Zanzibar's Department of Commercial Crops, Fruits, and Forestry expressed interest in replicating the project's approach in Kiwengwa, a forest reserve with high biodiversity value that is under threat from tourism and exploitation. In another interesting example, following the UNDP Environmental Rehabilitation and Conservation project in the Galapagos Islands—a response to the large oil spill that occurred there—the Civil Defense Authority demonstrated its interest in replicating the project's approach to inter-institutional coordination. The UNDP Belize co-management project, which was not a success on the whole, produced an extensively documented project history, which proved to be a highly valuable resource for the purposes of replication and lesson learning.

To date, demonstration and replication in GEF projects has been relatively weak. Projects have not developed proactive dissemination and replication strategies and often describe "experience sharing" as replication, presumably anticipating that experiences will be replicated once others are aware of positive examples. For example, in the implementation completion report of the World Bank China Nature Reserves project, it was noted that there needed to be more emphasis on replication; the scope and scale of the replication effort as well as efforts to raise funds for it were both insufficient. This report further highlighted the need to ensure that funds for replication are earmarked early in project implementation, preferably in the project design stage. In addition to having insufficient or non-existent dissemination and replication strategies for the future, projects generally have no systematic method of documenting replications that may be taking place during implementation (also see Chapters 5 and 6).

Rec (IAs and GEF Secretariat): To help ensure the potential for replication, projects should incorporate a replication strategy from the outset including, for example, appropriate budgets, plans for disseminating best practices and lessons learned, and documentation of project histories, thereby ensuring important contributions across the entire portfolio.

8.7 Relative Sustainability of SGP projects, MSPs, and FSPs

Regarding the overall likelihood of project sustainability, approximately 36 projects, or 25%, from the BPS2004 cohort reported achievements, of which MSPs outnumber FSPs approximately two to one. Conversely, 34 projects reported shortcomings on sustainability, of which FSPs outnumber MSPs approximately two to one. Given that the BPS cohort is split nearly evenly between MSPs and FSPs, based on the evidence presented here, a pattern emerges suggesting that outcomes generated from MSPs may be more likely to be sustainable than FSPs. However, the methodology used here is limited - observations depend on the quality of reporting, and nothing is known about the likelihood of sustainability of the many projects that did not report achievements or shortcomings. In searching for possible explanations, it may be surmised that perhaps because of their size, MSPs have more focus and more limited objectives than FSPs, and thus achievements resulting from MSPs are likely to be less resource-intensive than those sought in FSPs. Further evidence of this logic can be found in the Small Grants Programme. Wells et al. (2003) reported that these projects average about $20,000, and sustainability has often been achieved. However, this view is not universally supported by the IAs. Their experiences suggest that many MSPs suffer from the fact that too many objectives are being crammed into too small a budget—effectively becoming downsized FSPs in budgetary terms but not necessarily in activities or scope. The BPS2004 remains equivocal on the topic but somewhere therein is a healthy balance between the ambition of a project, its budget, and its likelihood for sustainability. Many other factors need to be weighed to determine whether this makes SGP projects, MSPs, or FSPs the most appropriate or preferred funding modality. The answer may not be the same depending on the nature of the biodiversity threat and the context in which it is occurring, but the issues surrounding sustainability must be carefully considered early in the project preparation process.

Rec (GEF Secretariat): In light of the now considerable experiences with the three primary funding modalities of the GEF (SGP projects, MSPs and FSPs) and being mindful that each is designed to tackle threats or challenges of differing magnitude, using different levels of funding over different periods of time, it would be both timely and desirable to conduct a comparative study to explore the issues of efficiency, effectiveness, and sustainability across these mechanisms rather than merely within each.

Box 8.1: Factors contributing to sustainability

The following are some of the common reasons projects reported a likelihood of longer term sustainability of project outputs and outcomes:

Some project activities were subsumed in government budgets:

Latin America Regional project – Mesoamerican Biological Corridor (UNDP)
China – Lop Nur Nature Reserve project (UNEP)

Additional donor funding was secured:

Yemen – Socotra Archipelago project (UNDP)
Africa Regional project – Conservation Priority Setting Guinea Forest (UNDP)

Increased capacity led to continued activities:

Mexico – El Triunfo Biosphere Reserve project (World Bank)
Peru – Vilcabamba project (World Bank)
China – Lop Nur Nature Reserve project (UNEP)

Strong interest and participation in project activities led to continued action:

Asia Regional project – Fertile Crescent (UNDP)
Latin America Regional project – Dryland Indicator Model (UNEP)
Global project – Best Practices in Arid and Semi-arid Zones (UNEP)

Knowledge sharing networks remained active:

Global project – PLEC (UNEP)

Other common reasons:

Linkages were developed between government and civil society
Capacity was built for the future through education in the present

8.8 When Do We Know If Outcomes Are Sustainable?

While plans can be made and funds committed—and indeed in many cases they are—as highlighted in Box 8.1 (above), the true accomplishment of sustainability of project outcomes, be they financial, institutional, technical, or sociopolitical, can only really be known sometime after the project has actually ended. This may demonstrate a need for ex-post evaluations, as suggested in Chapter 5. In order to make a meaningful assessment of sustainability, the appropriate spatial and temporal scales must be carefully defined. Furthermore, sustainability of any dimension cannot be considered a static condition. Sustainability is a highly dynamic state, and outcomes will only be sustained as long as conditions for sustainability remain favorable.

Rec (GEF Secretariat, GEFM&E and IAs): By examining the multidimensional aspects of sustainability (financial, institutional, technical, ecological, and sociopolitical), it is possible to think more logically about sustaining outcomes. In this regard, it would be useful to develop disaggregated tracking of the various components of sustainability in the project review process, rather than focusing only on those that are financial.

The GEF's focus on financial sustainability as a guiding operational principle presents specific challenges in the context of conserving global biodiversity that may require further discussion (GEF, 2004b). Notably, there are almost as many views on this topic as there are people expressing opinions on how, or if, financial sustainability will happen or should even be expected. As has been asked before, what is reasonable to expect from GEF projects in terms of financial and other aspects of sustainability (GEF, 2000b)? Achieving sustainability of biodiversity conservation requires an external involvement for substantial periods of time, yet GEF projects average approximately 5 years. On the other hand, some believe that sustaining biodiversity outcomes and impacts is simply a dream that can never be achieved. However, most agree that conserving biodiversity is a worthwhile cause; the question of how to pay the costs remains. Though the GEF certainly has a role to play in achieving financial sustainability of biodiversity conservation, the extent of the GEF's expected contribution has not been satisfactorily circumscribed.

Is it reasonable to assume that the GEF will suffice as the perpetual conduit for underwriting this worthy cause? Is it too much to expect biodiversity conservation efforts to become freestanding once the scaffoldings of millions of GEF dollars are removed? Perhaps it is. Nonetheless, the monies channeled through the GEF will be for naught if the outcomes and impacts of GEF-financed projects fade soon after the removal of the GEF lifeline.

9. Contribution of the GEF Biodiversity Program to improving the status of global biodiversity: how would we know if we are succeeding?

The Negotiations for the Third Replenishment recommended:

> *"…that all projects should include provisions for monitoring the impacts and outcomes of projects, and those existing projects which do not have such provisions and which have more than two years left in their implementation should be retrofitted to meet such monitoring standards" (GEF, 2002b, p.56).*

It further said that:

> *"…indicators should be designed with a view to assessing global environmental impacts achieved from the GEF resources. All projects must include clear and monitorable indicators, plans for monitoring and supervision … designed to improve quality at entry and to maximize impact. There should be a transparent system for the monitoring of these indicators and outcomes and for informing the Council on an annual basis" (GEF, 2002b, p.52).*

In addition, the last five GEF Council meetings and both BPS2001 and OPS2 highlighted and called for work on the delivery and reporting of impacts. The new Strategic Priorities developed for GEF3 and the "Measuring Results of the Biodiversity Program" (GEF, 2003a) document are signs of progress at the program outcome level. But there are still no clear guidelines, standardized procedures, or measurable program-level targets or indicators to assess the impacts of the GEF portfolio on biodiversity status. This shortcoming presented a major challenge to assessing impacts and attributing credit in any meaningful way during this study.

9.1 Measuring Incremental Progress Toward Global Biodiversity Benefits: Project-level impacts

Putting aside these higher level considerations and the inherent difficulties in ascribing credit, it is obvious that a good deal of confusion reigns in terms of how to measure progress

that contributes to improving the status of biodiversity even at the project level. The first couple generations of GEF biodiversity projects were in many senses experiments, and though they were successful in some areas, they fell short in others. The problem is that both successes and failures were difficult to objectively assess in the absence of a clear strategic framework, with measurable targets and indicators for monitoring progress.

As it is often impossible to measure outcomes or impacts directly, there is a need to develop indicators to measure progress along the way, in particular for the temporal and spatial scales at which GEF projects work. A measurement process must build up over time, from establishing measurable targets, selecting indicators or proxy indicators (that is, what is being measured), establishing baseline levels of the chosen indicators or proxies (that is, what exists at the onset of project implementation), monitoring and analyzing changes in the indicators against the baselines (that is, a measure of trends over the life of the project and beyond), and developing some means of aggregating impacts across the entire portfolio. Identifying biodiversity indicators and establishing baselines at the project level is an area in which more work could and should have been done. As evaluations of the GEF Biodiversity Program and of the GEF as a whole have been carried out, more attention has been paid to this aspect. Though more work is needed on the socioeconomic side, the new generation of recently approved projects demonstrates progress in ensuring that important data are captured at the project level (see below).

However, in the absence of a clear articulation of the targets and goals of the GEF Biodiversity Program, and for the purpose of this study, it was necessary to look at what has reportedly been achieved at the project level and try to assess, after the fact, the site-level outcomes and impacts and any subsequent program-level aggregation. Believing project outcomes and impacts to be the "building blocks" for influencing biodiversity and socioeconomic impacts at the higher level (up to global impacts), an exhaustive desk review was undertaken to target this issue. Many of the project implementation and completion reports examined in the BPS2004 cohort did not include information on the biodiversity indicators that may or may not be in use or the status of baselines and impacts. Approximately 40 projects (30%) in the BPS2004 reported on biological monitoring aspects. In the socioeconomic realm, only 15 (11%) projects reported having established at least a partial baseline.

9.1.1 Selection of indicators

9.1.1.1 Indicators: Biodiversity

About 10% (16) of the projects from the BPS2004 reported using specific indicators for the measurement of changes in the status of biodiversity (equally distributed between UNDP and World Bank, and MSPs and FSPs). However, it is clear that more projects than this are actually using indicators of some sort, since 44 projects (31%) reported having them in place, and 55 projects (39%) reported having established baselines. All other projects reported that they had identified indicators that were subsequently in use. Two projects reported that indicators had not been selected or that the indicators selected were inappropriate.

Certain types of biodiversity indicators were common among many projects, including changes in the extent or quality of various habitats or vegetation types. Some projects reported changes in vegetation cover, including some that reported changes within specific ecosystems, such as mangroves. Projects focused on marine or coastal environments also used particular fish species, marine mammals, and sea turtles or indices of coral reef health and coverage as indicators.

With regard to species indicators, there is a focus on numbers of large mammals and birds at the site, although these population estimates were generally not linked to measurable areas. It was noted that terms such as indicators, targets, keystones, umbrella, and flagships were, to some extent, used indiscriminately and almost interchangeably with regard to the species being measured. This is a basic but fundamental problem in itself. Each of these terms carries a specific technical definition (Leader-Williams and Dublin, 2000) and should be applied with consistency and rigor as some of them are true measures of biodiversity status and others are not (Andelman and Fagan, 2000). There was also no common theme as to the characteristic(s) of species to be measured—absolute or relative numbers, densities, distribution, composition, behavioral attributes (for example, number and distribution of nesting sites, hatching rates, midden densities, etc.) or some combination of these characteristics (species number and distribution).

Rec (GEF Secretariat, GEFM&E and IAs): For the purpose of assessing the impacts of the overall GEF Biodiversity Program on the status of global biodiversity, it is necessary to clarify the differences in the species terminology currently in use among the IAs, defining those species that can meaningfully serve as indicators of trends and the choice of measurements to be taken with regard to such species.

It should be remembered that, by definition, one of the surest ways project-level impacts will deliver global-level impacts is if targeted species are considered globally endemic, range-restricted, rare, or among the species listed as "endangered" or "critically endangered" in IUCN's Red List of Threatened Species (IUCN, 2003). Good examples of where such global gains can be achieved at the local level are improvements to the status of endemic species or those with highly restricted ranges of occurrence; "easy victories" could be scored among the many endemic taxa and species of Madagascar, in the Cape Floral Kingdom in South Africa, or simply, through conserving the giant panda in China. But this is not the point. Conserving endemic and rare species alone will not stem the current rates of biodiversity loss.

The current extinction crisis is also about the loss of diversity within populations (Hughes et al., 1997) as well as the loss of common and widespread species, their numbers and distribution, and their roles in ecosystem functioning. Declines in their abundance and distribution are as much and, in some cases, more of an expression of global biodiversity loss than the decline of endemic, rare, or endangered species. In fact, these species (the majority of the world's flora and fauna) represent the truly "neglected" realm of biodiversity loss. In this sense, all countries actively contributing to the objectives of the CBD are assisting in the conservation of biodiversity, regardless of whether they are home to species and ecosystems that have been identified as being of "global importance."

9.1.1.2 Indicators: Socioeconomic, including gender

It proved difficult to identify any standard or common set of factors or variables being measured at the project level in order to assess socioeconomic impacts over time. While many project activities are geared to deliver socioeconomic benefits and, in turn, contribute to global biodiversity benefits, clearly measurable indicators were hard to find. While some projects reported on various aspects of socioeconomic status and gender inclusion, notably few demonstrated dedication to the topic (good practices could be considered two World Bank MSPs in Ecuador (Galapagos and Wetlands).

Rec (GEF Secretariat, GEFM&E, and IAs): Practical "menus" of selected biodiversity and socioeconomic indicators should be developed for broad categories of intervention, such as marine versus terrestrial ecosystems as an aid to project designers.

Rec (GEFM&E): The field of indicators, monitoring, and assessments in the biological and social sciences is rapidly moving and highly technical. If it is not available within the GEF institutions, then external expertise may need to be sought for these purposes.

9.1.2 Establishment of baselines

9.1.2.1 Baselines: Biodiversity

Approximately 55 projects (40%) reported that they had established or were in the process of establishing baseline data for biodiversity components. The large number of projects reporting that they have established baselines should bode well for evaluators hoping to quantify project impacts on biodiversity in coming years. The key will be to sustain monitoring efforts. One example of the negative impact of not having a baseline was explained by the UNDP's Talamanca project in Costa Rica. The project reported monitoring of deforestation but because a baseline had never been established, it could not accurately gauge project impacts.

9.1.2.2 Baselines: Socioeconomic, including gender

Numerous project reviews, an in-depth study by the World Bank (2003a), and the 2003 PPR (GEF, 2004b) commented that socioeconomic baselines and gender analyses are still spotty and missing from the majority of projects. In the context of currently pre-eminent development paradigms, these gaps appear all the more noteworthy. In addition to two World Bank projects in Ecuador, several projects reported the establishment of socioeconomic baselines, including the UNDP's Nepal Upper Mustang and Philippines Mt. Isarog projects and the World Bank's Cameroon Biodiversity and Ghana National Resource Management projects. Problems were experienced in the UNDP Panama Darien project and the World Bank Vilcabamba project in Peru, where a start was made on the design of indicators and establishment of baselines but these were never finalized nor applied.

Rec (GEF Secretariat and IAs): The establishment of baselines should be considered mandatory within the first 12 months of a project and definitely prior to the release of further project funds thereafter. While newer projects have been establishing baselines and databases, continued work in this regard is to be encouraged, particularly to ensure that both biodiversity and socioeconomic impact indicators are developed, measured, and analyzed at all levels, from outputs to outcomes to impacts.

9.1.3 Monitoring of indicators

9.1.3.1 Monitoring: Biodiversity

Within the BPS2004 cohort, about one-third (46) of the projects reported monitoring biodiversity status or some type of indicators. In some cases, monitoring programs and strategies had been developed and were in the process of being implemented. In a few cases, it was explicitly stated that community-based monitoring programs were being implemented. In the terrestrial realm, the World Bank El Triunfo project in Mexico reported that a community-based monitoring system is helping researchers establish the long-term role and impacts of biodiversity-friendly coffee systems on local flora and fauna. In marine ecosystems, the World Bank project in Samoa reported that villagers were trained to implement methods for mangrove and lagoon resource monitoring.

Techniques used in monitoring include conducting field surveys on foot, leveraging partners such as universities (to conduct surveys), and making use of technology such as satellite imagery and aerial photographs. One project reported using a "Biotic Integrity Index," while another used standardized monitoring protocols for coral reefs and reef fish that have been developed by conservation professionals. While complex biodiversity indicators, tools, and protocols developed by conservation professionals for site-level monitoring and analysis may be technically sound, the use of these indicators is unlikely to provide information that can be aggregated across projects at the program level (as dis-

cussed above), unless all projects use the same sets of tools; however, this may not be possible.

There is a notable lack of clarity on the purpose of these various activities or their possible application to the needs of management and assessment of impacts on the status of biodiversity. Many projects reporting monitoring did not distinguish clearly between "research" and "monitoring" activities, possible links between them, or the importance of monitoring for management and assessment. The last point was reflected in the relatively small number of projects where monitoring was occurring and the even fewer projects that reported using the results of monitoring to inform management decisions.

Rec (GEF Secretariat and IAs): Given limited resources, the focus of GEF should be to support monitoring activities aimed at collecting the necessary verification data to measure outcomes (reducing pressures/threats on biodiversity) and impacts (changes in status of biodiversity) in support of management action.

As mentioned in Chapter 5, a number of projects found that monitoring systems developed by scientists and external researchers were overly complex, did not provide the necessary information, were inappropriate to local circumstances, or were difficult to maintain consistently over time. Other projects emphasized the need for and greater sustainability of "home-grown [monitoring] approaches" that can be carried out by local communities or untrained park staff.

9.1.3.2 Monitoring: Socioeconomic, including gender

As there has apparently been very limited adoption or application of the indicators for measuring socioeconomic benefits, including gender considerations, and only limited follow-up on the few baselines established, no meaningful statement can be made about the monitoring of socioeconomic factors in GEF biodiversity project sites. This should present an interesting frontier, given the demonstrated potential for direct involvement of local and indigenous communities in meaningful and sustainable self-assessment techniques, particularly at the household and village levels (CIFOR, 1999; Steinmetz, 2000; Ling 2000; Vermeulen and Koziell, 2002; World Bank, 2003a). A full range of potential participatory planning techniques involving the establishment and monitoring of gender-specific, socioeconomic baselines are already widely available.

9.1.4 Changes in indicators against the baselines: Measuring impacts

9.1.4.1 Biodiversity impacts

While some biodiversity impacts were discussed on in Chapter 8, the table below presents a broader look at the impacts reported at the species and ecosystem level from the 141

Table 9.1. Positive and Negative Impacts on the Status of Biodiversity Reported among Both Completed and Ongoing Projects.

Country – Project	Description of impacts on biodiversity
Species level	
Africa Regional - Reducing Biodiversity Loss at Cross-Border Sites in East Africa (541) – UNDP/ongoing	Regeneration of key species is taking place. There is evidence of increased regeneration in over 50% of the Sango Bay Forest Reserve due largely to local community involvement in forest management (PIR, 2003).
Benin – National Parks Conservation and Management Project (408) – World Bank/ ongoing	Population of endangered species increased by 20% by the end of 2001. The latest headcount in the Pendjari National Park shows that the population of some species has increased by 60-80%, but the results are not available for all endangered species (elephant, buffalo, korrigum antelope, cheetah, roan antelope) (PIR 2003).
China – Nature Reserves Management (83) – World Bank/completed	The numbers of keystone species—giant panda, golden monkey and golden takin—are estimated to have increased in all the eight mountain natural reserves during the project. Recorded observations of giant panda have increased modestly at all the reserves in which they are present. However, given the small number of giant pandas in each reserve [and the fact that such sightings were not corrected on the basis of survey effort], the reported increase in sightings is not considered a scientifically valid indicator of current species numbers or trends. A majority of the mountain nature reserves report significant increases (20-50%) in golden monkey and golden takin numbers. Poyang Lake recorded a 10% increase in the number of waterbird species observed between 1995 and 2001 and a 50% increase in the annual number of Siberian cranes visiting the lake (Implementation Completion Report).
Indonesia – Kerinci Sablat Integrated Conservation and Development (99) – World Bank/completed	Sumatran rhinoceros numbers are known to have declined to such a low level that the Kerinci population is probably no longer viable. Poaching of timber, tigers, and birds for trade continue within the project area (Implementation Completion Report).

Country – Project	Description of impacts on biodiversity
Mauritania - Rescue Plan for the Cap Blanc Colony of the Mediterranean Monk Seal (177) – UNEP/completed	The project successfully rehabilitated monk seals after a sudden die-off of the colony and released four saved cubs after captive recuperation (Implementation Completion Report).
Mauritius – Biodiversity Restoration (102) – World Bank/completed	Rodrigues - All except one of a target list of 54 species have been successfully propagated. Many of these species have been brought back from the brink of extinction. Ninety percent of the reserve area of Grande Montagne and about half the area of Anse Quitor Nature Reserve have been weeded of alien plants and planted with natives (Implementation Completion Report).
Russian Federation – Biodiversity Conservation (90) – World Bank/completed	Stabilization and growth of more than 20 rare species was reported. Twenty-three endemic plant species were reintroduced. Wild bee swarms increased from 179 (1998) to 225 (1999); crane pairs from 10 to 20 since 1998; European bison increased by 34 animals since 1997 (Implementation Completion Report).
Seychelles – Management of Avian Ecosystems (119) –World Bank/Completed	With the successful establishment of a population of Seychelles fodies on Aride Island, this species will be eligible for the entire population to be downgraded from its previous listing as "globally endangered," a first-time occurrence in the Seychelles.
Ecosystem Level	
Belize – Conservation And Sustainable Use of the Barrier Reef Complex (592) – UNDP/ongoing	Reef monitoring reports have indicated that there has been a reduction in the incidence of bleaching but disease occurrence remains relatively constant.[1] Water quality in the coastal zone remains fairly constant with generally good quality. Localized areas of turbidity observed last year have cleared up with the completion of dredging projects (PIR 2003).
Belize – Northern Belize Biological Corridors Project (496) – World Bank/ completed	In 2001, the deforestation rate was 90.2 ha/yr, compared with 15,758.5 ha/yr in 1995 and 13,400 ha/yr in 1994. These results are not entirely due to the NBBC project (Implementation Completion Report).
China – Nature Reserves Management (83) – World Bank/completed	All the mountain nature reserves reported an increase in vegetation cover from an average of about 90% in 1995 to 95% in 2001. With one exception, the reserves with giant panda habitat reported that the scale of this habitat had increased during the project. (Implementation Completion Report).
Ecuador - Wetland Priorities for Conservation Action (628) – World Bank/ completed	Without this project, the deterioration of wetlands of the country would have continued. For example, there were plans to drain some interior coastal wetlands that did not proceed due to the intervention and recommendations of this project. (Implementation Completion Report)
Guatemala - Management and Protection of Laguna del Tigre National Park (16) – World Bank/completed	The rate of deforestation in Laguna del Tigre dropped more than half, from a rate of 0.57% in 1997 to a rate of 0.25% in 2001(Implementation Completion Report).
Indonesia - Kerinci Seblat Integrated Conservation and Development (99) – World Bank/completed	The greatest loss of forest cover during the project occurred in the two districts that received the largest proportion of Village Conservation Grants. Efforts to strengthen protection of habitats and endangered species under the project have to be considered a failure (Implementation Completion Report).
Kenya - Tana River National Primate Reserve Conservation Project (50) – World Bank/completed	The habitat that is critical for the survival of the primates inside and outside of the reserve has declined by at least 5%, and its quality has also decreased throughout the project period (Implementation Completion Report).
Madagascar – Environment Program II (125) – World Bank/UNDP/completed	EPII has succeeded in slowing down ecosystem degradation trends and biodiversity loss. Four studies indicate that the rate of forest loss outside protected areas or outside EPII intervention areas is at least twice the rate of forest loss within EPII intervention areas (Implementation Completion Report).
Mauritius – Biodiversity Restoration (102) – World Bank/ completed	On Ile aux Aigrettes, the last significant remnant of Mauritian coastal ebony forest is now well on its way to restoration, with 90% of the island having been cleared of alien weeds and planted where necessary (Implementation Completion Report).
Philippines – Conservation of the Tubbataha Reefs National Marine Park and World Heritage Site (799) – UNDP/ongoing	The monitoring of Tubbataha's complex marine ecosystem found increases in fish populations and decreases in live coral cover due to bleaching (Project web site).

1. Although this implies an improvement in the health of the coral reefs in question, it is questionable for the project to take credit for a natural phenomenon resulting from the passing of an El Niño event. The project merely provided the funds and equipment to do the monitoring.

projects reviewed. Not unexpectedly, given the constraints with establishing indicators, and monitoring and measuring impacts, the biodiversity impacts reported were limited and localized, mostly presented by unsubstantiated general trend statements. Most of these reports come from terminal evaluations. This problem is not only restricted to the GEF but measuring biodiversity impacts presents a challenge to the entire conservation community and extensive work is now being undertaken on the topic in many organizations.21.

From the BPS2004 cohort (141 completed and post-mid-term projects and over one-and-a-half billion dollars in GEF investments and co-financing), less than 20 projects (14%) have reported impacts on any level or of any kind (positive or negative); furthermore, only a small subset of these provides actual or meaningful data from which to derive trends. Even if impacts might only be expected for completed projects, more than 50% of completion reports or terminal evaluations reviewed for this study did not include any assessment or conclusions on the final impact of the project on biodiversity status. These findings point to problems in project design, implementation, and overall evaluation and reporting standards (as noted in Chapter 5).

9.1.4.2 Socioeconomic impacts

With few articulated indicators and baseline assessments, very little monitoring during the life of the projects, and very few final socioeconomic assessments at project completion, it remains unclear how to assess who, specifically, has benefited socioeconomically from GEF interventions or in what specific ways benefits have or have not accrued. The GEFM&E Unit's Local Benefits Study may find some examples.

9.1.4.3 Linkages between socioeconomic and biodiversity impacts

While it was simple enough to determine that many inputs were offered to support local benefits (for example, building capacity, creating alternative and supplemental incomes, providing funds for development projects), it was far more difficult to find cases where these interventions clearly resulted in beneficial changes in human behavior, and thus reduced the negative impacts of this behavior on the status of biodiversity, even at the local level.

Presumably, the forthcoming Local Benefits Study will provide further insight into this matter as it seeks to establish how the direct or indirect generation of local benefits has affected the attainment and sustainability of global environmental goals. In turn, it will look at how global environmental benefits can affect not only economic benefit streams at the level of project-area communities but tangible measures of beneficial change in a broader range of human livelihoods such as access to natural, social and institutional, physical, and human capitals and the status of biodiversity.

Rec (GEF Secretariat, GEFM&E, and IAs): In addition to the need for tracking changes in biodiversity status from outcomes to impacts and from the local to the global level, it is necessary to broaden the basic conceptual and monitoring framework to include socioeconomic aspects, including gender. Given the important, yet often discrete, roles played by men and women in the use and management of natural resources, including valuable components of biodiversity, gender analyses need to become more than academic exercises within projects. Some aspects of gender differentiation may be sensitive indicators of societal changes and movement towards sustainability and it is these which should be identified and provide focus for gender analyses at the project level

9.1.5 Looking for signs of progress: A review of projects approved in FY04

One thing is clear: the findings of BPS2001 and OPS2 were heard by the IAs, and they have begun work to develop the means for measuring impacts at their operational levels. The study also reviewed 34 biodiversity projects that were approved between July 2003 and March 2004. The review revealed that there has been a significant improvement in the presentation of logframes and plans for collecting and using biodiversity baselines for project preparation and management. All FSPs in this group presented a logframe in their project documents, complying with the GEF M&E requirement. In addition, most MSPs also included a logframe, although this is still not a requirement. These logframes follow the standard guidelines (objectives, outcomes, key performance indicators, targets, verification means, and assumptions and risks). Some of the logframes include information on the baseline scenario for Year 1, on which project implementation will be based. Of course, not all GEF projects were expected to have biodiversity, socioeconomic, or gender indicators, for example, projects directly targeting regional or global capacity building. Nonetheless, they should have other indicators that apply directly to the project's overarching objectives, and they did.[2]

However, the review also encountered the fact that weaknesses remain in linking outcomes and impacts at the project level to changes in the status of local or global biodiversity. Although it seems that indicators are appropriate for the expected outcome targets, this clarity is not present at the next level, which should connect outcome indicators with those measuring the status of biodiversity.

All projects mention the establishment of biodiversity baselines, either during project implementation or in project preparation. Again, despite earlier recommendations, very few projects introduce the idea of establishing socioeconomic indicators or baseline assessments. Two exceptions included the World Bank Bulgaria Forest Development project, which conducted a social assessment during the PDF, with scheduled annual follow-up assessments, and the UNDP Iran conservation of wetlands projects, which plans to establish a comprehensive socioeconomic and biodiversity baseline at the initial stage of the project, with the intention of using these data for adaptive management in future.

There has been progress by the IAs in their recent attempts to improve project logframes and project indicators at the outcome and impact level (UNDP, 2003). At the program level, progress has been made at the design stage but not at the implementation stage yet. The recently completed report on measuring results of the Biodiversity Program by the GEFM&E Unit in collaboration with the IAs (GEF, 2003a) has not been applied, although some parts of the framework it presents have been incorporated in the indicators and targets of the GEF3 Strategic Priorities. The GEF Secretariat is now developing information collection tools, but none of the projects reviewed in the BPS2004 reflect the application of this framework. The issue of rolling up conclusions from project-level outcomes and impact indicators to higher level indicators of biodiversity impacts in order to allow systematic analysis at the level of the Biodiversity Program needs further discussion.

Rec (GEFM&E and IAs): Links between project-level indicators of outcomes and impacts and their relationships to indicators of the program goal (that is, changes in the status of global biodiversity) must be more clearly established, and dedicated work on this topic should be undertaken. In particular, the GEFM&E Unit should continue to provide guidance to IAs for conducting assessments of each project's achievements and assigning a rating at the impact level in all terminal evaluations. Such guidance would complement the present guidance that requires completed projects to assess and rate their outcome-level achievements.

9.2 Biodiversity Indicators and Assessments in the Global Context: Work within the CBD

The field of conservation biology, as a whole, has struggled to identify effective and mutually agreed biodiversity indicators, though a great deal of progress has emerged in this area in recent years. Of course, the issue of developing indicators to properly assess changes in biological diversity and measure progress against targets also has been a major area of discussion for the SBSTTA and the CBD. In May 2003, the CBD and the UNEP World Conservation Monitoring Centre (UNEP-WCMC) jointly convened a meeting, "2010—The Global Biodiversity Challenge," to discuss the steps necessary to measure and achieve the CBD targets of decreasing global biological diversity loss by 2010 (also known as the "2010 biodiversity targets"). Participants called for the identification and development of a set of approximately 10 key indicators (UNEP, 2003d). In November 2003, the SBSTTA held its 9th meeting, which resulted in additional recommendations to develop national-level biodiversity monitoring programs and to test a series of global indicators (UNEP, 2003e) that were presented and adopted by COP7 (UNEP, 2004a).

Table 9.2 highlights some reliable information sources on the status of global biodiversity and the goods and services it provides to sustainable development.

At COP7, indicators were again discussed in reference both to monitoring national biodiversity programs and assessing progress towards the global 2010 targets laid out in the CBD Strategic Plan. In Decision VII/8, Parties were urged to develop biodiversity indicators as part of their national strategies and action plans, and governments and other relevant organizations were invited to use indicators in their assessment of biodiversity (UNEP, 2004a). In Decision VII/30, 21 indicators (eight existing and 13 possible) are listed for testing and further development. Reflecting the political dimensions of performance assessment, the decision clearly notes that these indicators should only be used to globally assess 2010 targets, rather than evaluate the levels of Convention implementation by individual Parties or regions (UNEP, 2004a).

Although it is unlikely that any of the indicators or indices mentioned above will ever be accepted as a single, universal standard, like the International Organization for Standardization designation is in other disciplines, each offers insight into the challenges and potential for creating core sets of easily applied and repeatable measures for assessing changes in the status of the world's biodiversity.

Rec (GEFM&E): The GEFM&E Unit should investigate and determine the importance of various ongoing processes for developing biodiversity indicators in terms of their abilities to evaluate the cumulative contributions of the Biodiversity Program to the CBD 2010 targets. For those processes deemed to have clear potential, the GEFM&E Unit should work with the GEF Secretariat and

2. For projects that were just approved by GEF Council, no observations could be made regarding the actual application, use, or modification of logframes, indicators, and baselines and the monitoring of biodiversity or socioeconomic status during the course of implementation

Table 9.2. Information Sources on the Status of Global Biodiversity

Name	Description
IUCN SSC Red List, Species Information Service (SIS), the Red List Index and the Sampled Red List Index	The IUCN SSC Red List of Threatened Species has evolved to become one of the few "gold standards" of biodiversity information that has been accepted worldwide. Under the direction of the IUCN Species Survival Commission and the Red List Program, a comprehensive and globally accessible information system, the SIS or Species Information Service (see http://www.iucn.org/themes/ssc/), is currently being developed to support the delivery of the future "gold standard" for global biodiversity assessments and indicators (Butchart, et al, 2004, Butchart et al., in press).
Millennium Ecosystem Assessment (MA)	Another promising development is the Millennium Ecosystem Assessment (MA). Launched by the United Nations in 2001 (see http://www.millenniumassessment.org) and co-financed by UNEP GEF, the MA is working to develop measures for assessing the value and status of goods and services provided to mankind by biological diversity at both the global level and finer levels of resolution.
Living Planet Index (LPI)	The Living Planet Index (LPI), another global-level measure, was developed by the Worldwide Fund for Nature and WCMC (Loh et al., 1998). The LPI is a species population trend index, meaning that it is computed by using the population figures for a large number of species from around the world, giving equal weight to each species, regardless of its rarity or population size. Limitations of the LPI include the difficulty of identifying a representative set of species and the lack of long-term population estimates for all but a very small number of species (Loh, 2002; Jenkins et al., 2004).
CBD	The Executive Secretary of the CBD organized a meeting of experts on biodiversity indicators in February 2003. This group produced the guide, "Designing National-Level Monitoring Programs and Indicators," which includes an easy-to-use, step-by-step framework, an extensive list of key questions, and an appendix of fact sheets for potential indicators (UNEP, 2003e, Annex II).
Energy and Biodiversity Initiative (EBI)	At the site level, a useful resource for developing biodiversity indicators was created by a union of conservation organizations and oil companies called the Energy and Biodiversity Initiative (http://www.theebi.org/).

the IAs to secure funding to help advance the processes' capacity to assess changes in the status of biodiversity at the global and national levels, and even investigate their own potential role in facilitating the processes.

9.3 Articulating the Specific Role of the GEF and its Biodiversity Program in Contributing to Impacts on Biodiversity Status

Like OPS2, findings from this study would seem to indicate that, to date, the GEF Biodiversity Program has not contributed measurably to improving the status of global biodiversity. Though this may come as a serious disappointment to many, it is likely the result of two things: the slow pace of establishing the means to monitor progress from project through program levels and the continued unrealistic and unspoken expectations.

So what exactly is the expected contribution of the GEF's Biodiversity Program to improving the status of biodiversity? Is there an implicit belief that the GEF Biodiversity Program is synonymous with the CBD and, therefore, is expected to deliver on all the goals, objectives, and targets laid out in the CBD Strategic Plan? Or the 2010 CBD targets? Or even to the MDGs? Is it expected that the GEF Biodiversity Program alone will deliver all the GEF's cumulative contribution to improving the status of global biodiversity? Is there clear and realistic thinking about what the GEF Biodiversity Program's expenditure of approximately $170 million annually since the GEF's inception should deliver? And what all the co-financing and leverage that these funds can bring to bear could ever realistically contribute to improving the status of global biodiversity? Even searching with intent, it is not possible to find clear answers to these questions—but why?

Although conceived as a funding mechanism to support catalytic, innovative, and strategic interventions to help defray the incremental costs of securing global environmental benefits, it seems that there was an inherent problem from the start in clearly articulating the expectations of the GEF or the level at which the GEF's performance, overall and in the three focal areas, would be assessed. In other words, no targets or goals were set at the level of the entire GEF nor at the level of the GEF Biodiversity Program. Further, it was not realized, or perhaps clearly articulated, from the outset that the GEF would only be a contributor to delivering the highest level vision of improving the status of global biodiversity but would never achieve this on its own. For

these reasons, the GEF's, and by association, its Biodiversity Program's ability to demonstrate achievements may have been undermined by the tacit belief that the GEF would "do it all." These shortcomings in the governance of and direction to the GEF, from its earliest origins, have placed the Facility and its component programs in an unenviable and untenable position.

The unrealistic expectations reached the level of even OPS2, which concluded that, "The GEF, acting under the mandate and guidance of the CBD, has not yet been able to reverse this trend [in biodiversity loss]". Apparently, at that time, it was still expected that such lofty goals were even within the grasp of the GEF and its Biodiversity Program.

So what are the reasons for not being able to clearly define the GEF's *raison d'être*? Are they technical, operational, or political in nature or some combination of these? Many of the shortcomings described in this study may well be attributable to the constraints imposed by the underlying processes that rule the modus operandi of the GEF's. It is notable that the remit of the GEF has never been expressed in terms of measurable biodiversity goals and outcomes to which each GEF-funded program and its component projects must make a defined contribution and that will ultimately roll up to deliver true impacts on the status of global biodiversity over time.

In the final analysis, it appears that the lack of real progress in quantifying and assessing the GEF's impact on the status of global biodiversity is not a trivial issue and may stem from a much deeper and more fundamental problem: It remains unclear to this study what the GEF Council, the Parties, and other stakeholders are actually expecting the GEF overall and, more specifically, the GEF Biodiversity Program to deliver and if those still-implicit expectations have ever been realistic given the operating environment in which the GEF exists.

This chapter highlighted the challenges of measuring contributions at the impact level. It also pointed to the need for new vision, direction, and leadership to position the GEF and its Biodiversity Program thoughtfully and effectively within the global conservation and development community. It is now up to the GEF Secretariat and the GEF Biodiversity Team with the GEFM&E Unit to define their niche and set the boundaries of their roles in the greater scheme of things, by providing guidance—within the bounds of their delegated responsibilities and remit—to the IAs, ExAs, and other partners.

10. The Challenge Ahead

From the outset, this study searched for a single, unifying strategy against which to objectively assess performance to date. The absence of such a strategy was found to be one of the fundamental weaknesses of the GEF's current Biodiversity Program, and without due attention, it may well remain its "Achilles heel". In the absence of a fully developed strategic framework that lays out a clear and rational vision with goals and targets and defines the Biodiversity Program's place in the global and national biodiversity context, it is destined to remain a constellation of challenging projects, struggling to demonstrate impacts to its constituency. This chapter provides some constructive ideas and suggestions to the GEF partnership on how it might move forward in preparation for the negotiations for the fourth replenishment of the GEF trust fund.

The GEF is unique as the only multiconvention financing mechanism in existence. Today it provides the most significant source of funding specifically supporting multilateral environmental agreements, in particular, the Convention on Biological Diversity. As more traditional bilateral donors move away from funding biodiversity conservation and the global economy continues to grow, increasing negative impacts on biodiversity, the demand for GEF funding will no doubt increase as well. The GEF's Biodiversity Program must become far more strategic and deliberate in using its significant, albeit limited, funds.

While the Operational Strategy (GEF, 1996a), the Operational Program (GEF, 1997), and more recently, the Strategic Priorities (GEF, 2003b) have provided stepping-stones along the way, there remains an opportunity to revisit the current situation and ratchet these approaches up to a higher level of strategic vision, thinking, and guidance.

Participants to the negotiations for the third replenishment of the GEF trust fund concluded that the GEF should develop a framework that allocates resources to global environmental priorities based on countries' performances and that maximizes sustainable results through strategic planning and improved measurements of GEF performance among other elements (GEF, 2002b). The majority of donors now insist on this more strategic way of thinking to enhance synergies and create cost-effective ways of delivering outcomes and impacts, and as the GEF Council has clearly stated over the past few years, the GEF is no exception. Although the GEF's Biodiversity Program is well positioned to move into a new era of better-integrated and more coherent strategic engagement and intervention, it is clear that this will require changes of culture and practice among all major actors of the GEF partnership. The GEF Secretariat and the GEF Council should provide strong, visionary leadership in this discussion.

The GEF Secretariat and its Biodiversity Team need to operate at the apex, defining their niche more rigorously within the biodiversity community at large and putting forward their own strategic vision in response to the CBD and GEF Council guidance. Applying strategic guidance from the top, they must move from the existing approach that has led to the current loosely woven, bottom-up collection of projects, with limited guidance recently provided by the four new Strategic Priorities, to a situation of programmatic integration and coherence (see Figure 10.1). They must also undertake a proactive campaign; reorienting expectations to better align with a realistic view of the role and capacities of the GEF Biodiversity Program's contribution and an understanding that true global impacts can only be delivered by the larger community, over a significant period of time (see Figure 10.2).

The GEF needs to take better advantage of its unique niche and increase its efforts to deliver a meaningful contribution to improving the status of biodiversity at local and global levels, while maintaining its allied efforts in the inextricably linked field of sustainable development. Built-in flexibility to embark on new directions and to bring crucial skills to the fore as and when they are needed while maintaining a readiness and ability to respond to continued guidance from the Parties could be hallmarks of this new vision. In fact, the

GEF Biodiversity Program could contribute a new paradigm to the entire conceptualization of the GEF's catalytic and innovative role.

In the lead-up to the next replenishment, this process could begin through the formulation of a visionary strategic framework for future interventions, clearly laying out the full range of expected outcomes and impacts of the entire Biodiversity Program and how these will directly contribute, in the form of measurable targets at all levels, to the goals, objectives, and targets of the CBD. To ensure the necessary linkages, the components of this framework must relate directly to the recently approved 2010 biodiversity targets. The Biodiversity Program should be guided by the concept of rolling up performance from projects to the program and beyond to the CBD (Figure 10.3) through the considered use of the nested or cascading logframe approach (Figure 10.4). In addition, and possibly to great effect, the appropriate application of scenario planning tools and approaches, as employed by notable industry leaders over the past three decades, might assist in the pursuit of their conservation objectives in a world of growing risk and uncertainty. At the operational level, this strategic planning approach must link directly to plans and designs for both the monitoring and evaluation of individual projects in the portfolio and the program overall (Figure 10.5).

While such planning, monitoring, and evaluation, in its strictest sense, may be seen to present operational difficulties, it should be interpreted pragmatically, as a way of establishing the necessary focus and not as a constraint on implementation. Given the complexity of the GEF Biodiversity Program's operational sphere, the proposed changes should strike a balance between opportunism and more conventional strategic planning. Valuable lessons might be gleaned from other global programs and initiatives (for example, IUCN's key results framework, WWF's target-driven programs, or the CBD's Global Plant Conservation Strategy), which have attempted to develop aggregated strategic frameworks building from the level of projects on the ground to programs at the thematic, regional, or global level.

During the first 12 years of investment the GEF has funded projects in globally recognized World Heritage sites, Ramsar sites, hotspots, and Global 200 ecoregions and provided a huge boost to protected areas around the world but the GEF still has not adopted a rationale or an objective system with clear criteria for prioritizing or balancing the portfolio. This objective system could determine for example, where projects will be carried out (geographical regions, national or global priority ecosystems), when they will be carried out (over what time scale, 3–5 years or 5–10 years or more), what projects will focus on (increasing species numbers and distribution; conserving globally valuable species, populations, or ecosystems; conserving globally threatened species or common and abundant fauna and flora) and how they will be carried out (using existing models of stakeholder engagement, including local and indigenous communities and the private sector or through totally novel approaches developed at the local level).

Given the weakness of the process for integrating lessons learned from more than a decade of experiences in project preparation and implementation (described in Chapter 6), the Biodiversity Program runs the risk of perpetuating the status quo and precludes the GEF from being able to truly focus its resources in ways that might have the highest chance of significant impact, such as focusing on the most promising approaches, addressing the most pressing threats, or working

Figure 10.1. Operating from the Apex: the progression from the current loosely woven collection of projects to a more strategic, integrated, and coherent GEF Biodiversity Program

in some of the most important areas. This was articulated and requested from the GEF already by the participants to the negotiation for the third replenishment of the GEF (see Chapter 2 for a presentation of the discussion to date). Obviously, the implementation of any proposed system must be practical and able to function with confidence in the real world of politics and science. There are many highly committed governments. There are outstanding conservationists, each with their personal viewpoint regarding priorities for conserving biodiversity. There are the realities of working within an unpredictable global economy. And there are the constraints of operating within a host of multilateral environmental agreements and conventions in which every issue is a priority and every country is eligible. How can a way be found to recognize commitment and good governance, identify scientifically-based priorities, and keep a closer check on the targeting of interventions? This requires a system that not only recognizes but rewards serious commitment to biodiversity conservation and provides such support based on a clear assessment of needs and capacity within a long-term vision and strategy. Many in the global conservation and development community would welcome strong and decisive leadership in furthering these aims.

In adopting this approach, the GEF Biodiversity Program will be better placed to facilitate more in-depth and focused consultations between the GEF Secretariat, the CBD Secretariat, the IAs/ExAs, and the Parties, including the GEF National Focal Points, to clarify and prioritize COP guidance toward a more powerful delivery of outcomes and impacts at all levels, to develop more powerful synergies among the GEF focal areas, and to contribute more substantively to cross-sectoral mainstreaming of biodiversity at national and international levels. In undertaking this proactive approach, the GEF should not be limited by its past, as an extension of a rather conservative global public sector. The GEF must be bold. Moving with intent and initiative, taking advantage of its success in raising global awareness and its proven record in stakeholder consultation, the GEF should actively engage the ongoing global "analytical deliberation"[1] (Jenkins, 2003; Sachs, 2004). Forming such strategic partnerships to help set the larger vision and draft the "road map," the GEF will ensure its added value and its unique role in providing catalytic funds to deliver global benefits to the world's biodiversity.

In the very early days of the GEF, McNeely (1991) speculated on the potential pitfalls of the new facility in "GEF: Cornucopia or kiss of death for biodiversity"? Now, over a decade later, what can be said of these prophecies? Would the status of our world's biodiversity have been better off without the GEF? – No! Could the achievements and impacts have been more profound and demonstrable? – Yes, Probably. Could the significant resources of the GEF be guided and managed more strategically, more efficiently, and more effectively to deliver greater impacts in the future? – Yes, Definitely! This is the challenge ahead.

Figure 10.2. The GEF Biodiversity Program and Its Place in the Biodiversity Framework

1. A new science-based process of consensus building that brings together a diverse set of stakeholders in high-level forums for "analytical deliberation" on biodiversity preservation, climate, global poverty reduction and the formulation of strategies for sustainable development.

Figure 10.3. Strategic Interventions of the GEF Biodiversity Program

Figure 10.4. The Concept of Cascading Logframes in the Context of Strategic Planning for the GEF Biodiversity Program

Figure 10.5. Two Sides of the Same Coin: Strategic planning and M&E

Annexes

Annex 1. Scope and Methodology for the Biodiversity Program Study 2004

Key areas of assessment	Special issues	Data and information sources	How	By whom?
Performance (activities/inputs and outputs)	Coverage and extent of GEF-supported activities	All projects approved from FY91 to FY03 (216 full-sized projects, 129 mid-sized projects and 262 enabling activities)	Update to GEF biodiversity database using existing protocol	GEFM&E
	Examples of outputs: number and hectares of protected areas, NBSAPs	BPS2004 cohort of projects = annual Project Implementation Reviews (PIRs) for all projects under implementation that are beyond the midpoint (135 projects); terminal evaluations of projects completed in FY01-02-03 (35 projects); CBD website; enabling activities (262)	Collection of information using BPS2004 review protocol for ongoing and completed projects; analysis	
Achievements of outcomes	Management effectiveness of protected areas	World Bank projects that have applied the WWF/WB scorecard on effective management, preferably at two points in time (entry and midpoint); BPS2004 cohort; formal interviews (see below); responses to questionnaires (see below)*	Special case study: desk review of gap and trend analysis of PA scorecard; desk review and analysis using supplementary PIR information and standardized protocol	World Bank Biodiversity Team
	Sustainable use of biodiversity resources	BPS2004 cohort; formal interviews; responses to questionnaires*	Special case study: desk review of BPS2004 review protocols	GEFM&E
	Access to benefit sharing from genetic resources	BPS2004 cohort; formal interviews; responses to questionnaire*	Special study: desk review using BPS2004 review protocols	GEFM&E
	Enabling environment	BPS2004 cohort; Field visits conducted under "Local Benefits Study" and "Linkages Study"; formal interviews; responses to questionnaire*	Special study on mainstreaming biodiversity considerations within the production sectors: desk review and selected field visits	UNDP Biodiversity Team
			Special study on enabling environment: desk review of BPS2004 review protocols	GEFM&E

Key areas of assessment	Special issues	Data and information sources	How	By whom?
Application of guiding principles	Stakeholder participation, replication, country ownership, capacity building	BPS2004 cohort; formal interviews; responses to questionnaires	Special case study: desk review of BPS2004 review protocols	GEFM&E
Responsiveness of GEF to CBD guidance		BPS2004 cohort; GEF reports to CBD CBD guidance; GEF Biodiversity Strategy; formal interviews; responses to questionnaires	Desk review and analysis of guidance against GEF biodiversity portfolio	GEFM&E
Progress in implementing key recommendations from OPS2 and BPS2001		Documents produced by GEF Secretariat and IAs; interviews with GEF Secretariat and IAs staff	Desk review and analysis of documents and interviews	GEFM&E
Impacts on biodiversity (changes of its status at the site and local level)	Improved biodiversity status linked to GEF activities at the site and local level	BPS2004 cohort; formal interviews; responses to questionnaires	Identification of projects reporting changes in biodiversity status; desk reviews and analysis using standardized protocol	GEFM&E

* All projects in the BPS2004 cohort were reviewed using a protocol that extracted information on achievements, shortcomings, lessons, external constraints, and best practices.

Annex 2. Biodiversity Program Study 2004 Cohort of Projects

BPS 2004 Cohort Breakdown						
	Total		FSP		MSP	
	Number of Projects	US $ millions	Number of Projects	US $ millions	Number of Projects	US $ millions
Total Cohort	141	$589.9	72	$537.1	69	$52.8
Project Status						
Completed	42	$228.1	25	$215.8	17	$12.3
Ongoing	99	$361.8	47	$321.4	52	$40.5
Implementing Agency						
UNDP	47	$195.6	31	$183.8	16	$11.8
UNEP	17	$24.8	2	$13.6	15	$11.2
World Bank	78	$390.9	40	$361.1	38	$29.8
Regional Distribution						
AFR	44	$174.0	27	$161.6	17	$12.4
Asia	38	$182.7	20	$168.9	18	$13.8
ECA	7	$30.5	3	$27.5	4	$3.0
LAC	44	$171.5	19	$152.1	25	$19.5
Global	7	$17.8	2	$13.6	5	$4.2
Fiscal year of approval						
1991	10	$114.6	10	$114.6	n/a	n/a
1992	2	$13.5	2	$13.5	n/a	n/a
1993	6	$27.4	6	$27.4	n/a	n/a
1994	0	$0.0	0	$0.0	n/a	n/a
1995	9	$88.4	9	$88.4	n/a	n/a
1996	4	$18.2	4	$18.2	n/a	n/a
1997	20	$140.2	20	$140.2	n/a	n/a
1998	17	$83.7	10	$79.1	7	$4.6
1999	27	$55.0	9	$40.9	18	$14.1
2000	27	$34.3	2	$14.9	25	$19.5
2001	14	$10.21	0	$0.00	14	$10.21
2002	5	$4.39	0	$0.00	5	$4.39

Projects Completed or Closed (FY01-02-03)

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
496	Belize	LAC	Northern Belize Biological Corridors Project	WB	MSP		$0.7	$3.2	$3.9
499	Belize	LAC	Creating A Co-Managed Protected Areas System	UNDP	MSP		$0.8	$0.4	$1.1
192	Bhutan	Asia	Integrated Management of Jigme Dorji National Park	UNDP	FP	Oct-96	$1.5	$1.0	$2.5
85	Cameroon	AFR	Biodiversity Conservation and Management	WB	FP	Mar-95	$6.1	$6.4	$12.5
83	China	Asia	Nature Reserves Management	WB	FP	Feb-95	$19.6	$5.7	$25.3
600	China	Asia	Lop Nur Nature Sanctuary Biodiversity Conservation	UNEP	MSP	N.A.	$0.8	$0.8	$1.5
220	Comoros	AFR	Island Biodiversity and Participatory Conservation in the Federal Islamic Republic of Comoros	UNDP	FP		$2.4	$0.8	$3.3
48	Congo	AFR	Wildlands Protection and Management	WB	FP	May-91	$10.1	$3.8	$13.9
601	Ecuador	LAC	Monitoring System for the Galapagos Islands	WB	MSP		$0.9	$0.6	$1.6
628	Ecuador	LAC	Wetland Priorities for Conservation Action	WB	MSP		$0.7	$0.2	$0.9
66	Egypt	AFR	Red Sea Coastal and Marine Resource Management	WB	FP		$4.8	$1.0	$5.7
466	El Salvador	LAC	Promotion of Biodiversity Conservation within Coffee Landscapes	WB	MSP		$0.8	$3.1	$3.8
351	Ethiopia	AFR	A Dynamic Farmer-Based Approach to the Conservation of African Plant Genetic Resources	UNDP	FP	Dec-92	$2.5		$2.5
25	Georgia	ECA	Arid and Semi-Arid Ecosystem Conservation in the Caucasus	UNDP	MSP		$0.8	$0.1	$0.9
413	Global	CEX	Global Biodiversity Forum Phase II	UNEP	MSP	Feb-98	$0.7	$0.9	$1.6
142	Global	CEX	People, Land Management, and Environmental Change (PLEC)	UNEP	FP	N.A.	$6.3	$4.8	$11.1
465	Global	CEX	Development of Best Practices and Dissemination of Lessons Learned for Dealing with the Global Problem of Alien Species that Threaten Biological Diversity	UNEP	MSP		$0.8	$3.2	$4.0
16	Guatemala	LAC	Management and Protection of Laguna del Tigre National Park	WB	MSP	Jul-95	$0.7	$0.9	$1.7
77	Indonesia	Asia	Biodiversity Collections	WB	FP	Apr-92	$8.8	$4.2	$13.0
99	Indonesia	Asia	Kerinci Seblat Integrated Conservation and Development	WB	FP	Apr-96	$14.4	$25.5	$39.9
50	Kenya	AFR	Tana River National Primate Reserve Conservation Project	WB	FP	May-91	$6.7	$0.9	$7.7

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
78	Lao PDR	Asia	Wildlife and Protected Areas Conservation	WB	FP		$5.0	$0.2	$5.2
125	Madagascar	AFR	Environment Program Support Project	WB/ UNDP	FP	Jan-97	$21.3	$135.2	$156.5
177	Mauritania	AFR	Rescue Plan for the Cap Blanc Colony of the Mediterranean Monk Seal	UNEP	MSP		$0.2	$0.1	$0.2
102	Mauritius	AFR	Biodiversity Restoration	WB	FP	Nov-95	$1.2	$0.4	$1.6
644	Mexico	LAC	El Triunfo Biosphere Reserve: Habitat Enhancement in Productive Landscapes	WB	MSP	Jun-99	$0.8	$1.4	$2.1
62	Mexico	LAC	Protected Areas Program	WB	FP		$25.0	$17.2	$42.2
53	Mozambique	AFR	Transfrontier Conservation Areas Pilot and Institutional Strengthening	WB	FP	Dec-96	$5.4	$3.1	$8.5
348	Panama	LAC	Biodiversity Conservation in the Darien Region	UNDP	FP	Jan-92	$3.0	$0.5	$3.5
650	Peru	LAC	Collaborative Management for the Conservation and Sustainable Development of the Northwest Biosphere Reserve	WB	MSP	Sep-99	$0.8	$1.3	$2.1
79	Philippines	Asia	Conservation of Priority Protected Areas	WB	FP	May-94	$20.0	$2.9	$22.9
406	Regional	AFR	African NGO-Government Partnership for Sustainable Biodiversity Action	UNDP	FP	Apr-93	$4.5	$7.1	$11.7
47	Regional	AFR	Regional Environment and Information Management Project (REIMP)	WB	FP	Dec-97	$4.4	$11.3	$15.7
33	Regional	LAC	An Indicator Model for Dryland Ecosystems in Latin America	UNEP	MSP	N.A.	$0.8	$0.3	$1.1
536	Regional	AFR	Conservation Priority-Setting for the Upper Guinea Forest Ecosystems, West Africa	UNDP	MSP	May-98	$0.7	$0.2	$0.9
403	Regional	Asia	South Pacific Biodiversity Conservation Programme	UNDP	FP	Jan-92	$10.0	$4.3	$14.3
90	Russian Federation	ECA	Biodiversity Conservation	WB	FP	May-96	$20.9	$5.9	$26.8
483	Seychelles	AFR	Management of Avian Ecosystems	WB	MSP		$0.7	$0.3	$1.1
54	Uganda	AFR	Bwindi Impenetrable National Park and Mgahinga Gorilla National Park Conservation	WB	FP	May-91	$4.4	$2.3	$6.7
490	Uganda	AFR	Kibale Forest Wild Coffee Project	WB	MSP	Dec-94	$0.8	$3.4	$4.2
206	Uruguay	LAC	Consolidation of the Banados del Este Biosphere Reserve	UNDP	FP	Apr-97	$2.5	$1.5	$4.0
223	Yemen	ASME	Conservation and Sustainable Use of the Biodiversity of Socotra Archipelago	UNDP	FP	Oct-96	$5.0	$8.0	$13.0

On-going Projects That Have Had a Mid-term Review as of June 30, 2003

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
92	Argentina	LAC	Biodiversity Conservation Project	WB	FP	Oct-97	$10.4	$37.5	$47.9
205	Argentina	LAC	Consolidation and Implementation of the Patagonia Coastal Zone Management Programme for Biodiversity Conservation	UNDP	FP	Jan-97	$5.2	$12.9	$18.1
455	Bangladesh	Asia	Biodiversity Conservation in the Sundarbans Reserved Forest	WB	FP	Nov-98	$12.2	$63.3	$75.5
618	Bangladesh	Asia	Aquatic Biodiversity Conservation	WB	FP	Jul-99	$5.0	$55.8	$60.8
592	Belize	LAC	Conservation And Sustainable Use of the Barrier Reef Complex	UNDP	FP	Oct-98	$5.4	$2.0	$7.4
408	Benin	AFR	National Parks Conservation and Management Project	WB	FP	Feb-94	$6.2	$17.1	$23.3
58	Brazil	LAC	National Biodiversity Project	WB	FP	Apr-96	$10.3	$10.0	$20.3
126	Brazil	LAC	Brazilian Biodiversity Fund	WB	FP	Apr-96	$20.0	$5.0	$25.0
359	Burkina Faso	AFR	Optimizing Biological Diversity within Wildlife Ranching systems; A Pilot Demonstration in A Semi-Arid Zone	UNDP	FP	Dec-92	$2.5	$1.0	$3.5
621	Cambodia	Asia	Biodiversity and Protected Area Management Pilot Project for the Virachey National Park	WB	FP	Feb-00	$2.8	$2.3	$5.0
218	Central African Republic	AFR	A Highly Decentralized Approach to Biodiversity Protection and Use: The Bangassou Dense Forest	UNDP	FP	May-95	$2.5	$1.0	$3.5
844	Chile	LAC	Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation	WB	MSP	Jul-00	$0.7	$0.0	$0.7
623	China	Asia	Wetland Biodiversity Conservation and Sustainable Use	UNDP	FP	Jan-99	$12.0	$23.0	$35.1
864	China	Asia	Multiagency and Local Participatory Cooperation in Biodiversity Conservation in Yunnan's Upland Ecosystem	UNDP	MSP	Sep-00	$0.8	$0.0	$0.8
625	Colombia	LAC	Sustainable Use of Biodiversity in the Western Slope of the Serrania del Baudo	WB	MSP	Jun-99	$0.8	$2.2	$3.0
773	Colombia	LAC	Caribbean Archipelago Biosphere Reserve: Regional Marine Protected Area System	WB	MSP	Jun-00	$1.0	$3.2	$4.2
1020	Colombia	LAC	Conservation and Sustainable Development of the Mataven Forest	WB	MSP	May-01	$0.8	$0.6	$1.4
103	Costa Rica	LAC	Biodiversity Resources Development	WB	FP	Mar-98	$7.3	$13.0	$20.3
672	Costa Rica	LAC	Conservation of Biodiversity in the Talamanca-Caribbean Biological Corridor	UNDP	MSP	Sep-99	$0.7	$0.5	$1.3
979	Costa Rica	LAC	Biodiversity Conservation in Cacao Agroforestry	WB	MSP	Mar-98	$0.8	$2.3	$3.0

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
346	Côte d'Ivoire	AFR	Control of Exotic Aquatic Weeds in Rivers and Coastal Lagoons to Enhance and Restore Biodiversity	UNDP	FP	Jan-92	$3.0	$1.9	$4.9
495	Croatia	ECA	Kopacki Rit Wetlands Management Project	WB	MSP	Nov-98	$0.8	$1.1	$1.9
591	Cuba	LAC	Priority Actions to Consolidate Biodiversity Protection in the Sabana-Camaguey Ecosystem	UNDP	FP	Nov-99	$3.9	$16.0	$19.9
775	Ecuador	LAC	Choco-Andean Corridor	WB	MSP	Jun-00	$1.0	$2.4	$3.4
846	Ecuador	LAC	Albarradas in Coastal Ecuador: Rescuing Ancient Knowledge on Sustainable Use of Biodiversity	WB	MSP	Aug-00	$0.8	$2.4	$3.1
1409	Ecuador	LAC	Galapagos Oil Spill: Environmental Rehabilitation and Conservation	UNDP	MSP	Apr-01	$0.5	$0.5	$1.0
411	Eritrea	AFR	Conservation Management of Eritrea's Coastal, Marine, and Island Biodiversity	UNDP	FP	Apr-97	$5.3	$0.8	$6.1
488	Georgia	ECA	Integrated Coastal Management Project	WB	FP	Dec-98	$1.3	$6.8	$8.1
136	Ghana	AFR	Natural Resource Management	WB	FP	Aug-97	$8.9	$44.7	$53.6
770	Global	CEX	Millennium Ecosystem Assessment	UNEP	FP		$7.3	$17.6	$24.9
1328	Global	CEX	Barriers and Best Practices in Integrated Management of Mountain Ecosystems	UNEP	MSP		$0.9	$1.2	$2.1
1486	Global	CEX	Global Biodiversity Forum (GBF): Multistakeholder Support for the Implementation of the Convention on Biological Diversity - Phase III	UNEP	MSP	N.A.	$1.0	$3.1	$4.1
23	Global	CEX	Promoting Best Practices for Conservation and Sustainable Use of Biodiversity of Global Significance in Arid and Semi-Arid Zones	UNEP	MSP		$0.8	$0.2	$0.9
197	Guatemala	LAC	Integrated Biodiversity Protection in the Sarstun-Motagua Region	UNDP	FP	Feb-95	$4.0	$5.7	$9.7
121	Honduras	LAC	Honduras Biodiversity Project	WB	FP	Oct-97	$7.3	$41.7	$49.0
84	India	Asia	India Ecodevelopment	WB	FP	Sep-96	$20.2	$54.0	$74.2
26	Indonesia	Asia	Conservation of Elephant Landscapes in Aceh	WB	MSP	Dec-99	$0.7	$0.3	$1.0
116	Indonesia	Asia	Coral Reef Rehabilitation and Management Project (COREMAP I)	WB	FP	Mar-98	$4.4	$9.5	$13.9
845	Indonesia	Asia	The Greater Berbak-Sembilang Integrated Coastal Wetlands Conservation Project	WB	MSP	Aug-00	$0.7	$0.9	$1.6
18	Kenya	AFR	Lewa Wildlife Conservancy	WB	MSP	Jul-96	$0.8	$3.2	$3.9

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
796	Kenya	AFR	Lake Baringo Community-Based Integrated Land and Water Management Project	UNEP	MSP	Mar-00	$0.8	$0.2	$1.0
797	Korea DPR	Asia	Conservation of Biodiversity at Mount Myohyang	UNDP	MSP	Jan-00	$0.8	$0.9	$1.7
216	Lebanon	ASME	Strengthening of National Capacity and Grassroots In-Situ Conservation for Sustainable Biodiversity Protection	UNDP	FP	May-95	$2.5	$0.8	$3.3
245	Lesotho	AFR	Conserving Mountain Biodiversity in Southern Lesotho	UNDP	FP	May-99	$2.5	$4.6	$7.1
816	Mauritius	AFR	Restoration of Round Island	WB	MSP	Jul-00	$0.8	$0.8	$1.6
778	Mexico	LAC	Indigenous and Community Biodiversity Conservation (COINBIO)	WB	FP	Feb-97	$7.6	$11.2	$18.8
1397	Mexico	LAC	Private Land Mechanisms for Biodiversity Conservation in Mexico	WB	MSP	Aug-01	$0.8	$1.1	$1.9
21	Micronesia	Asia	Community Conservation and Compatible Enterprise Development on Pohnpei	UNDP	MSP	Mar-03	$0.7	$1.5	$2.2
250	Mongolia	Asia	Biodiversity Conservation and Sustainable Livelihood Options in the Grasslands of Eastern Mongolia	UNDP	FP	Dec-97	$5.2	$6.9	$12.0
648	Mozambique	AFR	Coastal and Marine Biodiversity Management Project	WB	FP	Jun-00	$4.1	$5.1	$9.2
30	Nepal	Asia	Upper Mustang Biodiversity Project	UNDP	MSP	Nov-99	$0.7	$1.3	$2.0
906	Nepal	Asia	Landscape-Scale Conservation of Endangered Tiger and Rhinoceros Populations in and around Chitwan National Park	UNDP	MSP	Nov-00	$0.8	$1.0	$1.7
907	Nepal	Asia	Arun Valley Sustainable Resource Use and Management Pilot Demonstration Project	UNEP	MSP	N.A.	$0.6	$0.2	$0.8
117	Nicaragua	LAC	Atlantic Biological Corridor	WB	FP	Sep-92	$7.4	$43.6	$51.0
133	Panama	LAC	Atlantic Mesoamerican Biological Corridor Project	WB	FP	Jun-98	$8.6	$30.9	$39.5
681	Panama	LAC	Effective Protection with Community Participation of the New Protected Area of San Lorenzo	WB	MSP	Jun-99	$0.8	$1.5	$2.3
500	Peru	LAC	In-Situ Conservation of Native Cultivars and Their Wild Relatives	UNDP	FP	Sep-98	$5.2	$1.2	$6.4
682	Peru	LAC	Participatory Conservation and Sustainable Development with Indigenous Communities in Vilcabamba	WB	MSP	Sep-99	$0.7	$0.4	$1.2
1408	Peru	LAC	Biodiversity Conservation and Community Natural Resource Management in the Nanay River Basin (Peruvian Amazon)	WB	MSP	May-01	$0.8	$0.8	$1.6

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
653	Philippines	Asia	Coastal and Marine Biodiversity Conservation in Mindanao	WB	FP	Dec-99	$1.3	$4.8	$6.1
798	Philippines	Asia	Sustainable Management of Mount Isarog	UNDP	MSP	Jan-00	$0.8	$1.5	$2.2
799	Philippines	Asia	Conservation of the Tubbataha Reefs National Marine Park and World Heritage Site	UNDP	MSP	Mar-00	$0.8	$1.0	$1.8
410	Regional	AFR, Asia, ECA	Conservation of Wetland and Coastal Ecosystems in the Mediterranean Region	UNDP	FP	May-97	$13.4	$26.3	$39.8
260	Regional	Africa	Southern Africa Biodiversity Support Programme	UNDP	FP	Nov-97	$4.5	$4.8	$9.3
407	Regional	AFR	Inventory, Evaluation, and Monitoring of Botanical Diversity in Southern Africa: A Regional Capacity and Institution Building Network	UNDP	FP	Feb-96	$4.7	$4.7	$9.4
243	Regional	LAC	Establishment of a Programme for the Consolidation of the Meso-American Biological Corridor	UNDP	FP	Apr-99	$10.9	$12.8	$23.7
981	Regional	AFR	Community-Based Management of On-Farm Plant Genetic Resources in Arid and Semi-Arid Areas of Sub-Saharan Africa	UNEP	MSP	N.A.	$0.8	$1.3	$2.1
794	Regional	LAC	Catalyzing Conservation Action in Latin America: Identifying Priority Sites and Best Management	UNEP	MSP		$0.8	$0.7	$1.4
202	Regional	LAC	Conservation of Biodiversity in the Lake Titicaca Basin	UNDP	FP	Jan-95	$3.1	$0.9	$4.0
55	Regional	AFR	West Africa Pilot Community-Based Natural Resource and Wildlife Management	WB	FP	Sep-95	$7.9	$6.2	$14.1
814	Regional	AFR	Coral Reef Monitoring Network in Member States of the Indian Ocean Commission (COI), within the Global Reef Monitoring Network (GCRMN)	WB	MSP	Jul-00	$0.7	$0.6	$1.4
1344	Regional	AFR	Conservation of Gramineae and Associated Arthropods for Sustainable Agricultural Development in Africa	UNEP	MSP	Jul-01	$1.0	$1.6	$2.5
1410	Regional	LAC	Biodiversity Conservation and Integration of Traditional Knowledge on Medicinal Plants in National Primary Health Care Policy in Central America and Caribbean	UNEP	MSP	N.A.	$0.8	$0.8	$1.6
400	Regional	Asia	Conservation and Sustainable Use of Dryland Agro-Biodiversity of the Fertile Crescent	UNDP	FP	Nov-97	$8.2	$10.3	$18.5
541	Regional	AFR	Reducing Biodiversity Loss at Cross-Border Sites in East Africa	UNDP	FP	May-97	$12.9	$5.5	$18.4

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
905	Regional	AFR	Land Use Change Analysis as an Approach for Investigating Biodiversity Loss and Land Degradation	UNEP	MSP	N.A.	$0.8	$0.6	$1.4
120	Regional	LAC	Terra Capital Biodiversity Enterprise Fund for Latin America (IFC)	WB	FP	Oct-95	$5.0	$25.0	$30.0
457	Regional	AFR	Biological Diversity Conservation through Participatory Rehabilitation of the Degraded Lands of the Arid and Semi-Arid Transboundary Areas of Mauritania and Senegal	UNDP	FP	Apr-98	$8.0	$4.4	$12.4
129	Romania	ECA	Biodiversity Conservation Management Project	WB	FP	May-99	$5.3	$1.6	$6.9
656	Samoa	Asia	Marine Biodiversity Protection and Management	WB	MSP	Feb-99	$0.9	$0.7	$1.6
800	Seychelles	AFR	Marine Ecosystem Management Project	WB	MSP	Jul-00	$0.7	$0.7	$1.4
801	Slovak Republic	ECA	Central European Grasslands - Conservation and Sustainable Use	WB	MSP	Jun-00	$0.8	$0.4	$1.1
17	South Africa	AFR	Conservation of Globally Significant Biodiversity in Agricultural Landscapes through Conservation Farming	WB	MSP	Jul-99	$0.8	$1.0	$1.7
20	South Africa	AFR	Conservation Planning for Biodiversity in the Thicket Biome	WB	MSP	May-00	$0.7	$0.1	$0.9
134	South Africa	AFR	Cape Peninsula Biodiversity Conservation Project	WB	FP	Feb-98	$12.4	$80.8	$93.2
659	South Africa	AFR	Sustainable Protected Area Development in Namaqualand	WB	MSP	May-00	$0.7	$4.6	$5.4
95	Sri Lanka	Asia	Conservation and Sustainable Use of Medicinal Plants	WB	FP	Dec-97	$4.9	$20.4	$25.3
818	Sri Lanka	Asia	Conservation of Globally Threatened Species in the Rainforests of Southwest Sri Lanka	UNDP	MSP	Apr-00	$0.7	$0.2	$1.0
534	Sudan	AFR	Conservation and Management of Habitats and Species, and Sustainable Community Use of Biodiversity in Dinder National Park	UNDP	MSP	Jun-98	$0.8	$1.1	$1.9
497	Syria	ASME	Conservation of Biodiversity and Protected Areas Management	WB	MSP	Oct-98	$0.8	$0.7	$1.4
803	Tanzania	AFR	Jozani Chwaka Bay National Park Development	UNDP	MSP	Mar-00	$0.7	$0.8	$1.6
101	Uganda	AFR	Institutional Capacity Building for Protected Areas Management and Sustainable Use (ICB-PAMSU)	WB	FP	Jul-98	$2.3	$11.9	$14.1
855	Uzbekistan	ECA	Establishment of the Nuratau-Kyzylkum Biosphere Reserve as a Model for Biodiversity Conservation	UNDP	MSP	Jul-00	$0.8	$0.7	$1.4

GEFID	Country	Region	Project Name	IA	Type	Council Approval	GEFFin	CoFin	Total
664	Venezuela	LAC	Conservation and Sustainable Use of Biodiversity in the Llanos Ecoregion	WB	MSP	May-99	$1.0	$1.5	$2.5
4	Vietnam	Asia	Hon Mun Marine Protected Area Pilot Project	WB	MSP	Jul-00	$1.0	$1.1	$2.1
209	Vietnam	Asia	Vietnam PARC - Creating Protected Areas for Resources Conservation (PARC) in Vietnam Using a Landscape Ecology Approach	UNDP	FP	Jul-97	$6.0	$0.7	$6.7
1477	Vietnam	Asia	Conservation of Pu Luong-Cuc Phuong Limestone Landscape	WB	MSP	Apr-01	$0.7	$0.6	$1.3
665	Yemen	ASME	Protected Areas Management	WB	MSP	Aug-99	$0.8	$0.7	$1.4
666	Yemen	ASME	Coastal Zone Management along the Gulf of Aden	WB	MSP	Aug-99	$0.8	$0.5	$1.3

Annex 3. List of Formal Interviews and Responses to Questionnaires

Interviews

Convention Secretariats

Yibin Xiang, Program Officer, Financial Resource Analyst, Convention on Biological Diversity
Peter Bridgewater, Secretary General, Ramsar Convention on Wetlands
Lyle Glowka, Agreement Development and Servicing Officer, Convention on Migratory Species
Bert Lenten, Executive Secretary, Africa-Asia Migratory Waterbird Agreement COP7 special side event (Kuala Lumpur, Malaysia): representatives from 3 conventions

State Parties to CBD

COP7 special side event (Kuala Lumpur, Malaysia): representatives from 21 recipient and 3 donor countries
Guy Suzon Ramanangasom, Director, ANGAP, Madagascar
Yaraslov Movchan, Ministry of Environment, Ukraine

International NGOs

2 interviewees requesting anonymity
COP7 special side event (Kuala Lumpur, Malaysia): representatives of 15 international NGOs

Local NGOs and CBOs

5 interviewees requesting anonymity
COP7 special side event (Kuala Lumpur, Malaysia): representatives of 11 local NGOs

Implementing Agencies

UNDP

Frank Pinto, Executive Coordinator, GEF
John Hough, Principal Technical Adviser, GEF
Tim Clairs, Regional Coordinator, Biodiversity and International Waters, GEF Regional Coordination Unit, Asia and the Pacific
Tito Santos, Regional Coordinator, Biodiversity and International Waters, UNDP GEF Regional Service Unit Asia and the Pacific
Yumiko Yasuda, Programme Officer, GEF Regional Service Unit, Asia and Pacific
Teoh Su Chin, Programme Manager, Environmental Management Unit, UNDP, Kuala Lumpur, Malaysia

UNEP

Mark Zimsky, Senior Biodiversity Program Officer
Sheila Aggarwal-Khan, Program Officer, Medium-sized Projects

World Bank

Ian Johnson, Vice President, Environmentally and Socially Sustainable Development
Kathy MacKinnon, Senior Biodiversity Specialist
Teresa Serra, Environment Director, Environment and Social Development Unit, East Asia and Pacific Region
Magda Lovei, Sector Manager, Environment and Social Development Unit, East Asia and Pacific Region

Steve Gorman, Executive GEF Coordinator for the World Bank
Sam Wedderburn, Senior Operations Officer
Malcolm Jansen, GEF Regional Coordinator for South Asia
Jo Albert, GEF Regional Coordinator, Latin America and the Caribbean
Maria Haztiolos, Senior Environmental Specialist
Dahlia Lotayef, GEF Regional Coordinator for Middle East and North Africa
Christophe Crepin, GEF Regional Coordinator for Africa
Yabanax Batista, Junior Professional Associate, Latin America and Caribbean

GEF Secretariat

Len Good, Chief Executive Officer
Patricia Bliss-Guest, Team Leader, Corporate Affairs
Gonzalo Castro, Team Leader, Biodiversity
Kanta Kumari, Senior Program Manager, Biodiversity
Mario Ramos, Senior Program Manager, Biodiversity

Questionnaire Replies

Convention Secretariats

United Nations Educational, Scientific and Cultural Organization, World Heritage Program

International NGOs

World Wildlife Fund, US
Wildlife Conservation Society
World Resources Institute
World Conservation Union

National NGOs

Instituto Biodiversidad, Columbia

No Replies

Ramsar Convention on Wetlands
Bonn Migratory Birds Convention
Convention on the International Trade in Endangered Species
Conservation International
The Nature Conservancy
Birdlife International
Flora and Fauna International
Wetlands International
GEF NGO network

Informal talks

David Todd, Senior Monitoring and Evaluation Specialist, GEF M&E Unit
Lee Risby, Consultant, GEF M&E Unit
Jarle Harstad, Team Leader GEF M&E Unit

Annex 4. Guidance from COPs to GEF

Access and benefit-sharing as they relate to genetic resources
COP3 "The Conference of the Parties... [u]rges the Global Environment Facility, along with Governments, regional economic integration organizations, and competent international, regional and national organizations, to support human and institutional capacity-building programmes for Governments, non-governmental organizations and local and indigenous communities, as appropriate, to promote the successful development and implementation of legislative, administrative and policy measures and guidances on access to genetic resources, including scientific, technical, business, legal and management skills and capacities" Decision III/5, para. 4
COP4 "The Global Environment Facility should... [p]rovide support for: (i) Stock-taking activities, such as, for example, assessments of current legislative, administrative and policy measures on access to genetic resources and benefit-sharing, evaluation of the strengths and weaknesses of a country's institutional and human capacity, and promotion of consensus-building among its different stakeholders; (ii) Formulation of access and benefit-sharing mechanisms at the national, subregional and regional levels, including monitoring, assessment, and incentive measures; (iii) Capacity-building on measures on access to genetic resources and sharing of benefits, including capacity-building on economic valuation of genetic resources; (iv) Within biodiversity projects, other specific benefit sharing initiatives such as support for entrepreneurial developments by local and indigenous communities, facilitation of financial sustainability of projects promoting the sustainable use of genetic resources, and appropriate targeted research components" Decision IV/13, para. 8
COP5 "The Global Environment Facility should provide support … [f]or projects that will address the issue of access and benefit-sharing, in accordance with decision V/26" Decision V/13, paragraph 2(g)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or projects that assist with the implementation of the Action Plan on Capacity-building for Access and Benefit-sharing in support of the implementation of the Bonn Guidelines on Access to Genetic Resources and Fair and Equitable Sharing of the Benefit Arising out of their Utilization" Decision VI/17, para. 10(m)
COP7 Reiterates its guidance to the Global Environment Facility, as the institutional structure operating the financial mechanism of the Convention, to provide financial resources for country-driven projects based on national priorities that assist with the implementation of the Action Plan in support of the implementation of the Bonn Guidelines on Access to Genetic Resources and Fair and Equitable Sharing of Benefits Arising out of their Utilization, and further requests the Global Environment Facility, in accordance with its mandate, to support capacity-building regarding the transfer of technologies which enables providers to fully appreciate and actively participate in benefit-sharing arrangements at the stage of granting access permits. Decision VII/20, para. 19
Access to and transfer of technology
COP1 "The programme priorities are ... [i]n accordance with Article 16 of the Convention, and to meet the objectives of conservation of biological diversity and sustainable use of its components, projects which promote access to, transfer of and cooperation for joint development of technology" Decision I/2, annex I, para. 4 (f)
COP7 Based on needs and priorities identified by developing country Parties and countries with economies in transition, the Global Environment Facility, in accordance with its mandate and in collaboration with other interested funding agencies, shall, as appropriate, provide adequate and timely financial support for the implementation of the programme of work on technology transfer and technological and scientific cooperation, consistent with Articles 16 to 20, and in particular for: (a) Building policy, legal, judicial and administrative capacity; (b) Facilitating access to relevant proprietary technologies; (c) Providing other financial and non-financial incentives for the diffusion of relevant technologies; (d) Building capacities of, and empowering, indigenous and local communities and all relevant stakeholders with respect to access to and use of relevant technologies; (e) Improving the capacity of national research institutions in developing countries and countries with economies in transition for the development of technologies, as well as for adaptation, diffusion and the further development of imported technologies consistent with their transfer agreement and international law including through fellowships and international exchange programmes; (f) Supporting the development and operation of regional or international initiatives to assist technology transfer and cooperation as well as scientific and technical cooperation, including those initiatives designed to facilitate South-South cooperation and South-South joint development of new technologies; Decision VII/20, para. 12

Agricultural biological diversity
COP3 "The Global Environment Facility shall provide financial resources... [f]or supporting, as a priority, efforts for the conservation and sustainable use of biological diversity important to agriculture, in accordance with decision III/11" Decision III/5, para. 2 (c)
COP5 "The Global Environment Facility should provide support … [A]s a priority, for projects which: (i) Implement the Convention's programme of work on agricultural biodiversity, in accordance with decision V/5, through the timely finalization and implementation of its operational programme on agricultural biodiversity, and through the development and implementation of other relevant operational programmes … For projects which assist with the development and implementation of the International Initiative for the Conservation and Sustainable Use of Pollinators in Agriculture, in accordance with decision V/5"; Decision V/13, paragraphs 2(b.i) and 2(c)
COP6 "The Global Environment Facility should provide support … [F]or projects that assist with the implementation of the Plan of Action for the International Initiative for the Conservation and Sustainable Use of Pollinators by developing country Parties, in particular, least developed countries and Small Island developing States… To build capacity of developing country Parties, in particular least developed countries and Small Island developing States, to participate effectively in the preparatory process for the first Report on the State of World's Animal Genetic Resources" Decision VI/17, paragraphs 10(g) and 10(h)
Article 8(j) and related provisions
COP1 "The programme priorities are ... [p]rojects that strengthen the involvement of local and indigenous people in the conservation of biological diversity and sustainable use of its components" Decision I/2, annex I, para. 4 (j)
COP3 "The Conference of the Parties... [r]equests the Global Environment Facility to examine the support of capacity-building projects for indigenous and local communities embodying traditional lifestyles related to the preservation and maintenance of their knowledge, innovations and practices relevant for the conservation and sustainable use of biological diversity with their prior informed consent and their participation" Decision III/5, para. 5
COP5 "The Global Environment Facility should provide support … [f]or the implementation of the priority activities identified in the programme of work on Article 8(j) and related provisions, in accordance with decision V/16" Decision V/13, paragraph 2(i)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [f]or the enhancement of national capacities for the establishment and maintenance of mechanisms to protect traditional knowledge at national and subnational levels, and for building the capacity of indigenous and local communities to develop strategies and systems for the protection of traditional knowledge" Decision VI/17, para. 10(n)
Cartagena Protocol on Biosafety
COP3 "The Global Environment Facility shall provide financial resources ... [f]or capacity-building in biosafety, including for the implementation by developing countries of the UNEP International Technical Guidelines on Safety in Biotechnology" Decision III/5, para. 2 (a)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or national capacity-building in biosafety, in particular for enabling effective participation in the Biosafety Clearing-House and in the implementation of the Action Plan for Building Capacities for the Effective Implementation of the Cartagena Protocol on Biosafety proposed by the Intergovernmental Committee on Cartagena Protocol at its second meeting, and for other needs identified in the recommendations of the Intergovernmental
Clearing-house mechanism and scientific and technical co-operation
COP1 "The programme priorities are ... [a]ctivities that provide access to other international, national and/or private sector funds and scientific and technical cooperation" Decision I/2, annex I, para. 4 (h)
COP2 "The Conference of the Parties [r]equests the Global Environment Facility to explore the modalities of providing support through the financial mechanism to developing country Parties for capacity-building in relation to the operation of the clearinghouse mechanism" Decision II/3, para. 9, and Decision II/6, para. 11

COP3 "The Global Environment Facility shall provide financial resources ... [f]or supporting the following activities as critical components in the implementation of the clearing house mechanism at the national, subregional and regional levels, including in the pilot phase, to which critical components the Global Environment Facility shall give effect by implementing its revised operational criteria for enabling activities in relation to the clearing-house mechanism as quickly as possible: (i) Capacity-building for the purpose of the clearing-house mechanism, including training in information systems technologies that will allow developing countries to take advantage of the recent developments in electronic communication, including the Internet; (ii) Country-driven pilot projects, focused on priority areas identified by the Conference of the Parties which would enable developing countries to begin to implement the main features of the pilot-phase of the clearing-house mechanism" Decision III/5, para. 2 (d)
COP4 "The Global Environment Facility should... [i]n accordance with decision IV/2: (i) Support capacity building activities and country-driven pilot projects focused on priority areas, as critical components in the implementation of the clearing-house mechanism at the national, subregional, biogeographic, and regional levels, both during and after the pilot phase; (ii) Provide, as appropriate, increased support, in the framework of country driven projects to promote the objectives of the Convention, to establish and strengthen biodiversity information systems such as, inter alia, training, technology and processes related to the collection, organization, maintenance and updating of data and information and its communication to users through the clearing-house mechanism; (iii) Evaluate at the end of the clearing-house mechanism pilot phase the experience of the Global Environment Facility's support for developing countries' activities, to consider additional efforts to meet the increasing interest in taking part in and having access to the clearing-house mechanism, including in regional networking, and to report to the Conference of the Parties prior to the next meeting of the Subsidiary Body on Scientific, Technical and Technological Advice" Decision IV/13, para. 5
COP5 "The Global Environment Facility should provide support … [f]or participation in the clearing-house mechanism of the Convention, in accordance with decision V/14" Decision V/13, paragraph 2(f)
Components of biological diversity particularly under threat
COP2 "Requests the interim institutional structure to implement the relevant provisions of the following decisions: II/8 on preliminary consideration of components of biological diversity particularly under threat and action which could be taken under the Convention" Decision II/6, paragraph 11
Dry and sub-humid lands biological diversity
COP1 "The programme priorities are ... [p]rojects which promote the conservation of biological diversity and sustainable use of its components in other environmentally vulnerable areas such as arid and semi-arid and mountainous areas" Decision I/2, annex I, para. 4 (k)
COP5 "The Global Environment Facility should provide support … [A]s a priority, for projects which: (ii) Implement the Convention's programme of work on biodiversity of dry and sub-humid lands, in accordance with decision V/23, through the development, review and implementation of its operational programmes, in particular, the operational programme on arid and semi-arid ecosystems" Decision V/13, paragraph 2(b.ii)
Ecosystem approach
COP5 "The Global Environment Facility should provide support … [f]or projects utilizing the ecosystem approach, without prejudice to differing national needs and priorities which may require the application of approaches such as single-species conservation programmes, in accordance with decision V/6" Decision V/13, paragraph 2(a)
COP7 Invites the Global Environment Facility, in accordance with its mandate, and other funding institutions and development agencies to provide financial support for the implementation of the ecosystem approach, in accordance with decision VII/11; Decision VII/20, para. 5
Education and public awareness
COP3 "The Conference of the Parties... [r]equests the Global Environment Facility, in preparing projects..., to include in such projects... project components addressing ... [p]romotion of the understanding of the importance of, and measures required for, the conservation and sustainable use of biological diversity" Decision III/5, para. 6 (b)

COP5 "The Global Environment Facility should provide support … [f]or capacity development for education, public awareness and communication in biological diversity at the national and regional levels, in accordance with decision V/17" Decision V/13, para. 2(l)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or capacity development and country-driven projects prioritized in the Global Initiative on Communication, Education and Public Awareness" Decision VI/17, para. 10(o)
COP7 Invites the Global Environment Facility, in accordance with its mandate, and other donor organizations to provide funding to developing countries, particularly the least developed and small island developing States among them, and countries with economies in transition for the implementation of their national CEPA programmes and activities; Decision VII/20, para. 18
Endemic species
COP1 "The programme priorities are ... [p]rojects that promote the conservation and/or sustainable use of endemic species" Decision I/2, annex I, para. 4 (l)
Forest biological diversity
COP4 "The Global Environment Facility should... [i]n accordance with decision IV/7 and with Article 7 of the Convention and also within the context of implementing national biological diversity strategies and plans, provide adequate and timely financial support to Parties for projects and capacity-building activities for implementing the programme of work of forest biological diversity at the national, regional and subregional levels and the use of the clearing-house mechanism to include activities that contribute to halting and addressing deforestation, basic assessments and monitoring of forest biological diversity, including taxonomic studies and inventories, focusing on forest species, other important components of forest biological diversity and ecosystems under threat" Decision IV/13, para. 4
COP5 "The Global Environment Facility should provide support … [A]s a priority, for projects which: (iii) Assist in the implementation of the programme of work on forest biodiversity at the national, subregional and regional levels, and consider the operational objectives of the aforementioned programme of work as guidance for funding, in accordance with decision V/4" Decision V/13, para. 2(b.iii)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or country-driven projects focusing on the identified national priorities, as well as regional and international actions that assist the implementation of the expanded work programme considering conservation of biological diversity, sustainable use of its components and fair and equitable sharing of the benefits from genetic resources in a balanced way, underscoring the importance of ensuring long-term conservation, sustainable use, and benefit-sharing of native forests" Decision VI/17, para. 10(c)
Global strategy for plant conservation
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [f]or country-driven capacity-building activities by developing country Parties, in particular, least developed countries and small island developing States among them, for the implementation of the Global Strategy for Plant Conservation" Decision VI/17, para. 10(d)
Global Taxonomy Initiative
COP4 "The Global Environment Facility should… [p]rovide financial resources for country-driven activities within the context of its operation programmes to participate in the Global Taxonomy Initiative which take into account as appropriate, elements of the Suggestions for Action contained in the annex to decision IV/1 D" Decision IV/13, para. 2
COP5 "The Global Environment Facility should provide support … [t]o continue promoting awareness of the Global Taxonomy Initiative in the relevant activities of the Global Environment Facility, such as the Country Dialogue Workshops, and to facilitate capacity-building in taxonomy, including in its Capacity Development Initiative" Decision V/13, paragraph 2(k)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [f]or national and regional taxonomic capacity-building, as a basis for implementing the programme of work for the Global Taxonomy Initiative, with particular attention to funding country-driven pilot projects identified under the Global Taxonomy Initiative, taking into consideration the special needs of least developed countries and small island developing States" Decision VI/17, para. 10(f)

COP7 Invites Parties, other Governments, regional and international organizations to take full account of the importance of taxonomic capacities in achieving the goals of the Convention, to support taxonomic activities to attain the 2010 target, and to provide all necessary support to national, and where appropriate regional , taxonomic centres of research and expertise; and urges the Parties, other Governments and the Global Environment Facility, in accordance with its mandate, and other relevant funding organizations to provide adequate and timely support to developing countries to assist in the implementation of the Global Taxonomy Initiative, and for integrating taxonomic capacity-building activities into thematic and cross-cutting programmes, including supporting activities and projects, such as, where appropriate, stand-alone capacity-building projects; Decision VII/20, para. 7
Identification, monitoring and assessment, and indicators
COP1 "The programme priorities are ... [I]dentification and monitoring of wild and domesticated biodiversity components, in particular those under threat, and implementation of measures for their conservation and sustainable use" Decision I/2, annex I, para. 4 (d)
COP3 "The Global Environment Facility shall provide financial resources... [f]or capacity-building, including taxonomy, to enable developing countries to develop and carry out an initial assessment for designing, implementing and monitoring programmes in accordance with Article 7, taking into account the special need of small island States (Note: The Conference of the Parties endorsed recommendation II/2 of the Subsidiary Body on Scientific, Technical and Technological Advice, concerning capacity-building for taxonomy)" Decision III/5, para. 2 (b)
COP5 "The Global Environment Facility should provide support … [t]o strengthen capabilities to develop monitoring programmes and suitable indicators for biological diversity, in accordance with decision V/7" Decision V/13, paragraph 2(j)
COP7 Recognizes that the development and use of indicators, particularly in the development phase, requires a financial and technical commitment from Parties, and therefore requests the financial mechanism and encourages bilateral and multilateral funding agencies to assist developing countries, in particular the least developed and small island developing States among them, and countries with economies in transition through the provision of financial assistance and training, as required and as appropriate, to develop and implement effective biodiversity indicators; Decision VII/20, para. 4
Incentive measures
COP1 "The programme priorities are ... [i]nnovative measures, including in the field of economic incentives, aiming at conservation of biological diversity and/or sustainable use of its components, including those which assist developing countries to address situations where opportunity costs are incurred by local communities and to identify ways and means by which these can be compensated, in accordance with article 11 of the Convention" Decision I/2, para. 4 (i)
COP3 "The Conference of the Parties... [r]econfirms the importance of the Global Environment Facility's support for incentive measures, guidance for which was contained in annex I to decision I/2, paragraph 4, taking note of decision III/18" Decision III/5, para. 3
COP4 "The Global Environment Facility should... [p]rovide adequate and timely support for the design and approaches relevant to the implementation of incentive measures, including, where necessary, assessment of biological diversity of the relevant ecosystems, capacity-building necessary for the design and implementation of incentive measures and the development of appropriate legal and policy frameworks, and projects with components that provide for these incentives, in accordance with decision IV/10" Decision IV/13, para. 7
COP5 "The Global Environment Facility should provide support … [f]or projects that incorporate incentive measures that promote the development and implementation of social, economic and legal incentive measures for the conservation and sustainable use of biological diversity, in accordance with decision V/15" Decision V/13, paragraph 2(h)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or projects that assist with the implementation of the programme of work on incentive measures, taking into consideration the specific circumstances of countries, in particular, least developed countries and small island developing States" Decision VI/17, Para. 10(j)

Inland water ecosystems
COP4 "The Global Environment Facility should... [w]ithin the context of implementing national biological diversity strategies and action plans, provide adequate and timely support to eligible projects which help Parties to develop and implement national, sectoral and cross-sectoral plans for the conservation and sustainable use of biological diversity of inland water ecosystems in accordance with decision IV/4" Decision IV/13, para. 3
COP5 "The Global Environment Facility should provide support. … [F]or the implementation of capacity-building measures for developing and implementing national and sectoral plans for the conservation and sustainable use of inland water ecosystems, including comprehensive assessments of the biological diversity of inland waters, and capacity-building programmes for monitoring the implementation of the programme of work and the trends in inland water biological diversity and for information gathering and dissemination among riparian communities" Decision V/13, paragraph 2(n)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or projects that assist with the implementation of the programme of work on biological diversity of inland water ecosystems" Decision VI/17, para. 10(i)
Invasive alien species
COP4 "The Global Environment Facility should… [p]rovide adequate and timely support for country-driven projects at national, regional and subregional levels addressing the issue of alien species in accordance with decision IV/1 C" Decision IV/13, para. 1
COP5 "The Global Environment Facility should provide support… [f]or activities to implement the Global Invasive Species Programme, in accordance with decision V/8" Decision V/13, paragraph 2(m)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources … [a]s a priority, for projects that assist with the development and implementation, at national and regional levels, of the invasive alien species strategies and action plans called for in paragraph 6 of decision V/8, in particular those strategies and actions related to geographically and evolutionarily isolated ecosystems, paying particular attention to the needs of least developed countries and small island developing States, including needs related to capacity-building" Decision VI/17, para. 10(k)
COP7 Invites the Global Environment Facility, in accordance with its mandate, other funding institutions and development agencies to provide financial support to developing countries, in particular the least develop countries and small island developing States among them, and countries with economies in transition, to assist in the improved prevention, rapid response and management measures to address threats of alien invasive species; Decision VII/20, para. 9
Marine and coastal biological diversity
COP1 "The programme priorities are ... [P]rojects that promote the conservation and sustainable use of biological diversity of coastal and marine resources under threat" Decision I/2, annex I, para. 4 (k)
COP5 "The Global Environment Facility should provide support … [F]or capacity-building at the national, subregional and regional level to address the issue of coral bleaching within the context of implementation of the programme of work on marine and coastal biological diversity, in accordance with decision V/3" Decision V/13, para. 2(d)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [F]or country-driven activities aimed at enhancing capabilities to address the impacts of mortality related to coral bleaching and physical degradation and destruction of coral reefs, including developing rapid response capabilities to implement measures to address coral-reef degradation, mortality and subsequent recovery" Decision VI/17, para. 10(e)
COP7 Invites the Global Environment Facility, other funding institutions, and development agencies to provide financial support for the implementation of the elaborated programme of work on marine and coastal biodiversity; Decision VII/20, para. 3

Mountain ecosystems
COP1 "The programme priorities are ... [p]rojects which promote the conservation of biological diversity and sustainable use of its components in other environmentally vulnerable areas such as arid and semi-arid and mountainous areas" Decision I/2, annex I, para. 4 (k)
National planning and implementation
COP1 "The programme priorities are ... (a) [p]rojects and programmes that have national priority status and that fulfill the obligations of the Convention; (b) development of integrated national strategies, plans or programmes for the conservation of biological diversity and sustainable use of its components in accordance with article 6 of the Convention; (e) capacity-building, including human resources development and institutional development and/or strengthening, to facilitate the preparation and/or implementation of national strategies, plans for priority programmes and activities for conservation of biological diversity and sustainable use of its components; (i) strengthening conservation, management and sustainable use of ecosystems and habitats identified by national Governments in accordance with article 7 of the Convention" Decision I/2, annex I, para. 4(a), (b), (e) and (i);
COP2 "The Conference of the Parties... [r]equests the interim institutional structure operating the financial mechanism to facilitate urgent implementation of Article 6 of the Convention by availing to developing country Parties financial resources for projects in a flexible and expeditious manner; to implement the relevant provisions of the following decisions: II/7 on consideration of Articles 6 and 8 of the Convention, II/8 on preliminary consideration of components of biological diversity particularly under threat and action which could be taken under the Convention ..." Decision II/6, paragraphs 5 and 11
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [a]s a priority, for the elaboration, development, and revision as necessary, of national biodiversity strategies and action plans, and for activities which assist their implementation consistent with guidance to the Global Environment Facility from the Conference of the Parties" Decision VI/17, para. 10(a)
COP7 Invites the Global Environment Facility, in accordance with its mandate, to provide adequate and timely support to developing country Parties, in particular the least developed countries and small island developing States among them, and Parties with economies in transition, as appropriate for the implementation of activities to achieve and monitor progress towards the goals and targets identified in the framework for evaluation of progress towards implementation of the Strategic Plan of the Convention, in accordance with decision VII/30; Decision VII/20, para. 11
National reports
COP2 "The Conference of the Parties... [u]rges the financial mechanism to make available financial resources to developing country Parties to assist in the preparation of their national reports" Decision II/6, para. 11
COP4 "The Global Environment Facility should... [c]ontinue to provide financial assistance for the preparation of national reports, having regard to the constraints and needs identified by Parties in their first national reports, in accordance with decision IV/14" Decision IV/13, para. 6
COP5 "The Global Environment Facility should provide support … [f]or the consultative processes referred to in paragraph 6 of decision V/19, which are aimed at assisting with the preparation of second national reports, taking into account the fact that the Conference of the Parties may develop guidelines for subsequent national reports" Decision V/13, paragraph 2(e)
COP6 "The Global Environment Facility as the institutional structure operating the financial mechanism shall provide financial resources ... [i]n a timely manner, to eligible Parties for the preparation of national reports" Decision VI/17, para. (l)
COP7 14. Encourages Parties, Governments, relevant bilateral, regional and multilateral organizations, and the Global Environment Facility to collaborate to strengthen the various capacities of Parties, particularly developing country Parties and countries with economies in transition, to prepare their future national and thematic reports; 15. Further encourages Parties, Governments, relevant bilateral, regional and multilateral organizations, and the Global Environment Facility, to analyse the progress of Parties, particularly developing country Parties and countries with economies in transition, in implementing the Convention, in relation to those areas identified as a priority by those countries, in order to inter alia assist them in the preparation of their future national reports; 16. Requests the Global Environment Facility to explore ways to expedite and simplify its procedures for allocating funds to the eligible countries to prepare their national reports to fulfill their reporting obligations under the Convention; 17. Invites the Global Environment Facility to provide the necessary financial support to facilitate the preparation of the third national reports by the Parties; Decision VII/20, paras. 14, 15, 16 and 17

Targeted research and related activities
COP1 "The programme priorities are ... [p]rojects that promote the sustainability of project benefits; that offer a potential contribution to experience in the conservation of biological diversity and sustainable use of its components which may have application elsewhere; and that encourage scientific excellence" Decision I/2, annex I, para. 4 (g)
COP3 "The Conference of the Parties... [r]equests the Global Environment Facility, in preparing projects..., to include in such projects... project components addressing: [t]argeted research which contributes to conservation of biological diversity and the sustainable use of its components including research for reversing current trends of biodiversity loss and species extinction" Decision III/5, para. 6 (a)
Millennium Development Goals
COP1 "The programme priorities are ... [p]rojects aimed at the conservation of biological diversity and sustainable use of its components which integrate social dimensions including those related to poverty" Decision I/2, annex I, para. 4 (m)
COP7 Urges Parties, Governments, international financial institutions, donors, and relevant intergovernmental organizations, as a contribution towards the Millennium Development Goals, to implement development activities in ways that are consistent with, and do not compromise, the achievement of the objectives of the Convention on Biological Diversity and the 2010 target, including by improving environmental policies in relevant development agencies and sectors such as through integrating concerns relating to biodiversity and the Millennium Development Goals more directly into environmental impact assessments, strategic environmental assessments and other such tools, including at the national level through the national strategies for sustainable development and the poverty reduction strategies and programmes, and invites the GEF to support capacity-building activities in developing countries for this purpose; Decision VII/20, para. 13
Biological diversity and climate change
COP7 Requests the financial mechanism, in accordance with its mandate, and invites other sources to provide financial support to developing country Parties, in particular the least developed and small island developing States among them, and countries with economies in transition, where appropriate, for: (a) Country-driven activities, including pilot projects, aimed at projects related to ecosystem conservation, restoration of degraded lands and marine environments and overall ecosystem integrity that take into account impacts of climate change; (b) Assistance in capacity-building with the aim of increasing the effectiveness in addressing environmental issues through their commitments under the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change, and the United Nations Convention to Combat Desertification, inter alia, by applying the ecosystem approach; (c) Assistance in developing synergy-oriented programmes to conserve and sustainably manage all ecosystems, such as forests, wetlands and marine environments, that also contribute to poverty eradication; Decision VII/20, para. 6
Sustainable use
COP7 Invites Parties and Governments, in collaboration with the Global Environment Facility and other relevant organizations, including the private sector, to develop and transfer technologies and provide financial support to assist in the implementation of the Addis Ababa Principles and Guidelines at the national level to ensure that the use of biological diversity is sustainable; Decision VII/20, para. 8
Protected areas
COP7 Requests the Global Environment Facility, respecting national targets and priorities, to support the implementation of the programme of work, and in particular to: (a) In collaboration with other donors, encourage increased support to address the long-term financial sustainability of protected areas, including through different mechanisms and instruments, to help achieve the target of securing, by 2008, sufficient resources to meet the costs to effectively implement and manage national and regional systems of protected areas; (b) Further develop its portfolio on protected areas towards comprehensive, representative and effectively managed protected area systems addressing system wide needs; and (c) Support country driven early action by continuing to streamline its procedures and the provision of fast disbursing resources through expedited means; Decision VII/20, para. 10 The Convention on Biological Diversity works with many partner organizations, conventions and initiatives in facilitating conservation and sustainable use through protected areas. These include the IUCN World Commission on Protected Areas (WCPA); the UNEP World Conservation Monitoring Centre (UNEP-WCMC); the International Maritime Organization (IMO); the World Resources Institute (WRI); The Nature Conservancy (TNC); the World Wide Fund for Nature (WWF); the UNESCO Man and Biosphere programme (MAB); the UNESCO World Heritage Convention; the Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention); the Convention on the Conservation of Migratory Species of Wild Animals and the associated agreements; the Convention on Trade in Endangered Species of Wild Fauna and Flora (CITES); (EU) the United Nations Forum on Forests (UNFF); the Global Environment Facility (GEF), International Convention for Regulation of Whaling (ICRW); Food and Agriculture Organization of the United Nations (FAO); UN Convention on the Law of the Sea (UNCLOS); indigenous organizations, other stakeholders and industry; and various regional agreements and programmes Decision VII/28, annex, para. 3

Annex 5. Summary of Responsiveness to COP Guidance from COP1 to COP6

COP Area or Topic of Guidance	Responsiveness
Access and benefit sharing as they relate to genetic resources	The Second CBD Review noted that the GEF had indicated a commitment to supporting specific "benefit sharing initiatives" such as policy, regulatory, and institutional frameworks for mechanisms that will facilitate access to genetic resources and benefit sharing. The revised GEF Guidelines for Additional Funding of Biodiversity Enabling Activities (expedited procedures) incorporated assessment of capacity building for access to genetic resources, benefit sharing, and formulation of mechanisms for these purposes. (See Chapter 6 for further assessment)
Access to and transfer of technology	The Action Plan to Respond to Recommendations for Improving GEF's Performance includes actions that respond directly to CBD guidance concerning transfer of technology through the development of a strategy to better engage the private sector.
Agricultural biological diversity	The new OP on agribiodiversity was a direct response to this area of guidance. Following COP6, 10 new projects were approved in this area. By the end of 2003, the GEF had approved $19.7 million. Examples of projects dealing with pollinators in agriculture: Community-Based Management of On-Farm Plant Genetic Resources in Arid and Semi-Arid Areas of Sub-Saharan Africa; Conservation and Management of Pollinators for Sustainable Agriculture through an Ecosystem Approach (pipeline).
Article 8(j) and related provisions	The GEF has supported a substantive portfolio of projects with components addressing indigenous community priorities. SGP has funded over 100 projects with indigenous peoples; the new GEF CEO has demonstrated strong commitment in this area.
Cartagena Protocol on Biodiversity	In November 2000, the Council approved the GEF's Initial Strategy for Assisting Countries to Prepare for the Entry into Force of the Cartagena Protocol on Biosafety. This strategy included the Council approval of a global GEF/UNEP project, the Development of National Biosafety Frameworks. The project is designed to assist 100 participating countries to set up their national frameworks for the management of living modified organisms (LMOs), allowing them to meet the requirements of the Cartagena Protocol. The project has been extended to another 20 eligible countries. In addition, the strategy included the implementation of 12 demonstration projects to support countries in the implementation of their national biosafety frameworks. One of the GEF3 strategic priorities is specific on biosafety and allocates about $200 million.
Clearinghouse mechanism and scientific and technical co-operation	GEF's revised operational criteria for enabling activities made provisions for capacity building in support of the CHM; a CHM Unit has developed web pages on biosafety and for various biodiversity keywords. In 2004 GEF approved a project supporting the development of the Inter-American Biodiversity Information Network (IABIN), a regional clearinghouse. However, there is no clear indication whether the mechanism is becoming more effective and sustainable.
Dry and sub-humid lands biological diversity	Funding in the Arid and Semi-Arid Ecosystems OP increased more than four times, from about $29 million during the pilot phase to $110 million by 98-99. By the end of 2003, the GEF had approved an additional $180 million. As desertification was an increasingly relevant and prevalent global issue and threat, this area of GEF biodiversity activity also increased in importance and emphasis.
Ecosystem approach	The GEF has launched a new OP on Integrated Ecosystem Management (OP12). By the end of 2003, the GEF had approved 23 projects in this OP for a total cumulative value of about $77 million.
Education and public awareness	Almost all GEF projects have education and public awareness as essential components. SGP country programs also devote considerable resources to community and NGO activities that enhance public education and awareness. Since 1996, UNDP, on behalf of the GEF family and in close consultation with the Secretariat and other IAs, has coordinated the organization of many national and regional or subregional Country Dialogue Workshops (CDWs) to promote country ownership and awareness building by means of country-level dialogue. CDWs have helped inform broad-based national audiences about the GEF and can be considered very successful in addressing issues related to communication, awareness, and education. The GEF is supporting a second phase of CDW in 2004.

COP Area or Topic of Guidance	Responsiveness
Endemic species	No action or strategy has been identified through available documentation.
Forest biological diversity	As of 2000, some 60% of the 320 protected areas supported by GEF projects were in forested ecosystems. By the end of 2003, the GEF had approved 116 projects through the forest OP for almost $600 million. The second strategic priority in GEF3 includes mainstreaming of biodiversity into production landscapes and sectors, including forestry.
Global strategy for plant conservation	No action or strategy has been identified through available documentation.
Global Taxonomy Initiative	A number of projects have supported the collection of information and biological specimens for incorporation in taxonomic collections and for taxonomy identification (see Chapter 6).
Identification, monitoring and assessment, and indicators	According to the GEF report to COP6, most projects in the Biodiversity Program include environmental monitoring components in support of Article 7 and Annex I of the Convention. UNDP has recently prepared technical notes on project-level monitoring and indicators. The World Bank recently conducted training to its staff on the use of logframes in GEF projects. New project proposals are becoming more consistent on the use of logframes, baselines, and indicators. At the portfolio level, the GEFM&E Unit recently published a working paper on program-level indicators, which was used to develop targets and indicators for the GEF3 biodiversity strategies. The GEF Biodiversity Task Force is presently working on further developing measurement of these targets and indicators (see Chapter 8).
Incentive measures	The Second CBD Review noted that IAs, like the World Bank, have "made many efforts to overcome the dilemma of benefits of environmental abuse vs. benefits from environmental conservation/sustainability with more promotion of win-win policies, more quantitative measurement of economic benefits from improving the environment, more emphasis on better resource management, and helping countries improve M&E and enforcement of environmental regulations" (World Bank, 2000). Several projects approved following COP6 have incentives measures components. However, it is not clear whether these measures will be more effective or easier to implement than before the evaluations.
Inland water ecosystems	As of 2002, 40% of projects in OP2 (coastal, marine, and freshwater) and almost 50% in OP12 addressed watershed management issues.
Invasive alien species	The Second CBD Review noted that the GEF had allocated $34.5 million in direct funding to seven projects by 1999, as well as $35.5 million in co-financing for the control and eradication of invasive alien species. See Chapter 6.
Marine and coastal biological diversity	By 2002, the GEF had funded 32 projects to address conservation and sustainable use in key coral reef areas. In 2003, an approach providing some operational guidance to the IAs to stimulate development of projects that provide multiple benefits to coral conservation and management and also address biodiversity was developed. In November 2003, the GEF approved the project Coral Reef Targeted Research and Capacity Building ($11.7 million).
Mountain ecosystems	By the end of 2003, the GEF had approved 27 projects through the mountain program (OP4) for a total cumulative value of $134 million.
National planning and implementation	As the Second CBD Review noted, the GEF has supported the development of strategies through its enabling activities mechanism. According to OPS2, the GEF had followed convention guidance in implementing support for enabling activities that assisted countries to develop their communications to the convention, including the NBSAPs. Between COP6 and COP7, only five projects in support to NBSAPs were approved by the GEF. There have been substantial delays in the preparation of these reports (see Chapter 6 for an analysis of NBSAPs).
National reports	OPS2 concluded that the GEF had been responsive to requests from the conventions to support countries in meeting their requirements. Following guidance from COP5, the GEF revised the Guidelines for Additional Funding of Biodiversity Enabling Activities (expedited procedures) to include GEF support for the consultative process to assist countries with the preparation of second national reports. Between 75 and 80 countries received GEF support for a consultative process in view of preparing second national reports.

COP Area or Topic of Guidance	Responsiveness
Targeted research and related activities	Several GEF projects have incorporated research components to find solutions to problems of biodiversity conservation and sustainable use, which have generated valuable information for making sound conservation management decisions.
Millennium Development Goals	No action or strategy has been identified through available documentation.
Biological Diversity and climate change	Guidance was just given at COP7.
Sustainable Use	See Chapter 6.
Protected Areas	See Chapter 6.
Other guidance/gaps	
Co-financing	In 2003, Council approved a co-financing policy that provides directives on increasing co-financing levels.
Stakeholder participation, particularly in private sector	GEF M&E Unit will develop indicators of stakeholder participation and has conducted a review of the engagement of the private sector. The GEF has prepared a proposed strategy to better engage the private sector. Further work will be completed.
Country-drivenness and consistency with national priorities	Responsiveness to national priorities has been identified as one of the main determinants in the elaboration of GEF Strategic Priorities for FY04-06. Countries have received support for their national focal points and needs assessments to increase consistency with national priorities and objectives.
Sustainability	The design of the GEF3 Strategic Priorities seems to put sustainability in center stage: catalyzing sustainability of protected areas systems and supporting mainstreaming conservation in production sectors.
Use of local expertise	No information is readily available on the progress made in terms of use of local expertise in GEF projects. The issue of capacity building including the development of local expertise is a GEF strategic priority that cuts across all focal areas.

Introduction

The Biodiversity Program Study (BPS) 2004 presents a comprehensive and analytical review of the GEF Biodiversity Program as well as constructive and useful recommendations to further improve both program and project portfolio performances. It also provides many insightful observations gathered through extensive interviews with various stakeholders.

The study found that the GEF Biodiversity Program has made "notable contributions to conservation and sustainable use of biodiversity, supporting and enabling positive changes in the behavior or activities of people and their subsequent affects on biodiversity". The Program Study also notes that the Biodiversity Program has "contributed extensively to supporting biodiversity conservation in areas of global significance, including the megadiversity countries" particularly through supporting protected areas establishment and management and improving the enabling environments within which biodiversity conservation and sustainable use occurs. Although the Program Study highlights the considerable accomplishments of the Biodiversity Program and the responses of the GEF to the recommendations from OPS2 that are currently under implementation, we regret the negative tone and perspective that the Study has taken, particularly as it relates to the three central issues we elaborate on in the Management Response that follows.

The response reflects consolidated views of the GEF Secretariat and Implementing Agencies.

Strategic Framework

The study repeatedly identifies the absence of strategic framework as one of the most critical weaknesses of the GEF Biodiversity Program stating that the "absence of a fully developed strategic framework, laying out a clear and rational vision (along with goals, objectives and targets)" is a major obstacle in demonstrating impacts of the program and assessing performance to date.

This finding is somewhat surprising, given that the GEF Biodiversity Task Force has already taken major steps to correct this perceived weakness. In response to recommendations from Overall Performance Study Two (OPS2) and project- and program-level monitoring and evaluation, the GEF Biodiversity Task Force developed a set of four Strategic Priorities that outline a tactical emphasis for the Biodiversity Program. The Strategic Priorities complement the GEF Operational Strategy, the GEF Operational Programs and broadly incorporate guidance from the Conference of the Parties to the CBD. The Strategic Priorities were first presented to Council in April 2003 "Strategic Business Planning: Priorities and Targets (GEF/C.21/Inf.11)".

The strategic emphasis of the portfolio is directed towards conserving and sustainably using biodiversity within protected areas and mainstreaming biodiversity in production landscapes and sectors (Strategic Priority One- Catalyzing Sustainability of Protected Areas and Strategic Priority Two- Mainstreaming Biodiversity in Production Landscapes and Sectors, respectively). These two strategic priorities reflect current thinking in the conservation community of the imperative to both secure the global protected area estate while integrating biodiversity considerations into those sectors that provide an opportunity for biodiversity conservation and sustainable use to develop and persist within more far-reaching socio-economic processes.

In order to support these two main areas of investment, lessons learned from successes and failures in conservation and sustainable use of biodiversity are identified, disseminated and incorporated into future project design and implementation and this objective is supported through Strategic Priority Four-Generation and Dissemination of Best Practices for Addressing Current and Emerging Biodiversity Issues.

Strategic Priority Three (Capacity Building for the Implementation of the UN Convention on Biological Diversity Cartagena Protocol on Biosafety) responds to the recognition of the potential risks posed to biodiversity by living modified organisms and the high priority that recipient countries place on biosafety as well as guidance from the CBD and the Intergovernmental Committee for the Cartagena Protocol.

Indicators for success in meeting coverage and impact targets for GEF-3 within each Strategic Priority are also specified. These priorities were used to program GEF-3 resources in biodiversity and a progress report on the attainment of the associated targets is presented in the accompanying document presented to Council "Report on Meeting the Biodiversity Performance Measures by Fall 2004". As noted in the Report, the Biodiversity Program is well on its way to meeting these targets for GEF-3.

While we agree with the need to further refine, clarify, and strengthen the Strategic Priorities and the utility of the impact and coverage indicators and their associated targets, we believe the Study failed to acknowledge that these efforts

have already brought substantial strategic direction to the GEF Biodiversity Program during GEF-3.

The study also claims that the GEF still has not adopted a rationale or an objective system with clear criteria for prioritizing or balancing the portfolio based on where, when, what, and how the projects will be carried out. Some of these questions may be answered through the ongoing discussions on the GEF Resource Allocation Framework (RAF). We appreciate that the Program Study, consistent with the supporting documents for the RAF proposals, acknowledged that the historic GEF allocations in biodiversity *strongly reflect global biodiversity priorities.*

It is unfortunate that the Program Study did not fully reflect the challenge inherent to managing a portfolio of country-driven projects which, by its very nature, leads to a dispersion of portfolio-level impact. Rolling up project-level impacts to the portfolio level constitutes a challenge that the GEF biodiversity task force is actively addressing and the Strategic Priorities and the associated monitoring tools developed to monitor coverage and impact represent the first step in this direction.

We welcome the study's finding and recommendations to the Secretariat to move beyond just supporting and administering a loosely associated portfolio of projects to developing a more strategic, higher level vision that will enable the contributions of the GEF Biodiversity Program to build on its unique identity, experiences of more than a decade of operations, and to provide guidance and assistance to countries in making measurable contributions to the goals, objectives, and targets of the CBD. We recognize the challenge inherent to this task and contend that we are well on our way to fulfilling this charge.

Measurable Impacts towards Biodiversity Conservation

Demonstrating measurable impact on the status of biodiversity that results directly from project interventions is a key challenge for all of those that are involved in biodiversity conservation, including the GEF. In fact, it may be overly ambitious and perhaps naïve to expect that short-duration GEF projects (3-5 years) can have immediate and measurable impacts upon biodiversity given the simple biological fact that ecosystems and species respond slowly to resource management changes and, thus, measuring impact requires both time, patience and creativity. We agree that the GEF should continue to learn best practices and lessons from key partners, including multilateral and bilateral donors, international NGOs, and other institutions to further improve project and program levels impact indicators, procedures to establish accurate and meaningful baselines, and monitoring systems.

We agree that it is particularly important to develop a framework to enable "roll- up" of the achievement of outputs and outcomes at the project level to the program level. In this regard, we have taken important and major steps through building on and applying the results of the Office of M&E Working Paper 12, August 2003, "Measuring Results of the Biodiversity Program" in the formulation of measurable coverage and impact indicators and associated targets that were incorporated into the portfolio-level tracking tools developed to monitor and measure progress within each Strategic Priority for GEF-3. The application of these tools, as described in the "Report on Meeting the Biodiversity Performance Measures by Fall 2004" that has been submitted to Council, allows for "rolling-up" coverage and impact indicators from the project level to the portfolio level.

We agree with the Study that further improvements are desirable in this aspect of our work. As indicated in the study, setting up proper systems for monitoring and evaluating impacts of strategic project interventions in the field of conservation and sustainable development is a costly exercise (typically 10 to 15% of core budget costs). Thus, this finding emphasized the imperative to clarify the roles and responsibilities of the Office of M&E, GEF Secretariat Biodiversity Team, and the IAs on program- and project-level monitoring and reporting on impacts.

Sustainability of Project Outcomes

Innumerable factors influence sustainability of project outcomes, many of which lie outside the project boundary and management control of a typical 5-year GEF biodiversity project. In the biodiversity focal area, it may actually be unrealistic to expect sustainability of results after such a short intervention. This honest statement is consistent with the findings of many reviews of sustainable conservation and development in general and is also reflected in the Office of M&E Working Paper 1, July 2000, "Achieving Sustainability of Biodiversity Conservation". In this context, the study's finding that important outcomes from the GEF biodiversity projects continue to be dependent on external financial, institutional, and technical support should not come as a great surprise.

However, this finding reveals a lack of appreciation of the challenge inherent to designing projects that, along with other activities outside of the project itself, make a substantive contribution to sustainable biodiversity conservation. It

is extremely important to recognize that sustainable biodiversity conservation is a long-term process that is influenced by many factors and requires comprehensive changes in enabling environments, capacity building, political will, awareness and understanding, and, very often, financial resources for a longer time-frame than is provided for in a 5-year project cycle. Therefore, the proper question to ask is the following: what is the extent to which the project has contributed towards the long-term sustainability of the results? In other words, was the project designed and implemented keeping in mind the trajectory towards sustainability?

The GEF has operationalized this emerging understanding of sustainability in the biodiversity focal area through Strategic Priority Number One (Sustainability of Protected Area Systems), through which the GEF is providing support to build sustainable systems of protected areas that go beyond support to individual and often "systemically-isolated" protected areas, but in which enabling environments, capacity, and sustainable financing are targeted in more focused and systemic ways. Within Strategic Priority Two (Mainstreaming Biodiversity in Production Landscapes and Sectors), the GEF is seeking to catalyze mainstreaming through support for systemic and institutional capacity building while improving awareness and education among government agencies and other stakeholders. This is often being done through demonstrating mainstreaming.

Concluding Remarks

The study identified a total of 43 recommendations, many of which are directed towards institutional issues such as GEF procedures and operational policies. It is useful that the recommendations are prioritized in term of importance and urgency so that the GEFSEC and the IAs are able to systematically look into their implementation and develop a realistic plan of action.

Although we have noted our differences with some of the findings that the Program Study reached, we find that many of the specific recommendations to the GEF Biodiversity Team (the GEF Secretariat and the IAs working as the Biodiversity Task Force) provide useful contributions to our ongoing strategic planning and programming work. In addition, the recommendations related to specific biodiversity technical issues are also most appreciated, such as advice on mainstreaming biodiversity and improving the use of the Management Effectiveness Tracking Tool for protected areas.

Many recommendations, however, are too narrow and prescriptive to be considered for immediate implementation. This management response suggests that the most effective way to address all of the important issues raised is for the recommendations to be systematically taken into account through the development of Strategic Priorities for GEF-4. This was the process used under GEF-3, which proved to be effective in terms of operational feasibility and impact at the portfolio level. In addition, this will allow us to build upon the solid foundation outlined in this Management Response and we suggest that this is a better way to operationalize most recommendations.

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