

#### PROJECT IDENTIFICATION FORM (PIF)

**PROJECT TYPE: Full-sized Project** 

THE GEF TRUST FUND

Submission Date: 21 January 2008 **Re-submission Date**: 22 February 2008

Milestones

CEO Endorsement/Approval

Implementation Completion

**GEF Agency Approval** 

Implementation Start

Mid-term Review

Work Program

INDICATIVE CALENDAR

**Expected Dates** 

Apr 2008

Feb 2009

April 2009

May 2009

May 2011

Apr 2013

#### **PART I: PROJECT IDENTIFICATION**

**GEFSEC PROJECT ID: 3591 GEF AGENCY PROJECT ID: TBD** 

COUNTRIES: Papua New Guinea, Solomon Islands, Palau, Federated

States of Micronesia, Fiji, Timor Leste, Vanuatu.<sup>1</sup>

**PROJECT TITLE:** Coastal and Marine Resources

Management in the Coral Triangle of the Pacific **GEF AGENCY:** Asian Development Bank

**OTHER EXECUTING PARTNERS:** Participating government agencies; Inter-governmental agencies; and Nongovernmental

organizations (NGOs).

GEF FOCAL AREA (S): Biodiversity, International Waters and Climate Change

GEF-4 STRATEGIC PROGRAMS: Multifocal -- BD SP2, SP4 and SP8; IW SP1, SP2; CC SP8.

Pacific Alliance for Sustainability; Coral Triangle Initiative Program. NAME OF PARENT PROGRAMS:

Project	Invest- ment,	Expected	Expected Outputs	Indicative GEF Financing		Indicative Co- financing		Total (\$)
Components	TA, or STA	Outcomes		(\$)	%	(\$)	%	
Marine Conservation  (a) Enabling Environment		Well managed and sustainable systems of Marine Protected/Managed Areas established.  Ecosystem approach to marine resources and fisheries management applied through legal and policy frameworks.  Threatened species status improving.  Strengthened stakeholders capacity in marine and fisheries resource management.	Improved capacity of government agencies, provincial authorities and CBOs and LMMAs involved with MPA/MMA management.  Legal and policy regimes to support ecosystem approach to marine resource and fisheries management (including tuna and live reef fish trade) established, and guidelines on ecosystem-based approach adopted.  New and improved laws and regulations on protection of threatened species established.  Identification of threatened species of marine vertebrates and selected invertebrates and plants completed to enable focused targeting.	2,091,860	40.4	3,087,500	59.6	5,179,360

<sup>&</sup>lt;sup>1</sup> Confirmation pending on inclusion of Fiji and Timor-Leste. New Caledonia has expressed interest to participate with funding from sources other than from ADB and GEF.

		information sharing.					
	Monitoring and Information management established	Education, training, public awareness and outreach program undertaken. Assessment completed to identify major threats, essential habitats and threatened and endemic species and demonstrate global and local benefits of marine conservation.  Data bank and monitoring program on biodiversity established and strengthened to determine the effects of management					
		strategies.					
<ul> <li>(b) Building marine resource and community resilience</li> <li>Management for resilience</li> </ul>	Improved understanding of (a) the ways fishing/coastal communities perceive risk and respond to vulnerabilities, including from climate change; (b) rural/coastal communities' resilience to food security threats.  Management concepts and approaches in use that provide incentives to both mitigate risk and adapt under changing scenarios	Analyses of the ecological, economic and institutional drivers and interactions between climate-related stressors and opportunities to fisheries.  Policy briefs to guide in appropriate assistance and development activities.  Quantification and development of vulnerability indices and metrics adapted for comparative analyses of fishery systems  Regional analyses of changes and interdependencies among people and markets.	1,425,000	32.6	2,943,000	67.4	4,368,000
Improved     MMAs     network     planning and     effectiveness	Improved decision support and conflict management tools in place for stakeholders and policy makers  Demonstrated upscaled national, provincial and locallevel management of marine areas; Marine Managed Areas (MMAs) established and effectively managed; and 'Priority Seascapes' designated and effectively managed.  Fish stocks and marine resources maintained or increased.	Strategy for MMA designation prepared capturing habitats of priority species and ecological representation, including spawning aggregations, nursery habitats, and major connectivity pathways for key ecological and commercial species, e.g. turtle, tuna, etc.  In-depth analysis of resource economics, market development opportunities and livelihood strategies that ensure biodiversity conservation while promoting sustainable community development and cultural integrity					

			•					
		Full financing in place for the effective management of LMMAs in CT countries	Assessment of funding needs and gaps for marine resources management completed, and business plan for long-term funding needs developed.					
Sustainable financing			Specific sustainable finance mechanisms explored, established and capitalized (e.g. trust fund, tourism user fees, fishery license fees, domestic budget programs)					
(c) Coordination and Harmonization		Leadership, coordination and enabling role for local- and national- level development of fisheries management strengthened	The key Government sectors and agencies, are aligned with government agencies responsible for coastal and marine resource management.	170,000	34.2	327,000	65.8	497,000
		Public/private partnerships create environment conducive for business development, and improved	Analysis of situation between artisanal and industrial fisheries and measures adopted to minimize conflicts over the use of fish resources					
		government coordination for Seascape governance.	Alliance with private sector developers in marine and coastal resource management to support Coral Triangle Initiative program					
		Project links to other regional and global initiatives through IW:LEARN.	established; and effective community and NGO partnerships created					
2. Integrated Watershed and Coastal resources (Ridge to Reef) Management  • Legal and	& STA	Legal basis in place for sound development of resources within the watershed and coastal zone, including the waterfront areas.	Improved legal and regulatory framework for watershed management, coastal zone, and resources utilization/development.	3,949,590	33.9	7,684,500	66.1	11,634,090
policy framework  • GIS maps development		Improved spatial plan and improved decision for integrated terrestrial and coastal resource management	Reliable GIS maps showing agreed land use (including upper watershed forests, settlements, agriculture, etc) and adjacent coastal resources developed through stakeholder					
Assessment of resource status		Improved understanding on drivers for environmental changes that is reflected in action plan	consultations  Maps showing agreements on resource ownership, lists of m  Sedimentation levels and					
and threats		Sustainable utilization of resources through integrated resource	other parameters for survival of vulnerable marine species, and coastal ecosystems established					

Demonstration sites showing effective ICM      Dissemination of findings (effective use of ICM training centers)	management.  Understanding of the immediate and nearfuture threats from land-based activities on corals reefs, nearshore habitats and associated fisheries  Climate change adaptation measures achieved as demonstrated by improved resilience of coastal resources and communities to stochastic events	Pilot sites developed to demonstrate ICM best practices with established plan for land-based pollution control  Demonstration sites and training centers developed, and training packages shared among SIDS  Regional and atnional vulnerability and adaptation assessments undertaken  Integration and mainstreaming adaptation to the climate change into the national planning process  Strategies for adaptive management to the impacts of climate change into project.		
Coordinated watershed and coastal resources management plan	Sound development planning based on updated information database, and harmonized plans and programs that consistent with the framework  Streamlined and coordinated planning and activities between upper watershed areas, coastal, and the nearby marine areas	impacts of climate change integrated into project activities and on-the-ground intervention.  Assessment completed of current watershed conditions that interfaces with high value coastal and marine habitats, and review of existing and proposed development plans/ projects undertaken, and guidelines for remedial action prepared.  Monitoring program established to continue to assess changing conditions and threats.  Sound resource management and master plan for watersheds prepared. including coastal resources.  Strengthened planning and project management capacity of local governments and communities  Increased knowledge and information for sustainable coastal management among key stakeholders.  Establishment of coordination and		

	collaboration mechanisms with GEF PAS/CTI IW projects					
3. Project		700,000	38.7	1,108,000	61.3	1,808,000
management						
Total project						
costs		8,336,450		15,150,000		23,486,450

### **B.** INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Project Preparation*	Project	Agency Fee	Total
GEF	300,000	8,336,450	863,550	9,500,000
Co-financing	1,200,000	15,150,000		16,350,000
Total	1,500,000	23,486,450	863,550	25,850,000

# C. INDICATIVE <u>CO-FINANCING</u> FOR THE PROJECT (including project preparation amount) BY SOURCE and BY NAME (in parenthesis) if available, (\$)

Sources of Co-financing	Type of Co-	Preliminary
	financing	Amount
Government Contributions	Cash/In-kind	
Papua New Guinea		850,000
Solomon Islands		500,000
Palau		500,000
Federated States of Micronesia		500,000
Fiji		500,000
Vanuatu		500,000
Timor Leste		250,000
Others (TBD)		
GEF Agency	Cash (not including	
ADB	in-kind)	
Bilateral Aid Agencies	Cash/In-kind	5,000,000
Multilateral Agencies	TBD	200,000
Private Sector	TBD	TBD
NGOs (CI, TNC, WWF)	Cash/In-kind	6,000,000
Others		
WorldFish	Cash/In-kind	600,000
Total co-financing		16,350,000

#### D. GEF RESOURCES REQUESTED BY FOCAL AREAS, AGENCY SHARE AND COUNTRIES\*

GEF		Country Name/		(in \$	5)	
Agency	Focal Area	Global	Project Preparation	Project	Agency Fee	Total
ADB	Biodiversity - Marine Protected Areas Management Component	PNG	50,000	3,586,400	363,600	4,000,000
ADB	International Waters - Integrated Watershed and Coastal Resources (Ridge to Reef) Management	Multi-country: Palau FSM Solomon Islands Timor Leste Fiji Vanuatu	250,000	3,840,950	409,050	4,500,000
ADB	Climate Change/SPA  – Pilot Adaptation Measures to Enhance Resilience and Increase Capacity to Respond to the Adverse Impacts of Climate Change on Coastal and Marine Ecosystems	Multi-country: PNG, Palau, FSM, Solomon Islands, Timor Leste, Fiji Vanuatu		909,100	90,900	1,000,000
<b>Total GEF</b>	·		300,000	8,336,450	863,550	9,500,000

<sup>\*</sup> Country shares still to be determined.

#### **PART II: PROJECT JUSTIFICATION**

## A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

This project 'Coastal and Marine Resources Management in the Coral Triangle of the Pacific' comprises two closely related components: (1) Marine Conservation; and (2) Integrated Watershed and Coastal Resources Management (Ridge to Reef). It is envisioned that these two components will be planned together, to complement each other, and implemented in an integrated fashion.

Global significance of the Coral Triangle: The Coral Triangle (CT)<sup>2</sup> is the centre of the world's coral reef diversity, holding more than 75% of the known coral species and about 3000 species of reef fish among other reef flora and fauna. These resources directly provide livelihoods for more than 20 million people and are the spawning grounds for the world's most valuable tuna fishery while supporting a robust and growing marine tourism industry. The CT is a major center of coral evolution and is critically important as a target for Indo-Pacific coral reef conservation because of growing threats from climate change, destructive fishing practices and pollution. It provides a refuge from which Indo-Pacific reefs have been reseeded and re-established over millennia, demonstrating the resilient and enduring nature of its coral reefs in the face of major disturbances and prior climate changes. The highly connected, diverse reef systems of the CT link to those of the Pacific through stepping stone reefs in Melanesia, Micronesia and Polynesia. Spanning multiple political and cultural boundaries, the CT ecoregion maintains biogeographic integrity defined by currents and species distribution patterns such that the value of the whole is greater than the sum of its parts.

Coral Triangle in the Pacific<sup>3</sup>: The reef ecosystems of the densely populated Southeast Asian portion of the CT are already under immense pressure, with more than 80% at risk. By contrast, the coral reefs of the Pacific Islands in the eastern CT are in generally good to excellent condition, with low to moderate yet increasing threats, and with some

<sup>&</sup>lt;sup>2</sup> The waters surrounding eastern Indonesia, central and southern Philippines, the coastal reach of Sabah Province in Malaysia, the northern coast and eastern islands of Papua New Guinea, and the coastal and marine regions of the Solomon Islands and Timor-Leste

<sup>&</sup>lt;sup>3</sup> The core countries include Papua New Guinea and Solomon Islands, Countries in the CT sphere include Timor-Leste, Vanuatu, Palau, Fiji Islands, and The Federated States of Micronesia

areas now facing significant coastal development and fishing related pressures. Several major oceanic currents, the North and South Equatorial Currents connect these Pacific reefs to the Coral Triangle and probably serve as sources of larvae to replenish Asian fish and coral populations. The Pacific portion of the CT therefore offers substantial opportunities to proactively maintain the high quality of these coral reef systems and the wider ecosystem and economy they support. In many Pacific Island countries, inshore fisheries resources comprise a critical component of the livelihoods of islands communities. Over 50% of the people in this region rely on marine resources as their primary source of protein, principally from fishing or aquaculture in near-shore waters. Up to 75% of the populations in certain coastal regions live in purely subsistence economies. Descending from the mangrove forests and coral reefs, the deeper waters throughout the Pacific are exploited by commercial fishing interests, largely for export, producing between 1.5 and 6.5 % of the GDP in many countries. Tuna, live reef fish and shrimp, for example, generate billions of dollars of revenues annually from the region. Over-fishing is devastating ecosystem integrity in both complex coral communities and pelagic systems across the CT. Studies in the Great Barrier Reef show that reefs can recover three times faster if fish populations are left intact–providing powerful evidence of the ecosystem relationships and strong justification for linking improved fisheries management efforts with those associated with coral reef conservation.

Pacific threats of Coral Triangle: All of the CT Pacific governments have taken important steps toward addressing threats to their marine and coastal resources. However, in the face of rising threats the current response is insufficient, and additional commitments and action are urgently needed. Through formation of the CTI, they have also acknowledged that each countries' individual efforts can be enhanced through cooperation with their neighbors. The following factors are relevant for the multilateral collaboration. Most of the threats to the biological resources of the CT are regional in scope and require regionally coordinated solutions. Examples include the destructive practices used in the live reef food fish trade; illegal, unregulated and unreported fishing across the region; and climate change impacts. Highly migratory species (e.g., commercially valuable tuna stocks, endangered sea turtles, marine mammals) cross national boundaries; their effective management requires multi-national collaboration. A coordinated multilateral partnership among the CT countries is much more likely to attract significant public and private funding from external sources.

Coral Triangle Pacific - proposed approach: A multi-country approach is envisioned in which activities are planned and carried out primarily at the country level but within the context of regional cooperation and allowing for certain activities at the regional level where warranted. Through increased multi-country coordination and knowledge management, the proposed program will provide a regional framework for action on conservation of the Pacific portion of the Coral Triangle and support the region's sustainable development, including establishment of (i) national and subregional governance and experience sharing frameworks, (ii) regional mechanisms to address threats to marine resource systems, (iii) strengthened capacity of key institutions particularly in local governments and communities responsible for coastal and marine resources management, especially at the national and local levels, (iv) expansion of national Marine Protected Managed Areas networks, (v) adaptive management strategies in response to climate change impacts, and (vi) mechanisms for coordinated and sustainable financing of these efforts, including inputs from governments, multilateral and bilateral development partners, non-governmental organizations and the private sector. The Coral Triangle Pacific program will promote and employ an ecosystem-based approach to planning and improving the management of implementing better marine protected areas management as well as both inshore and commercial fisheries, tied to best international practice for integrated coastal management and sustainable fisheries. Those efforts will be linked, coordinated for information exchange to parallel work in the CT countries of Southeast Asia through the broader Coral Triangle Initiative Program.

Main Project Components. The activities will be implemented through two components. A Marine Protected Areas Management Component (1) will focus on building effectively managed, ecologically resilient and sustainably financed networks of Marine Managed Areas, both formal Protected Areas as part of national systems and Local Marine Managed Areas. Since ecosystem resilience is closely linked with that of the human communities that depend on these natural resources for their livelihoods, the project will apply established approaches to increasing community in coastal areas resilience. This is consistent with the first principle of the Coral Triangle Initiative supporting people-centered biodiversity conservation, sustainable development, poverty reduction and equitable benefits sharing in the Plan of Action agreed at the first CTI Senior Officials Meeting in December 2007. A second closely related component (2) will center on integrated watershed and coastal resources ("ridge to reef") management. It will help to restore and sustaining coastal and marine fish stocks and associated biological diversity through improved protection

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<sup>&</sup>lt;sup>4</sup> Please see information on this initiative under section D: Outline the Coordination with other related initiative

and management of international waters, in large part by reducing nutrient over-enrichment and oxygen depletion from land-based pollution of coastal waters and – where applicable – balancing overuse and conflicting uses of transboundary marine resources. The Pacific reach of the Coral Triangle is critical for maintenance of biodiversity, in part through exchanges of genetic material and larvae with the Coral Triangle and Pacific. The second component also recognizes that many Pacific Island peoples retain traditional and holistic management practices and the goal is to harness this capacity and reinforce it with techniques of integrated coastal management that have been developed in Southeast Asia and Australia. In recognition that many Pacific Island countries have short, steep catchment areas feeding directly into the coastal zone and associated coral reefs, their improved management \will reduce the damage resulting from increased flows of sediments and nutrient pollution, thereby resulting in enhanced biodiversity and fisheries conservation.

Adaptation. A cross-cutting dimension of the project – tied primarily to the Ridge to Reef Component, but linked with the first component as well – will be support for pilot adaptation measures to enhance resilience and increase capacity to respond to the adverse impacts of climate change on coastal and marine ecosystems and resource management efforts. Measures will be introduced to reduce risks to vulnerable coastal and marine ecosystems from sea-level rise, the greater frequency, intensity and range of tropical cyclones, changes in ocean temperature and acidity and greater precipitation variability. Regional and national vulnerability mapping will be undertaken to prioritize areas at risk and to prioritize adaptation responses, collate and document all information relating to regional and national coastal adaptive measures and vulnerability to climate change and build the capacity of Government agencies and Communities in vulnerability and adaptation. The project also will work to integrate and mainstream adaptation considerations into national development policies and planning process and to design and implement awareness/education campaigns on coastal vulnerability and adaptation. Monitoring indicators will be derived from ongoing work of the GEF and will cover responses to sea level rise, ocean warming and extreme events, among others.

- **B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL PRIORITIES/PLANS:** The project's two components were identified as part of the GEF PAS identification process and are fully responsive to the emerging priorities of the countries participating under the CTI. The activities proposed are also directly responsive to and consistent with country priorities for achieving sustainable development while also generating significant global environment benefits. Alignment with the Global Island Partnership, also supported by the GEF, will allow for fuller integration as will consistency with the Mauritius Strategy, which describes activities for the implementation of the Program of Action for the Sustainable Development of Small Island Developing States, as well as with countries' commitments to the PoW on Biodiversity under the CBD. The project is also in line with country and regional priorities for biodiversity conservation (NBSAPs), UNFCCC national comunications, and will support the achievement of Millennium Development Goals 7 and 8 as well as national development plans.
- C. Consistency of the project with GEF strategies and strategic programs: The project is responsive to BD SO 2/SP-2: Increasing representation of effectively managed marine PA areas in PA systems, and SO 2/SP-4: Strengthening the policy and regulatory framework for mainstreaming biodiversity. There will be a national focus on harmonization of approaches and scales with regard to the design, establishment and strengthening of marine protected and managed areas and through the development of policy, legal, institutional and financial frameworks. The project will also contribute to building biodiversity conservation capacity on access and benefit sharing BD SO 4/SP-8), through activities planned at both the national and local levels. The project will also be responsive to International Waters SO 1/SP 1: Restoring and sustaining coastal and marine fish stocks and associated biological diversity, through the development of multi-state cooperation on priority transboundary water resources. International Waters SP 2: Reducing Nutrient Over-Enrichment and Oxygen Depletion from Land-Based Pollution of Coastal Waters in LMEs Consistent with the GPA is also relevant, and it forms a major objective of component two of the project. Lastly, it will be in line with the on the Special Pilot Activity on Climate Change Adaptation of GEF's Climate Change Focal Area CC SO 8/SPA by addressing climate change impacts that affect global environmental services from highly vulnerable coastal and marine ecosystems.
- **D. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:** As noted, the project is directly supportive of and responsive to the newly created six-nation 'Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security'.

This initiative was proposed by Indonesian President Yudhoyono and endorsed at both the 2007 APEC and ASEAN leaders meeting, as well as BIMP-EAGA. The recent CTI SOM in Bali further confirmed and refined these commitments. The CTI begins from high-level political support and the spirit of proactive implementation by participating governments to help safeguard the region's marine and coastal biological resources for the sustainable growth and prosperity of current and future generations. The project will support the efforts of the Solomon Islands, PNG and Timor-Leste to meet their emerging commitments under the CTI in response so an initial planning process that will continue through mid-2009. Leading up to the full inauguration of the CTI, PNG, Solomon Islands and Indonesia signed an agreement in 2005 on coordinating management of shared marine resources in the Bismarck Solomon Seas Ecoregion (BSSE). Likewise, a Memorandum of Understanding between the countries of the Sulu-Sulawesi Marine Ecoregion (SSME) draws on the broader ASEAN framework to support regional governance in the marine resources management, The BSSE Agreement brings in the broader governance bodies of the Pacific, such as the Forum Fisheries Agency (FFA) and the Secretariat of the Pacific Regional Environment Program (SPREP). Further, the project will contribute to the achievement of commitments to migratory marine turtle species under the tri-national MoU between PNG, Solomon Islands and Indonesia. This new project will also draw upon synergies and lessons from the ongoing global GEF/World Bank Coral Reef Targeted Research and Capacity Building Programme and the UNDP/GEF Pacific Islands Oceanic Fisheries Management Project. It will cooperate and coordinate with the UNEP/GEF Sustainable Finance Systems for Islands Protected Area Management as well as with lessons derived from the UNDP/UNEP/GEF Integrated Water Resources Management Project. Synergies are also expected with the UNDP/GEF PEMSEA project, especially in terms of integrated coastal areas management. The project will also contribute to achievement of The Pacific Plan, which contains the following objective with respect to sustainable fisheries: Development and implementation of national and regional conservation and management measures for the sustainable utilization of fisheries resources. (i) Increased sustainable trade within their area, the Plan calls for (including services) and investment; (ii) maximizing sustainable returns from fisheries by developing an ecosystem based fisheries management planning framework; (iii) encouraging effective fisheries development, including value-adding activities; and (iv) collaborating to ensure legislation and access frameworks are harmonized. Furthermore, the project will be designed to capture best practices from previous ADB-supported work in Papua New Guinea on Coastal Fisheries Management and Development as well as the ADB-funded regional technical assistance project on strengthening the management of the Live Reef Fish Trade in the Pacific. Participating countries will also be made aware of the Global Program of Action for the Protection of the Marine Environment from Land-based Activities (GPA) and its provisions as relevant to their reducing nutrient overenrichment and oxygen depletion from land-based pollution of their coastal water.

- E. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL **REASONING:** Without the GEF support and other resources it will catalyze many of the threats to the biological resources of the Coral Triangle will continue to grow unabated. Examples include the destructive practices used in the live reef food fish trade, illegal, unregulated and unreported fishing across the region, absence of multi-national collaboration to manage highly migratory species (especially commercially valuable tuna stocks, endangered sea turtles, and marine mammals); and climate change impacts. The GEF incremental support to this program will contribute to mainstreaming and harmonizing biodiversity conservation into national development frameworks in terms of ecosystem-based management strategies, supporting coastal and marine protected areas networks to conserve marine biodiversity and developing public-private partnerships between governments, the private sector, NGOs and communities to foster increased capacity to generate funding domestically. The GEF assistance will also contribute to improving legal and regulatory frameworks for watershed management, coastal, and near-shore resources utilization and it will improve development planning to better overcome the immediate and near-future threats from land-based activities on corals reefs. The GEF alternative will mainstream inshore marine resources and sustainable fisheries practices tied to biodiveristy conservation and international waters management into relevant government departments providing a policy and institutional framework relevant and effective in the context of global as well as local priorities. The GEF assistance will help support the stronger engagement of the participating Pacific Governments in regional cooperation efforts under the Coral Triangle Initiative and other forums, and it will provide catalytical support to involve donors and the private sector. The GEF support will also be crucial to address the synergies and multi-country cooperation and knowledge management on marine conservation and coastal management.
- F. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED, AND IF POSSIBLE INCLUDING RISK MEASURES THAT WILL BE TAKEN: In targeting the development of broad-scale resilience strategies (social, economic and biological), this project is innately designed to

reduce vulnerability to various forms of risk including the impacts of climate change. Economic risks to project success and sustainable development in the Pacific include the continued pressure on fishery stocks and difficulties in combating illegal fishing. Natural risks include extreme events (tsunami, hurricane) that would exacerbate existing access and development obstacles and potentially undo on-the-ground project momentum. There are also risks associated with political stability and tension in participating countries and the region. The loss of support from certain key partners could also jeopardize outcomes. While all these 'macro' risks are present, none is foreseen to be a significant threat. Their mitigation will mainly be through broad engagement with governmental and non-governmental actors, strong and transparent communications in the design phase, with sound coordination and management during implementation to allay impacts and adapt rapidly to changing circumstances. Furthermore, all of these risks, including the impact of sea level rise and other results of climate change in the participating Pacific countries, will be considered during project preparation.

- G. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT: The GEF Coral Triangle Initiative Program holds the most cost-effective chance to generate global benefits through a multi-country coordinated approach that avoids duplication of activities and investments, and this project within it will help to further these ends in the Pacific. Cost-effectiveness measures will include: national frameworks to provide benefits at scale; building on existing program and grassroots efforts; partner and policy harmonization; matching investment to a level of at least 1:1 in cofinancing; sustainable structures and program outputs; positive direct and indirect effects on foreign currency earners (ie from tuna industry, tourism); spin-off benefits at local level in terms of sustainable developments and livelihood opportunities: the multicountry collaboration will address regionally coordinated solutions.
- H. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY: The Asian Development Bank actively supports its Pacific developing member countries in meeting their national development goals and reducing the incidence of poverty, including provision of a wide range of environment-related assistance. ADB's current Pacific Region Environmental Strategy stresses the need to mainstream environmental considerations into developing planning, policy making and investments while protecting ecosystems that provide global services. ADB already is serving as the only multilateral development agency partner to the Coral Triangle Initiative countries and also serves as GEF lead agency for the proposed involvement of GEF in a CTI program of which this project is part. ADB is expected to provide technical and financial resources to all participating countries and to work as a catalyst with other relevant bilateral, multi-lateral and investment partners to leverage additional resources for the CTI program and this project. ADB also has the capacity and field presence to support these activities in terms of procedural and reporting responsibilities as well as to bring resources and connections to the table. In addition to support from ADB's headquarters in the Philippines, direct engagement is expected from the ADB Resident Missions in Papua New Guinea and Timor-Leste, its Pacific Liaison and Coordination Office in Australia, and its Pacific Regional Office in Fiji.

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

**A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINTS ON BEHALF OF THE GOVERNMENTS:** (Note that regional endorsement letters are forthcoming).

Akillino Susaia, GEF Operational Focal	Date: 14 January 2008
Point and Secretary, Department of Economic	
Affairs	
Federated States of Micronesia	
Wari Iamo, GEF Operational Focal Point and	Date: 20 February 2008
Secretary, Department of Environment and	, and the second
Conservation	
Papua New Guinea	
Tupuu I (e ) Oumeu	
Jane Waetara, GEF Operational Focal Point	Date: 21 February 2008
and Permanent Secretary, Department of	21 1 00 mail y 2000
National Planning and Aid Coordination	
Solomon Islands	
Solomon Islands	
Youlsau Bells, GEF Operational Focal Point	Date: 6 February 2008
and National Environment Planner, Office of	Date. 0 February 2008
,	
Environmental Response and Coordination	
Republic of Palau	
Emest Dani CEE Operational Escal Daint	Data: 22 E.L 2009
Ernest Bani, GEF Operational Focal Point	Date: 22 February 2008
and Head, Environment Unit	
Vanuatu	
	0000
Carlos Ximenes, GEF Operational Focal	Date: 21 February 2008
Point and Director, Environment Division,	
Secretariat of Tourism, Environment and	
Investment	
Timor Leste	
<b>Epeli Nasome,</b> GEF Operational Focal Point	Date: 19 February 2008
and Director, Department of Environment	·
Fiji	

#### **B. GEF AGENCY CERTIFICATION**

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.				
Danspulauly Name & Signature	Acres TOOLOO			
GEF Agency Coordinator	Anne M. Witheford			
	Governance Specialist			
	Project Contact Person			
Date: <i>January 21, 2008</i>	Tel. and Email:			
Tel: +(632) 632 4161				
Email: dmccauley@adb.org				

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