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Country: FSM

[Redacted]

Environmental Sustainability Energy Mainstreamed into national and regional policies, planning frameworks and programmes.

[Redacted]

Mainstreaming of SLM; Capacities Developed for SLM; Completion of NAP; SLM Medium Term Investment Plan; Effective Management and Lessons Learned.

[Redacted]

Sustainable Land Management mainstreamed into national development policies, strategies, programs and projects; NAP developed and endorsed; enhanced capacity to develop resource mobilization plan.

[Redacted]

Department of Economic Affairs

[Redacted]

UNDP, SPREP, SOPAC, NZAID, UNESCO, EU, SPC, Government of Venezuela

Programme Period: 2006-2011
Programme Component: Energy and Environment for Sustainable Development
Project Title: LDC-SIDS Portfolio Project for Sustainable Land Management.
Project ID:
Project Duration: 3 years
Management Arrangement: NEX

Total Budget	<u>US\$ 1433,300</u>
Preparation phase	<u>US\$ 25,000</u>
UNDP-GEF MSP	<u>US\$475,000</u>
Allocated resources:	
• Government of FSM:	<u>US\$ 228,661</u>
• State Govt.s:	<u>US \$440,639</u>
• NGOs	<u>US\$ 10,000</u>
• Bilateral	<u>US\$254,000</u>

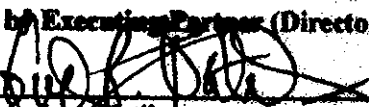
Agreed by Government (Secretary of Department of Foreign Affairs):



Lorin Robert

date 4/15/08

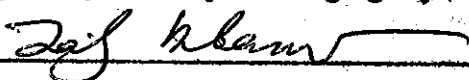
Agreed by Executing Partner (Director, Office of Environment and Emergency Management):



Andrew Yutikua

date 4/15/08

Agreed by GEF Implementing Agency (UNDP):



date 4/1/08



The Federated States of Micronesia

United Nations Development Programme
Global Environment Facility

A MEDIUM-SIZED PROJECT FOR:

CAPACITY BUILDING, POLICY DEVELOPMENT, AND MAINSTREAMING OF SUSTAINABLE LAND MANAGEMENT

The Federated States of Micronesia, with a view toward community-based livelihoods, gender equality, sustainable land use and the improvement of ecosystem services through conservation, continues to work toward effective land management and resource use in the context of the ongoing activities and factors affecting sustainable land management: deforestation, unsustainable agriculture practices and unplanned infrastructure development, coupled with severe weather patterns, and advancing alien invasive species. This aim, placed within ongoing on-the-ground projects in partnership with the European Union, the Food and Agriculture Organization, Secretariat of the Pacific Community, South Pacific Applied Geoscience Commission, New Zealand International Aid and Development Agency, the Venezuela Fund, and the United Nations Educational, Scientific and Cultural Organization, and amidst the frameworks of the National Environment Management Strategy (NEMS 1993), the National Biodiversity Strategy and Action Plan (NBSAP 2002), the FSM Sustainable Development Plan (SDP 2004), the FSM Protected Area Network (PAN 2006), and the Micronesia Challenge (2007), will allow for the continued improvement of the quality of life for the people of Micronesia that focuses on a participatory and collaborative approach to problem solving. This Medium Size Proposal aims to secure the incremental funds and United Nations Development Programme – Global Environment Facility partnership needed to continue and institutionalize SLM in local, state, and national government agencies, non-government organizations, and with community groups and resource users.

The objectives or outcomes of the MSP are to enhance and develop the individual, institutional, and systemic capacity for Sustainable Land Management (SLM), to mainstream SLM considerations into national development strategies and policies, to improve the quality of project design and implementation in the development arena, to develop a National Action Plan for SLM, as well as a medium term investment plan, while ensuring that all relevant stakeholder views are reflected and integrated into the process.

The operational phase of the project is 3 years after which SLM issues and focus will be mainstreamed into the national development planning, policy framework and agencies operational plans. The total project cost of the SLM MSP is **US\$1,433,300**, and consists of a **GEF contribution of US\$500,000 (including PDFA funding of 25,000)** and **Co-financing of US\$933,300**.



**Expedited Medium Size Project Proposal
Under the
LDC-SIDS Portfolio Project for Sustainable Land Management
REQUEST FOR GEF FUNDING**

AGENCY'S PROJECT ID:
GEFSEC PROJECT ID:
COUNTRY: FSM
PROJECT TITLE: Capacity Building for Sustainable Land Management in the FSM
GEF AGENCY: UNDP
OTHER EXECUTING AGENCY(IES):
DURATION: 3 years
GEF FOCAL AREA: Land Degradation
GEF OPERATIONAL PROGRAM: OP 15
GEF STRATEGIC PRIORITY: SP 1
ESTIMATED STARTING DATE: January 2008

FINANCING PLAN (US\$)	
GEF PROJECT/COMPONENT	
Project	\$475,000
PDF A	\$25,000
<i>Sub-Total GEF</i>	\$500,000
Co-Financing	
Government of FSM (GoFSM)	228,661
State Governments (KSG, PSG, CSG, YSG)	440, 639.00
State NGOs (CSP, KCSO, CCS, YINS)	10,000
Bilateral (USFS, VF, Jap. Gov.)	254,000.00
<i>Sub-Total Co-financing:</i>	933,300.00
<i>Total Project Financing:</i>	<u>\$1,433,300.00</u>
FINANCING FOR ASSOCIATED ACTIVITY IF ANY:	

COUNTRY ELIGIBILITY: The FSM ratified the United Nations Convention to Combat Desertification on 12 December 1994 and is eligible for funding under paragraph 9(b) of the GEF Instrument.

RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:

Akillino Susaia Secretary/GEF Operational Focal Point Department of Economic Affairs	Date: OFP Endorsement PDF A: June 27, 2006 OFP Endorsement: LDC-SIDS Umbrella Project: January 20, 2005
GEF Operational Focal Point Endorsement	CCD FP Endorsement: March 5, 2005
CCD national Focal Point and date of approval	

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for the LDC-SIDS Portfolio Project for Sustainable Land Management.

Yannick Glemarac UNDP-GEF Executive Coordinator	Andrea Volentras Regional Coordinator
Date: (Month, Day, Year)	Tel. and email: andrea.volentras@undp.org

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Country: FSM

UNDAF Outcome(s)/Indicator(s):

Environmental Sustainability Energy Mainstreamed into national and regional policies, planning frameworks and programmes.

Expected Outcome(s)/Indicator (s):

Mainstreaming of SLM; Capacities Developed for SLM; Completion of NAP; SLM Medium Term Investment Plan; Effective Management and Lessons Learned.

Expected Output(s)/Indicator(s):

Sustainable Land Management mainstreamed into national development policies, strategies, programs and projects; NAP developed and endorsed; enhanced capacity to develop resource mobilization plan.

Implementing partner:

Department of Economic Affairs

Other Partners:

UNDP, SPREP, SOPAC, NZAID, UNESCO, EU, SPC, Government of Venezuela

Programme Period: 2008-2011
Programme Component: Energy and Environment for Sustainable Development
Project Title: LDC-SIDS Portfolio Project for Sustainable Land Management.
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Agreed by Government (Secretary of Department of Foreign Affairs):

_____ date _____

Agreed by Executing Partner (Secretary, Department of Economic Affairs):

_____ date _____

Agreed by GEF Implementing Agency (UNDP):

_____ date _____

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ACRONYMS

ABS	Area of Biodiversity Significance
BSAP	Biodiversity Strategy and Action Plan
CBD	Convention on Biological Diversity
CCS	Chuuk Conservation Society
CDA	Chuuk Department of Agriculture
CEA	Country Environmental Analysis
COM-LG	College of Micronesia Land Grant program
COP	Conference of the Parties
CSG	Chuuk State Government
CSP	Conservation Society of Pohnpei
DEA	FSM Department of Economic Affairs
DFA	FSM Department of Foreign Affairs
DHESA	FSM Department of Health, Education and Social Affairs
DOI	US Department of Interior
DOJ	FSM Department of Justice
EEZ	Exclusive Economic Zone
EIA	Environmental Impact Assessment
EPA	Environmental Protection Agency
FIA	Forest Inventory Assessment
FSM	Federated States of Micronesia
GEF	Global Environment Facility
GIS	Global Information System
GO	Government Organization
GoFSM	Government of the Federated States of Micronesia
IECs	International Environmental Conventions
IDP	Infrastructure Development Plan
KCSO	Kosrae Conservation and Safety Organization
KSG	Kosrae State Government
KIRMA	Kosrae Island Resource Management Authority
MCT	Micronesia Conservation Trust
MDG	Millennium Development Goals
MIC	Micronesians in Island Conservation
NAP	National Action Plan
NBSAP	National Biodiversity Strategy Action Plan
NEMS	National Environment Management Strategies
NGO	Non-Government Organization
NRCS	Natural Resources Conservation Service
PAN	Protected Area Network
PDL&NR	Pohnpei Department of Land and Natural Resources
PSG	Pohnpei State Government
RMC	Resource Management Committee
SALT	Slope Agriculture Land Technology
SD Council	National Environment and Sustainable Development Council
SD Unit	FSM Government Sustainable Development Unit

SDP	FSM Sustainable Development Plan
SIDS	Small Island Developing States
SLM	Sustainable Land Management
SOPAC	South Pacific Applied Geoscience Commission
SPC	Secretariat of the Pacific Community
SPREP	South Pacific Regional Environment Program
UNCBD	United Nations Convention on Biodiversity
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNCCD	United Nations Convention on Combating Desertification
USDA	United States Department of Agriculture
USFS	United States Forest Service
VF	Venezuela Fund
YDAF	Yap Department of Agriculture and Forestry
YINS	Yap Institute of Natural Science
YSG	Yap State Government

Part I: Situation Analysis

Background

1. The FSM is the largest and most culturally diverse part of the greater Micronesian region and is comprised of four States, which are, in geographic sequence from west to east, Yap, Chuuk, Pohnpei and Kosrae. All but Kosrae include more than one island and each state has considerable autonomy within the federation. The total landmass of the FSM is 438 square miles (702 km²), with a declared Exclusive Economic Zone (EEZ) covering over 1 million square miles (1.6 million km²). The FSM is comprised of 607 islands with land elevation ranging from sea level to the highest elevation of about 2,500 feet (760 meters). The archipelago lies in a broad east-west swath across 1.6 million square kilometers of the western Pacific Ocean above the equator between 1.0-9.90 N and 138.2-162.60 E.
2. The indigenous population is Micronesian with most of the people residing on the main islands of the State capitals. The 2000 census preliminary count of the population is 107,000 (July, 2000). Traditional, social and cultural institutions are still very strong in Micronesia. Micronesian society is based on the extended family, which is responsible for the family and community welfare, especially in relation to land. Both men and women share equal and distinct responsibilities in terms of the management of the family and the lands.
3. The FSM has a tropical oceanic climate that is consistently warm and humid, with some of the most uniform year-round temperatures in the world. Temperatures are in the range of about 81°F (27°C) on most days. The wettest months are April and May. Rainfall is extremely high on the high volcanic islands of Kosrae, Pohnpei and Chuuk and can exceed 400 inches (1,016 cm) a year (SPREP, 1993, Lindsay & Edward, 2000). The region is affected by storms and typhoons that are generally more severe in the western islands, and by periods of drought and excessive rainfall associated with the “El Nino” (ENSO) phenomena. In recent times, the droughts of 1982-1983 and 1997-1998 were especially severe on terrestrial habitats, further increasing localized threats to the biodiversity.
4. The economy of FSM is small and is largely dependent on aid provided through the Compact of Free Association with the United States of America (NEMS, 1993). The majority of activities are government services, wholesale and retail businesses selling imported goods, and subsistence farming and fishing. The government services dominate the economy at 42%. The commercial tuna fishery (international and domestic) is the nation’s second highest revenue earner with annual revenues between US\$13–20 million dollars (FSM Government Report, 1999). Fifty thousand tourists (FSM Immigration, 2001) entered the FSM in 2000, (Kosrae 12%, Pohnpei 37 %, Chuuk 36 %, Yap 15 %), contributing small revenue earnings to the economy of the country (SPREP, 1993). Real GDP per capita for 2001 was US\$2,030 (FSM NBSAP Report, 2002).
5. The national constitution of the FSM is the basis for all legal authority and decision making for the nation. The legislation and institutional framework of the Federated States of Micronesia includes, both National and individual State constitutions with each of the four States functioning as strong, semi-autonomous governments. This structure makes it a prerogative of each State to enact their own legislation in line with their powers as mentioned in the FSM Constitution to address all issues relating to the sustainable development and the conservation of biodiversity.

Environmental Context

6. Endemism is very high, a result of a unique combination of distance and isolation. There are over 200 endemic species in the forest ecoregions. Linked directly to the forests, the islands of the FSM exhibit a great diversity of marine ecosystems, from high volcanic islands with fringing and barrier reefs to coral atolls, including Chuuk lagoon, one of the world’s largest (823 mi²/3130 km²) and deepest (60m/200ft). The heart of the world’s largest tuna fishery, FSM’s offshore waters contain rich stocks of yellowfin, bigeye, skipjack, and other species of fish. In many ways, coral reefs rival and surpass tropical rainforests in their biological diversity and complexity. The coral reef ecosystem is the dominant shallow marine feature of the nation. Coral reef biodiversity and complexity is high within the FSM and this diversity diminishes notably from west to east within the region. All major types of coral reefs are found within the

FSM, including barriers reefs, fringing reefs, atolls and submerged reefs. The condition of reefs and inshore marine environments within the FSM are healthy but declining, with natural processes and anthropogenic impacts on land affecting reef condition and marine biodiversity.

7. The only native mammals are approximately five species and subspecies of fruit bats of the genus *Pteropus* and a sheath-tailed bat of the genus *Emballonura* (FSM Report to the Conference of the Parties of the CBD, 2001). Taxonomic studies of the fruit bat are not complete, and it is likely that all are endemic species. The *Pteropus* fruit bats (otherwise known as flying foxes) are quite important as a keystone species and essential to the regeneration, health and long-term survival of the forests as they serve to pollinate and disperse seeds of various forest species, both native and agricultural. Unlike the Chamorro cultures of Guam and Saipan, who eat the fruit bat (nearly to extinction), Micronesians generally do not hunt the mammals. Mammals that have been introduced include at least three rats: the 'Polynesian rat, *Rattus exulans*, the roof rat, *R. rattus*, and the Norway rat, *R. norvegicus*; mice *Mus musculus*; dogs, cats, pigs, goats, a few cattle which have not generally persisted, and on Pohnpei, the introduced Philippine deer, *Cervus mariannus* (Wiles et al. 1999.)
8. Some 119 species of birds have been reported in the FSM. These include 31 resident seabirds, 33 migratory shorebirds, 19 migratory land or wetland birds and 5 vagrant species. Marine life is abundant in the FSM. The FSM has over 1000 species of fish, including at least 12 endemics, several species of marine mammals (dolphins and whales) and four species of marine turtles, (green turtle *Chelonia mydas*, hawksbill *Eretmochelys imbricata*, olive ridley *epidochelys olivacea* and the leatherback *Dermochelys coriacea*). Over 350 species of stony corals, 60 species of soft corals, 150 species of alga and sea grasses, and over 1,200 species of mollusks, echinoderms and crustaceans have been documented. However, reef and marine degradation and the loss of biodiversity (especially among food fishes) are attributed to various human activities. Again, land-based activities have a direct impact.

Forest Resources

9. Land resources extend from the coastal lowlands to the highest upland peak. Apart from sand and aggregate materials for construction and landfill, the most valuable land resource is *forest*. The FSM's native forest trees are used commercially for small-scale timber production, mainly as building materials for houses and general construction works. Certain hardwoods are used for carving traditional and tourist handicrafts. Almost all are used as firewood. Many islands in the FSM contain rich rain forests, which provide important resources for local inhabitants and a refuge for biodiversity. These forests are also critical to island hydrology, providing regular supplies of clean water and protecting the island's delicate coral reefs, mangroves and seagrass beds from sedimentation. However, the small size of these islands, combined with population increase, westernization, and economic growth have placed Micronesia's forests among the world's most endangered.
10. The FSM is composed of two ecoregions: the Yap Tropical Dry Forest (YTDF) and the Carolines Tropical Moist Forest (CTMF). The Yap Tropical Dry Forest ecoregion contains the four islands of Yap proper, in addition to the nearby atolls of Ulithi, Ngulu, Fais, and Faraulep. The YTDF has as its dominant vegetation types the mixed broadleaf forest, swamp, mangrove, savanna, and agroforests. Vegetation maps from 1976 aerial photos indicate that wild forests cover about 40% of the land area of Yap (including mixed broadleaf forest, swamp, and mangrove) (Falanruw et. Al 1987). Agroforests (tree gardens) cover another 26% of the land area, and about 22% of the vegetation is savanna. Yap's mangroves are the most diverse in the FSM (Blueprint for Conservation, TNC 2002). Bulldozing activities (roads, homes, in-fill, landfills), wildfires, and agricultural burning and clearing, hunting, and typhoons endanger Yap's native forests and endemic species. Indeed, Typhoon Sudal in 2004 greatly affected all forest types, likely reducing the above cited numbers to a substantial degree. A recent study has not yet been completed.
11. The Carolines Tropical Moist Forest ecoregion contains the remaining outer islands of Yap, known as the Remetau group, continuing west through Chuuk, Pohnpei, and Kosrae. Mixed broadleaf forests comprise the dominant vegetation type on the high volcanic islands. Historically, broadleaf forests almost completely covered these high islands, but people have since cleared or disturbed much of the lowland vegetation. An aerial survey of Pohnpei Island conducted in 2000 by The Nature Conservancy (TNC)

found two-thirds of the native forest to have been lost in the past twenty years due to cultivation of kava, or Sakau, as a commercial crop and developments such as roads and homesteading in the watershed. Lowland vegetation on the high volcanic islands is dominated by mangrove and swamp forests, though large portions of these forests are being disturbed by human activities (road building, filling in for homes, piggeries and businesses, cutting for firewood and home construction and canoe building.) Healthy examples of these forests still exist, though, along isolated coasts of Pohnpei and Kosrae (the exemplary and awesome Yela Ka Forest in Kosrae is the best example). Located at just 450 meters on Pohnpei and Kosrae, montane cloud forests thrive on the unique combination of relatively high rainfall and elevation. These cloud forests area a global rarity, as they are some of the lowest elevation cloud forests in the world and are home to over 30 species of tree snails, 24 species of birds, and three species of endemic flying foxes (Raynor 1993).

Soil & Water Resources

12. The most extensive soil order in the FSM is that derived from volcanic ash called *andisols* and most are found in upland areas under isothermic temperature regimes. Most soils of the FSM have good structure and sub soils are not compact. Most soils are friable, and when moistened, are non-sticky and non-plastic, free draining with low water-holding capacity. Soils can range, however, from a clay type, to sandy, to a more basalt rock type. These types, particularly apparent in Kosrae, can allow for the seepage of surface water and rain deep into underground aquifers, where it continuously bubbles out in the form of pure, cold and drinkable spring water that often flows into the many streams and rivers. Yap is unique in the FSM in having metamorphic rock derived from tectonic activity and associated soils similar to continental areas, as well as old volcanic soils. Islands and atolls of eastern Yap are younger and made of limestone. There are marked differences between the soils of the lowlands and atolls and the uplands and those of the highlands. Limestone forests contain a specialized community of native and endemic species growing from pockets of soil in hard limestone rock. Lacking extensive and deep soils, the forest is dependent on the rain of leaves from its own canopy to sustain the shallow soil. Once the canopy of this kind of forest is destroyed, the source of soil is also destroyed, and the forest is unlikely to recover within anyone's lifetime (YBSAP 2004).
13. There tends to be an increase in thickness of mineral soil with increasing altitude, due largely to heavier ash deposition in the uplands and the highlands. Upland soils are not generally used for cultivation. In general, soils are relatively shallow, stony, and unsuitable for most types of mechanization, and have coarse textural properties resulting in high infiltration rates. Despite a relatively high rainfall, soil moisture deficits can occur especially when considering prevalent soil types and evapo-transpiration rates. This is particularly true for Yap and Chuuk, where the prevalence of drought on land is more common.
14. Tremendous pressure for economic growth and changing cultural practices, combined with population growth, a widening gap between the lower and higher income brackets, and changing demography in the FSM threaten land resources, either directly or indirectly. Interior forests and coral reefs are rapidly being lost or degraded by bulldozing, deforestation, sedimentation, pollution, coral dredging, and destructive fishing practices. Often, although the trend appears to be changing slowly for the better through increased communication, capacity, and coordination between NGOs, CBOs, and GOs at the various levels, conventional western approaches to conservation – government management and enforcement of large-scale conservation areas – have been ineffective due to land and marine ownership patterns, the difficulties inherent to regulating activities in extreme locations and across vast distances, and the limited capacity of government natural resource agencies (FSM 2002; SPREP 1993; Micronesia Seminar 2002).
15. Clearance of the original forest cover for many areas, particularly in the lowlands, and as in Pohnpei and to a lesser degree Chuuk and Kosrae, the uplands, has typically started the process of land degradation in the FSM. The development of a National Action Plan (NAP) as part of this project will seek to address and integrate this pressing need of political will and environmental ambitiousness into national and state-level decision making processes.

2 Socio-economic Context

16. The FSM's vision for the nation, as stated in the 2002 NBSAP, is that "The FSM will have more extensive, diverse, and higher quality of marine, freshwater, and terrestrial ecosystems, which meet human needs and aspirations fairly, preserve and utilize traditional knowledge and practices, and fulfill the ecosystem functions necessary for all life on Earth." In support of this vision, the theme for the 2004 – 2023 SDP for the nation is 'Achieving Economic Growth and Self Reliance'. External economic shocks and natural disasters will always threaten our development efforts and it is the Government's hope that the implementation of the strategies outlined in the SDP (see in particular *Environment Strategic Planning Matrix* of the SDP in Appendix B) will cushion the adverse impact of these shocks against the achievement of the national vision.
17. The agriculture, fisheries, and tourism sectors are recognized as providing the long-term growth potential and competitive advantage for the FSM. However, currently the largest single sector in the FSM economy is government services. Current commercial and business activity is dominated by informal and formal small- and medium-sized enterprises. Apart from the government, telecommunications, and utilities corporations, few large businesses exist that can create major employment or single markets for other businesses. As such, most small businesses in the FSM can be characterized as having a small market share, and personalized owner operator or family management.
18. The economy of the FSM is relatively small with aggregate GDP in current prices of approx. US\$200 million in 1999, implying a per capita income of US 2,030.00. Out of some 29,000 employed persons in 2000, 15,000 persons (52%) were engaged in farming and fishing, of whom over 10,000 (70%) were involved in 'subsistence' (household consumption only) activities, not selling or intending to sell any of their produce. Almost 5,000 (30%) were classified as 'market-oriented' farmers and fishermen. These numbers illustrate the importance of the subsistence sector in the FSM and reflect their contribution to domestic production in the country (FSM Statistical Yearbook 2005). It can be assumed by these numbers also that much of the economic activity is not properly captured and goes unreported.
19. Agriculture is the most important primary activity in the nation because of its contribution to employment, wage income, export earnings, and subsistence production. In-country agricultural activities provide over 60% of the food consumed, and employ almost 50% of the labor force on a full-time or seasonal basis. Women make up a large proportion of this percentage, and there will be a continual focus upon this stakeholder group throughout. While FSM's climate is well suited for year-round agriculture, farmland is in short supply because of the mountainous terrain on FSM's larger islands (2000 FSM Census).
20. The FSM, in the socio-economic context, has also made strides to include **Gender** as a cross cutting issue in the areas of development and sustainable livelihoods. Recognizing that women are the cornerstone of the communities, the FSM has undertaken several recent projects related to SLM and gender. The Development of Sustainable Agriculture in the Pacific (DSAP) program currently being implemented by SPC and local communities through the EU, as well as an EU renewable energy program specifically seek to include and develop the role of the women as leaders in the process. Further, current efforts to meet the challenge of the global Millennium Development Goals (Goal #3 of the MDG – "*Promote Gender Equality and Empower Women*") also clearly make it an objective for the FSM to aim for a greater role and representation of women in the echelon of politics, and for a more equal rate of pay in the workplace (FSM National MDG Report 2007). This MSP for SLM will allow further opportunity for the nation to continue to include and enhance the role of women in the development and decision making processes.
21. Fisheries. The ocean is arguably the country's most significant resource. Living marine resources are of great importance since they are a major source of subsistence, recreation, and commerce. The Micronesian culture is heavily influenced by the marine environment and resources. FSM's EEZ covers the world's major equatorial tuna migratory paths. This makes offshore tuna a primary fishery resource. The approximate market value of tuna harvested within the nation is about \$200 million per year. FSM has in recent years earned \$18-24 million annually in licensing fees paid by foreign vessels for tuna fishing within its EEZ. Average annual catch rates range between 80,000 - 250,000 metric tons (2000 FSM Census)

22. Inshore reef resources are largely consumed locally and are an essential source of nutrition in the traditional Micronesian diet. All waters located within 22.2 km of land falls under the jurisdiction of the respective state governments. Within these waters all forms of foreign commercial fishing are excluded. These inshore resources are managed, conserved and developed by the respective state governments, in association with resource owners. Recent Rapid Ecological Assessments (REAs) conducted in Pohnpei (2005) and in Kosrae (2006) indicate that fish populations in reefs close to the larger, more urbanized areas are severely depleted. In some areas, reef destruction from over fishing, road-building, dynamiting, and dredging is extensive.

3 Policy, Institutional and Legal Context

23. Because of the government structure of the federation with a National FSM Government (FSMGO) and four semi-autonomous State governments, each of the four States have their own constitutions, that mirror a greater or lesser degree the national constitution. This structure makes it a prerogative of each State to enact their own legislation in line with their powers as mentioned in the FSM constitution in terms of sustainable development, land management, and conservation. This overarching constitution, for example, clarifies the National and State Government's roles in implementing the FSM's obligations under the UNCCD. The primary responsibility for land management, natural resource management, and development planning rests with the four individual States of the FSM. The States take the lead role in ensuring that development is avoided in vulnerable areas and ensuring critical natural systems are protected. Although there is still much to be done, most of the States have made initial efforts to guide sustainable development through the creation of:

- Land Use Plans;
- Coastal Zone Plans;
- Appropriate Legislations and Regulations.

The FSMGO provides guidance and technical assistance to the States, when needed and requested, on matters related to planning, economic development, natural resources, fisheries, and the environment (FSM CEA – Hay, Takesy for the ADB – 2005).

24. In 1992 the FSM Environmental Management and Sustainable Development Council (SD Council) was established. The SD Council is an interdepartmental and cross-sectoral advisory board established by the President and chaired by the Vice President of the nation. It is comprised of members from the FSMGO offices of DEA (Fisheries, Agriculture, Tourism and Sustainable Development Units), DEHSA, DFA, DOFA, DOJ, TC&I NORMA, Weather Services, and representatives of the COM-FSM, TNC, and the Conservation Society of Pohnpei (CSP). This highlights FSMGO commitment to addressing issues concerning sustainable land management.
25. The National Environmental Management Strategies (NEMS) – the nation's first documented environmental strategy – were formulated and launched in 1993 providing a national framework for the FSM to adopt sustainable approaches in addressing several key environmental issues which pose pressing threats to sustainable land management. It adopted a holistic approach in creating cooperation between government agencies to work together towards managing the priority SLM issues. Political commitment was necessary through the development of these policies which focused on the following 4 major strategies in order to promote sustainable economic growth;
- Integrate environmental considerations in economic development;
 - Improve environmental awareness and education;
 - Manage and protect natural resources; and
 - Improve waste management and pollution control.

The institutional structure for environmental and natural resource management, including the supporting legislation and regulations, is complex given the mix of three levels of government as well as traditional

systems. NGOs focused on conservation and environmental protection are in all four states and there is a trend toward integration of efforts of these groups with traditional leadership and government agencies dealing with natural resources. There is also a distinct emerging trend of community-based organizations becoming involved in the various aspects of resource management. Over the last few years both national and state governments have made a substantial effort to more fully involve NGOs in policy development and projects (FSM CEA – Hay, Takesy for the ADB – 2005).

4 Causes of Land Degradation

26. The extent of the land degradation problem in the FSM has not been ascertained in any detailed study. However, deforestation, unplanned development, and unsustainable agricultural practices, and extreme weather patterns were the main issues identified in the FSM's First National Report to UNCCD and the UNDP GEF-funded preparatory workshop for the MSP preparation under the CBD (May 2007) for the FSM. The first NCSA (2007) and CBD (2001) reports are an initial attempt by the FSM to conduct, in part, a preliminary assessment of land degradation and to identify potential causes, as well as capacity to stem destructive trends.
27. **Deforestation** in the form of forest clearance to allow for urbanization, infrastructure development, home building, in-filling, commercial agricultural expansion, and small-scale logging for timber and firewood use has been identified as one of the main forces behind the spread of degraded land areas (Ogura 2003). This increased development of infrastructure and the drive for improved socio-economic status of individual families is a by-product of a more westernized lifestyle and the natural result at the ambition for improved livelihood and quality of life. Deforestation also creates the opportunity for invasive plants to spread more rapidly over the land, further exacerbating the ability of natural forest cover to regenerate, and declining the ability of the environment to provide **ecosystem services**. The key to development of course is to not only provide for an improved quality of life, but importantly, to maintain and improve the ability of nature to continue to provide the ecosystem services necessary as part of that quality of life index. The mainstreaming of SLM will be essential in allowing this to happen.
28. At the beginning of the last decade deforestation was identified as one of the key environment and development issues in the country (NEMS, 1993). Sakau production and localized agriculture practices remain the main consideration for the utilization of the remaining native rainforest today.
29. **Unplanned development** includes the building of seawalls without any clear guidelines, or research into ecologically-based alternatives, the filling in of mangrove forests for construction purposes, for dumping trash and solid waste, or for commercial piggery development, road construction in steep terrain, watersheds, or through ecologically sensitive wetlands or shore areas, and the activities of mining and dredging. These activities occur to some degree across all of the FSM states. The needs of infrastructure and a more western lifestyle have lead to increased exploitation of land-based aggregate materials and/or mining activities of scoria materials for construction purposes. Sand mining, though illegal in most states, still occurs, and leads to greater coastal erosion. Mining of aggregate in the interior of the larger, high, islands also creates big areas of degradation on land, and leads to soil runoff. Efforts are needed to help build the capacity to ensure that all developments adhere to quality environmental principles and permitting processes, and that destructive attempts are effectively enforced. Although there are efforts ongoing, there is a need to strengthen the ability of the states to effectively plan for and mitigate such activities.
30. **Unsustainable agriculture** is the practice of clearing large trees that hold soil and regulate water flows, in favor of cash cropping. Although this does provide economic relief, it often leads to large areas of degraded land, particularly in the high elevation areas and watersheds, where soils are particularly sensitive and prone to run off into streams, mangroves, and reefs. Pohnpei, and Kosrae to a lesser extent, face serious ecological damage due to the large scale planting of Sakau (Kava) in areas that have been cleared of forest cover.

31. **Extreme weather events** and vulnerability to climate change. The islands can be extremely defenseless against the devastating onset of natural disasters, including typhoons, storm surges, and sea level rise. These natural phenomena become more pronounced in the face of land degradation caused by human activities. The high islands of Pohnpei, Kosrae, and Chuuk suffer from land slides and soil runoff, while the lower islands and atolls lose valuable shoreline every year, and have agricultural crops destroyed from sea water intrusion. Generating huge waves, torrential rains, and winds of up to 200km an hour, a big typhoon can wipe out an entire ecosystem in a few hours. The results of Typhoon Sudal in 2004 from the aftermath assessments show that many native trees in Yap underwent massive defoliation by strong winds, a significant number of native and agro-forest trees uprooted and many forest birds declined in number to the extent that some bird species were nearly decimated. Yap also faces the threat of drought and fire. The Agricultural and Forestry sectors are especially vulnerable to climate variability factors. Climate conditions such as high rainfall in Chuuk, Kosrae, and Pohnpei, drought and fire in Yap, or sea-level rise and coastal erosion in all of the states, contribute to soil runoff and infertility and land degradation of cleared or disturbed areas. SLM and human activity in relation to land is perhaps no where more important than when it comes to mitigating the effects of severe weather patterns and climate change occurrences.

Barriers to SLM

32. There are numerous barriers. Some of the more common are the lack of existing or up-to-date information to enable better decision making on an integrated approach towards sustainable land management and the management of natural resources, a uniform collection of the FSM's progress on implementation of environmental programs and conventions, such as information ranging from surveys, assessment of issues affecting each of the major sectors, management plans, geographic information system (GIS) mapping and digitizing of all land use patterns and areas of the FSM, better soil and geology information, updated information with land tenure transformation, scientific research studies on climate variability in the FSM, database information on land and marine resources, and information gathered from communities on best practices that they have adopted in addressing environmental concerns. The ultimate intention is to drive the SLM project to address these relevant needs and gaps, and to centralize the relevant information gathered.
33. Several key cross-cutting issues which hamper achievement of sustainable land management in the FSM have been identified (NBSAP). These include:
- Rapidly increasing populations and more consumptive lifestyles;
 - Inadequate scientific baseline biological information on biodiversity status;
 - Insufficient aquatic and terrestrial conservation areas and management plans;
 - Insufficient biodiversity legislation and lack of enforcement;
 - Insufficient skilled/trained human resources;
 - Insufficient coastal planning and zoning;
 - Inadequate awareness of links between conservation and sustainable economic development; and
 - Insufficient funding for conservation activities.
34. Importantly, the FSM has and continues to come a long way with its implementation of a number of enabling activities funded through the GEF to meet some of its obligations under the UNCBD, UNFCCC and recently with the UNCCD. GEF's involvement would significantly assist the FSM to address some of the pertinent and newly emerging land degradation issues within the context of the UNCCD and most importantly, to continue the trend of strengthening GO and NGO partnerships and the linkages between key stakeholders that can promote sustainable land management as a cross cutting issue.

Part II: Project Strategy – Project Description

35. The FSM fully endorsed the LDC-SIDs Portfolio project as illustrated in its participation in the 4-5 May 2006 workshop on NSDS for SIDS held in New York, USA. In this regard, FSM is eligible to access funds under the Portfolio project to implement an MSP on Capacity Building for Sustainable Land Management (SLM). This MSP will, amongst other things, enable the FSM to address SLM issues in an

integrated manner and to support efforts to mainstream SLM into national development planning processes.

5 Baseline course of action

36. SLM issues are addressed in the First National Report to UNCCD which has detailed information on land use patterns in the FSM. The report provides an analysis of land use trends and being the initial effort to record officially a baseline data on land use and the general biophysical characteristics of the environment. It can also be taken as an initial attempt by the FSM to address and promote SLM issues and significance as a major tool for implementing the baseline actions in the NAP to combating land degradation problems.
37. DEA (through SOPAC) has conducted a few training courses and awareness raising programs on GIS and remote sensing for relevant stakeholders. The skills and knowledge acquired from these trainings with additional training specific to addressing land degradation is expected to complement efforts to promote SLM. This includes the capacity to map degraded areas from the effects of fire, invasive species, clearing, soil and coastal erosion, land slides, and so forth. The EU has funded a regional program that is being implemented through the Secretariat of the Pacific Community (SPC) called the Development of Sustainable Agriculture in the Pacific (DSAP) and the DEA through the Agriculture Division is participating in the implementation of this program known also as the Future Farmers project focusing on promoting organic farming, with a clear mandate to involve youth and women in the project across all phases. In terms of unsustainable agriculture practices, awareness raising is a continuous effort, as are the more recent organized efforts to integrate communities into conservation area planning and management.
38. The NBSAP and BSAPs were formulated as part of strategy action plans under the CCC and CBD respectively and there is an ongoing effort through the NCSA to identify inter-linkages to the UNCCD. These efforts include adopting integrated approaches through synergies and to encourage collaborative efforts of the three conventions. The NSCA for all three also prepared a synthesis report, which highlighted the FSM's main areas of vulnerability and greatest needs for adaptations and mitigations.
39. To bolster ongoing SLM efforts, the FSM has also identified and accepted proposals from the four states in partnership with the Venezuelan Government (Venezuela Fund - VF) that will serve as on-the-ground pilot projects and a co-financing source to UNDP-GEF funding.
40. Rising public concern with the degrading consequences of forest clearance on water flows and coral reef health has led to a recent holistic approach to forest conservation through better watershed management, community conservation and sustainable resource use. In addition, tree planting and replanting of degraded areas, particularly within mangrove areas, has also become a key strategy (for both government agencies and community groups, often working together) to stemming the tide of destructive land and deforestation practices. Pohnpei has enacted and implemented a Watershed Forest Reserve Law, with funding from the PSG and USFS in this area. An Invasive Species Task Force has also been developed with the assistance with SPC and SPREP in all of the states. In Kosrae, as well as Pohnpei and Chuuk, tree nurseries have been established for the purpose of repropagation of native species, and reaping the benefits of enhanced SLM practices and the resultant ecosystem services that will be provided. The USFS, in partnership with the state EPAs, also conducted a comprehensive FIA throughout the FSM. All of the states have active RMC's that tackle community based SLM challenges. Greater promotion and collaboration between GOs and NGOs throughout the nation is a highlight of SLM efforts at this time, and the MSP will only boost this engagement.
41. In regard to unplanned development activities and solid waste, Pohnpei Kosrae, Chuuk and Yap have entered into partnerships with foreign companies, and are currently in the process of developing solid waste management plans that include centralized landfills and recycling programs. In addition, there are earth moving regulations and permitting processes in place in all of the states, though capacity and mainstreaming efforts are still very much needed in this regard. Land Use Plans or Master Zoning Plans

are also drafted for each of the states. In Yap, alternatives to building seawalls, which often only make coastal erosion worse, or simply move it further down the coast line, are being researched and considered. This includes the planting of native, hardy, coastal tree species along the beaches. It is hoped that the SLM project will provide the incremental costs needed to fully realize effective land and zoning plans that fully integrate SLM principles. Awareness raising is an ongoing effort as it relates to SLM in general, and across all of the identified issues specifically, where the conservation NGOs in each of the islands – CCS, KCSO, YINS, CSP – are especially effective and needed as partners.

42. A soil survey was recently conducted by the NRCS (USDA) in Kosrae, the first of its kind since it last conducted a comprehensive soil survey in the FSM states in the early 1990's. Results are not yet available, but the information will likely give decision makers a better tool to be able to integrate SLM principles into major policies and regulations.
43. It is recognized that these baseline activities as well as future SLM actions will promote pilot projects that will maintain and improve ecosystem services, produce guidelines, new knowledge and skills as a means to developing capacity in SLM, have a collaborative approach and broad stakeholder representation leading to improved land management, poverty reduction, and ecological services improvement.

6 Capacity Building, Policy Development and Mainstreaming Needs for SLM

44. The NCSA being conducted by the FSM will produce a Stocktaking Report which will clearly identify capacity needs and gaps of the three Conventions (UNCBD, UNFCCC and UNCCD) of which also are GEF focal areas. This report is consulting the relevant NCSA Stakeholders, through workshops and by comparing, reviewing, and integrating existing capacity needs information into a whole in order to validate the information by the three respective working (Taskforce) groups specific to each Convention. Analysis of root causes for the lack of capacity to address land degradation and environmental conservation will be used toward SLM practices. Throughout the various workshops held since 2000 forward, particularly related to the NBSAP work, a number of crosscutting issues related to lack of capacity, underdevelopment of policies related to SLM, and the need for awareness raising in this area of SLM with political leaders, planners, and decision makers, including gender capacity issues and gender analysis.
45. The above baseline course of action establishes a framework towards sustainable land management for FSM, however gaps identified by previous consultative processes included lack of finances and capacity ranging from infrastructure support, training and human resource development. It was also highlighted in FSM's NBSAP Capacity Assessment that training and human resource development alone is of no benefit without the necessary tools/hardware/equipment to create an "enabling environment".
46. Although there exists a number of broad policies/measures in place which address areas of SLM there is a need to identify the gaps in the existing policies/regulations against relevant integrated landscape approach and the barriers to implementing such policies.
47. There is a need to develop a knowledge management system for SLM. Land use systems need to be sustainable and economically viable, incorporating a landscape approach. The knowledge management system should include economic/financial analysis of the present land use systems; economic loss associated with the depletion of a natural asset and the use of these tools for identifying/developing viable alternative systems as needed. Best practices and lessons learned including traditional knowledge need to be synthesized and diffused.
48. Current but limited land information systems need to be updated and mainstreamed into relevant departments as a working tool for management systems, for planning SLM development, for monitoring the sustainability of land uses and for monitoring SLM and the application of SLM policies/regulations.

49. Dynamic monitoring and evaluation (M&E) systems need to be developed for the monitoring of ecosystem services and include agricultural sustainability/management, soil organic matter content, soil fertility improvement, and water availability for consumption vs. irrigation and other uses.
50. The use of satellite imagery and other remote sensing tools need to be enhanced/updated, as inputs both to M&E systems, one such example being the continued monitoring of forest cover and land use change.
51. Training and human resource development is needed in several key areas; land information systems, integrated landscape approach; MEA; GIS; GPS and EIA's for governmental planning departments. Training in and highlighting of traditional and sustainable agricultural, agroforestry practices, land rehabilitation processes and the implication on ecosystem services are needed for agricultural extension officers, forestry officers and resource users. Training of water division personnel in water quality management, watershed protection, and resource condition assessment and reporting.
52. Training is needed for government planners/environmentalists in the integration of FSM's SLM guidelines into planning. Training in the application of environmental/natural resource economics for the analysis of existing land use systems and in the identifications of economically and financially viable land management alternatives are needed in government planning departments and on a smaller scale as a planning tool for resource users.
53. **Future Scenario without GEF Funding.** Without the GEF MSP project component FSM will be unable to strengthen its institutional, systemic and individual capacities to improve sustainable land management planning and implementation via a practical participatory approach through the establishment of unique community demonstration sites. Without the GEF MSP component FSM will continue to struggle to consolidate, cooperate across four different island-states, and integrate available information; identify and address gaps/needs; develop and implement monitoring and evaluation systems; strengthen interdepartmental linkages and finalize resource mobilization for its NAP implementation. The FSM like many SIDS faces budgetary constraints which restrict allocation for implementing obligations under the UNCCD and the SLM MSP. While the Government of FSM places emphasis on Sustainable Land Management, there are many other competing priorities that must also be met. For example, the National Sustainable Development Plan (SDP) recognizes the need to build capacity for basic services; i.e. Health, Education, Agriculture, etc. Compounding this is the limited resources available for private sector investments in addition to the lack of population base to support their viability. Furthermore, FSM's isolation from international markets make it difficult to attract private sector investments.

7 Project rationale and objective

54. The project aims at improving the information baseline to characterize the state of land degradation and its impact; raising awareness at various levels of governance; improving individual knowledge and skills; improving institutional structures and processes to maximize coordination; mainstreaming SLM into national development and state development processes; and incorporating the use of mainstreaming tools in decision making.
55. The project will contribute towards the achievement of the following long-term aspirations;
 - **Long-term Goal:** The mitigation of land degradation and promotion of ecosystem integrity and stability, with enhanced ecological functions and services through capacity and policy development and mainstreaming of sustainable land management.
 - **Project Objective:** To strengthen capacity of people and institutions and establish an enabling and conducive environment for; sustainable land management, more effective participation by stakeholders, better utilization of scientific and socio-economic data and enhanced capacities to address priority land degradation issues.

56. The project will build capacity for sustainable land management in the FSM. The target beneficiaries for the project include vulnerable community groups (women, youth/young farmers), landowners, government agencies and NGOs. The project outcomes are stated as follows;
- Completion of UNCCD National Action Plan (NAP) through Co-financing
 - Capacities developed for Sustainable Land Management
 - Mainstreaming of Sustainable Land Management
 - Mobilization of Medium Term Investment Plan and its Resources
57. This project is part of the UNDP/GEF LDC and SIDS Targeted Portfolio Approach for Capacity Development and Mainstreaming of Sustainable Land Management. This project addresses two of the outcomes under Immediate Objective 1 of this umbrella project:
- Individual and institutional capacities for SLM will be enhanced – a large part of this project is directed towards these types of capacity building.
 - Systemic capacity building and mainstreaming of SLM principles – this project also addresses policy development and mainstreaming of SLM.
58. The principal direct global benefit is the enhanced capacity for ecologically sustainable land management in the FSM, which is expected to have national, regional and international effects, whereas indirect global benefits include;
- Coordination of SLM at the national, regional, sub-regional and international levels; all have one common goal of a clean and healthy global society through individual SLM actions at in-country local levels.
 - Cross-sectoral integration of sustainable land management into plans, policies, strategies, programs, funding mechanisms and multi-sectoral stakeholder groups.
 - Maintenance of the structure and functions of soil and ecological systems
 - Enhanced biodiversity conservation due to reduced deforestation and reduced sedimentation in lagoons and improved health of coral reefs and;
 - Enhanced carbon sequestration through improved capacities for sustainable forest management, sustainable agriculture and reduced deforestation.
 - Enhanced gender equality and capacity building across the board.
59. The principal national benefits are the enhanced capacities for economic and financial sustainability of the agricultural and forest use systems of the country. Indirect national benefits include the following:
- Enhanced and sustained crop production through improved soil fertility maintenance;
 - Identification of new sustainable uses of forests;
 - Identification of alternative income generating activities;
 - Maintenance of clean and healthy water flows in the watersheds;
 - Preservation and enhancement of the quality of life of the people;
 - SLM contributes to the health of lagoons and coral reefs that are in turn critical for the tourism industry, for fishing and, in the mid to long-term, for avoiding catastrophic beach erosion;
 - Greater empowerment and self-sufficiency of resource users and stakeholders to participate directly in the conception, monitoring and adaptive management of lands and resources;
 - Improved technical human capacity and early warning systems for drought;
 - Reducing the damaging effects of natural disasters.

8 Expected project outcomes and outputs

60. The project will have four outcomes and thirteen outputs, as detailed below, excluding project management costs which are provided for in the Project Budget presented in this Proposal (Table 2). Details of the Project Outcomes and Outputs are provided in the Logical Framework Matrix (Annex B).

OUTCOME 1: National and State level sector policies and strategies have SLM principles and objectives mainstreamed into them.

- Output 1.1** SLM principles integrated into National and State policies, development strategies and development planning procedures
- Output 1.2** SLM principles incorporated into EIA used in planning and decision-making processes for land-based investment and infrastructure development.

The Total Cost of Outcome 1 is \$US63,000.00. GEF will fund \$US11,000.00 and Co-financing by the Government of FSM and other donors at the value of \$US52,000.00.

OUTCOME 2: Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels.

- Output 2.1** Institutional and individual capacity enhanced to identify and rehabilitate degraded lands
- Output 2.2** Sustainable agriculture practices on sloping land and appropriate technologies promoted and demonstrated, with awareness materials and sites focused toward women and youths.
- Output 2.3** Capacity enhanced to minimize effects of solid waste on land resources
- Output 2.4** Individual level capacity enhanced to plan, implement, monitor and evaluate SLM
- Output 2.5** Capacity for planning and establishing watershed management plans enhanced with a focus on gender equality

The Total Cost of Outcome 2 amounts to \$US971,300.00. Co-financing sourced from the GoFSM totals \$US430,300.00, and other donors at US\$180,000.. GEF funds allocation for this Output comes to the total of \$US361,000.00.

OUTCOME 3: FSM NAP developed, promoted and implementation supported.

- Output 3.1** Consultations undertaken for the development of the FSM NAP.
- Output 3.2** Draft NAP developed and endorsed by State and National Governments.

The Total Cost of this Outcome is US\$62,000 and is fully funded through Co-financing from UNDP, the FSM Government, and SPREP.

OUTCOME 4: Medium Term Investment Plan developed and used to support the implementation of the NAP.

- Output 4.1** Enhanced capacity to develop a Medium Term Investment Plan and its associated resource mobilization plan.
- Output 4.2** Medium Term Investment Plan and associated Resource Mobilization Plan developed.

Total Cost of this Outcome is \$US58,000.00. Co-financing sourced from GoFSM, with some co-financing from UNDP and SPREP. GEF funds allocation for this Output comes to the total of \$US5,000.

61. Key assumptions underpinning project design include the following;
- The various institutions will be willing to collaborate on integrated approaches to sustainable land management and on sharing access to land information systems;
 - Government authorities will remain committed to reviewing and strengthening SLM issues into government legislation, policy and national plans;
 - Government and the key institutions involved will commit the resources needed to maintaining beyond the life of the project,
 - That the SLM monitoring and evaluation systems are developed with project assistance;

- Government commits the resources necessary for digitizing the land survey/ownership records, as well as would require making the land information systems the most useful for SLM monitoring and planning.
 - That all stakeholders remain committed to SLM principles and practices.
62. As stated previously, climate conditions such as high rainfall in Chuuk, Kosrae, and Pohnpei, drought and fire in Yap, or sea-level rise and coastal erosion in all of the states, contribute to soil runoff and infertility and land degradation of cleared or disturbed areas. This affects everyone. Consequently, the project will specifically address gender and sustainable livelihood issues and best practices in relation to land vulnerable to damage, water disruption, and erosion. The islands will implement unique pilot projects for demonstrating the impacts and benefits of sustainable land management practices among communities that are vulnerable to climate change and anthropogenic hazards. A major component will of this project will then be to involve people at the community level – including women’s and youth groups – to build capacity and sustainable livelihoods; to increase food security, alleviate poverty, and to maintain and improve land quality.

9 Global and Local Benefits

74. The FSM is situated in the heart of the Micronesian Critical Ecosystem Hotspot and therefore has unique marine and terrestrial biodiversity of global significance. The FSM’s biodiversity harbors some of the animal and plant species as well as ecosystems of greater regional and global conservation value on earth. The FSM’s isolation from other land masses means that many of the species found here occur nowhere else in the world of which a significant proportion are endemic (FSMGO, 2002 – NBSAP), and their conservation is of particular importance. Habitat and species loss associated with the demands of an increasing population with modern methods at their disposal, and the arrival of new species, have combined to give us the biodiversity of the FSM today. It remains a biodiversity as distinctive as the cultures of its people, a key backbone of the FSM as a nation and at the heart of its sustainable future. Land area protected to maintain biodiversity of environmental resources is re-enforced by the creation of a policy environment and emphasis is placed upon the need to enhance biodiversity conservation by broadening activities through projects that capture the value and security of biodiversity. In this way, the idea of sustainable development is being complemented by sustainable conservation.
75. The advancement of marine protected areas under the FSM PAN project and the LMMA program, both of which demonstrates the concept of bio-regional planning, is a step towards ensuring a good balance between conservation and development. Moreover, due to the potential danger of losing our heritage, there continues to be a concentrated effort to ensure that the FSM sustains its wealth of biodiversity for socio-economic and ecological (eco-tourism) development. Policies and legislations have been developed and amended at the local, state, and national levels to accommodate these projects.
76. The MSP-SLM project in this context shall be seen as fostering cooperation at the local, sectoral and national as well as beyond, all aspiring to optimize beneficial gains through collaborative, conflict-sensitive coordination and effective systems of land use and monitoring and evaluation. Its utmost significance lies in reversing or halting – through dialogue and partnership building – land management/infrastructure development situations at the local level which contribute to the loss of ecosystem integrity.
77. Unsustainable practices in the forms of intense cultivation of marginal lands on steep slopes, higher elevations where watersheds are, or in drought prone environments; persistent cultivation of certain crops or applying chemicals that lead to land degradation in the medium to long-term; cutting trees for firewood sale and household domestics; forest clearance for agricultural expansion; cultivations, development, or clearing of land along rivers and streams to the extent that vegetation is reduced and soil erosion is common; and forcing infrastructure development in ecologically important areas. It is these key features of land management situations in the FSM that this project – through implementation of its identified

baseline activities – wishes to reverse at the local level. The economic, social, and quality of life benefits to communities, farmers and landowners in terms of the continued healthy functioning of terrestrial and marine ecosystems is priceless. Maintenance of ecological biodiversity also has national significance in increased recognition and compatibility with international funding organizations and countries, as well as contributing at the global scale through reduction of carbon and other green house gas emissions. Ultimately, practicing common sense toward working with nature and practicing SLM lessens the level of vulnerability to natural disasters induced by climate variations at all levels.

78. While poverty is far from endemic in the FSM, there are a growing number of vulnerable groups – rural and remote atoll dwelling peoples – facing hardship, which together with a paucity of opportunities, increased reliance on western goods, and increasing cost of payments for fuel, cooking fuel, electricity, etc., has led to increased vulnerability to poverty. This situation is given emphasis in the current FSM SDP and NBSAP, which have as themes sustainable economic opportunity and improvement of the quality of living and associated opportunities for all. The poverty situation is further indicated by both the 2000 FSM Census and a 2005 Asian Development Bank (ADB) report that show low income standards of living for most Micronesians. The ADB report indicated that nearly one in two households for the FSM could not properly meet their basic needs and were poor relative to the standard western poverty index. These projects, however, most certainly addressed these elements of our society as well, through promotion of the participatory process and promotion of sustainable practices for agriculture, development, fishing, and water resources. Thus the SLM project will certainly add value to economic performance of the country and assist policy decision-makers at the political levels continue and add to current discussion and trends of integrating sustainability into important decision making and matters.
79. FSM is committed to improving environmental legislation, strengthening institutions and increasing capacity building for those agencies (both governmental and non-governmental) responsible for the environment, natural resources and sustainable development. It is also committed to increased community awareness, gender equality, and overall increased actions and commitments for Agenda 21 implementation.

10 Linkages to Implementing Agency activities and programs

80. The UNDP program in the FSM emphasizes meeting the MDG targets and the protection of the environment. In addition, the UNDP is actively supporting the UN process for the 10-year review of the Barbados Plan of Action regarding sustainable human development of Small Island Developing States (SIDS). FSM participated in the Barbados +10 SIDS Conference which was hosted by the Government of Mauritius in January 2005. In this context, coordination and synergies shall be fostered with other initiatives which are funded by the GEF Implementing Agencies and other key donors such as the European Union (EU), Australian and New Zealand Aid, etc. Emphasis shall be laid upon crosscutting initiatives as well as those that involve capacity assessment, mainstreaming and capacity building activities.
81. As far as other external assistance related to the environment sector, a total of approximately \$824,000.00 was received under the AUSAID Micronesia Bilateral Program in FY2004, for projects related to border management, weather services, tide gauge repairs, a small grants scheme and for program administrative expenses. FSM received \$240,000 from the World Health Organization (WHO) in FY2004 to support health services programs in areas including technical assistance, training, workshops, vital statistics, health surveys, food safety and sanitation, leprosy prevention and control and health promotion. FSM also received \$120,000 from the United National Environmental Program (UNEP) to assist the FSM to develop its national bio-safety framework. FSM received \$4,500,000 from the Government of Japan through its Overseas Development Assistance (ODA) to fund Phase I of a project to complete pavement of Pohnpei circumferential road. Phase II was funded and implemented in FY2005.
82. UNDP is co-financing through cash contribution the completion of the UNCCD-NAP formulation and partly the SLM baseline activity implementation, each component at worth of \$US8,000.00 and \$US40,000.00 respectively, together comes in total of \$US48,000.00. The co-financing of the latter

component is sourced from the UNDP-CP for the FSM which is reflective of UNDP's commitment and unconditional support to seeing through to the end the successful implementation of this project. The commitment from UNDP as Co-financier has helped add value to the project especially in view of its direct complementary link to UNDP-CP goals and objectives.

83. With the GEF support, FSM will be able to strengthen its institutional and human resource capacity to improve sustainable land management planning and implementation. It will also enable FSM to strengthen policy, regulatory and economic incentive frameworks to facilitate wider adoption of sustainable land management practices across sectors. Therefore, the MSP-SLM project for FSM will most certainly contribute to achieving UNDP-CP goals and objectives at the country level which are inspired by environmental threats as well as conservation successes to date. Similarly, the project should contribute to the achievement of Millennium Development Goals, such as poverty reduction, access to benefit sharing, and accessibility to improved quality of life through better-planned and fully participatory infrastructure, a sustainable approach to livelihoods, and health and sanitation at the household level. The project is encouraged by a holistic approach and therefore seeks a model which is cross-sectoral and community-driven, so as to foster greater appreciation, ownership and leadership at the community level. This particular aspiration would be enabled through practical levels of pilot projects at the local level. It is the latter component of a sustainable development drive to which the SLM project will aspire.
84. The MDG's require a specific focus in terms of SLM in that the FSM's MDG monitoring framework will be closely incorporated into the entire SLM process. Particularly as it relates to MDG's #1 (eradicate hunger and poverty), #3 (promote gender equality and empower women), #7 (ensure environmental sustainability), and #8 (develop a global partnership for development). In large measure, the National MDG report will reflect the extent to which SLM has been mainstreamed into MDG processes.

Synergies and Linkages to other relevant GEF projects.

85. The FSM, under the same CP framework, has implemented a number of enabling activities funded by GEF through UNDP as its IA to meet some of its obligations under the CBD, UNFCCC and recently with the UNCCD. GEF's involvement would significantly assist the FSM to address some of the pertinent and newly emerging issues of land degradation within the context of the UNCCD and most importantly to strengthen the linkages between land degradation as a cross cutting issue and other key thematic issues relating to climate change, biodiversity and others. FSM's membership to a variety of other MEAs in particular the mentioned focal areas under GEF have been very useful for the FSM to access both financial and technical support for the implementation of various activities to achieve sustainable development and at the same time enhance the awareness of our people and the local communities of common concerns and issues and elicit appropriate responses.
86. A National Biodiversity Strategy and Action Plan (NBSAP) was completed in 2002 and now serves as one of the guiding blueprints for the protection and conservation of our environment. The NBSAP was the culmination of extensive research and multi-sectoral consultative activities. The strategy outlines the state of FSM's biological resources and identifies actions to curb their degradation and achieve sustainable development. In addition, the Blueprint, which details extensively the top ABS of the nation, also serves as a central document to which environmental work is being implemented. The National PAN Project for the formulation of a protected area Framework was initiated in 2005 and work is progressing towards fully implementing it. The MSP SLM project ties in closely with the existing National Biodiversity Strategic Action Plan (NBSAP) as well as the newly formed Invasive Species Network and PIMPAC network, addressing "Theme 6 – Biosecurity" of the NBSAP.
87. The National Action Plan (NAP) being formulated under obligation of the UNFCCC for FSM has been the outcome of a collective effort of key stakeholders and it provides opportunities for synergies with other IC's such as the CBD and UNCCD for collaborative and integrated actions in sustainability actions and responses. It contains a nationally driven set of criteria for prioritization of adaptation actions in the SDP. By adopting an integrated approach, all the relevant stakeholders should be able to work in a concerted effort to ensure that those whose livelihoods are most vulnerable to adverse impacts of climate change impart the urgency and immediacy of adaptation needs.

88. The National Capacity Needs Self Assessment (NCSA) Project funded by UNEP/GEF shall be complementary to the UNDP/GEF MSP on SLM. The NCSA provides a platform for synergies of the three mentioned conventions - CBD, CC and CCD - especially in areas of common issues and common goals and aspirations. NCSA's focus on assessment of capacity needs and gaps of the UNCCD is largely complementary to preliminary assessments and a prioritization of capacity development of key stakeholders - the roles of whom are quite crucial in achieving SLM objectives – will be the focus.
89. Synergies shall be fostered with the “UNDP/GEF Enabling Activities for the Stockholm Convention on Persistent Organic Pollutants (POPs): National Implementation Plan (NIP)”. This shall be particularly important on lands where the use of pesticides and dumping of municipal solid wastes have further exacerbated the degradation of soil. In connection with this, attention shall be paid to agricultural lands now used for intensive agricultural purposes.
90. SLM will also be mainstreamed into the MDG process of the FSM, particularly in relation to the thematic areas of environment, poverty, governance, and gender issues and inclusion. Capacity development is largely similar for both men and women in terms of SLM and mainstreaming.

11 Stakeholder Involvement Plan

91. The key Stakeholders identified in this project include government resource management agencies and departments, conservation NGOs, women and youth groups, other civil society bodies, communities, and resource users. A detailed Stakeholder Involvement matrix for the UNCCD MSP SLM is provided in Annex D, with justification for inclusion of stakeholder and the expected role of the stakeholder in the project. The major womens groups are identified specifically for all of the islands in the matrix.
92. The Sustainable Development Unit is under the Department of Economic Affairs (DEA). Its mandate is to coordinate environmental and sustainable development issues with the State stakeholders and the international community. It also serves as the Secretariat of the President's Council on Sustainable Development (SD Council). The DEA, which is the executing agency for the SLM and several other GEF/UNDP-funded projects in the FSM will work with a wide range of partners and stakeholders (specifically with State partners) to identify needs and priorities for capacity building in the government, non-government and private sector. To date much of the discussion and activity related to environmental management in the FSM has focused on broad frameworks for action in line with the global environmental agenda. There is an urgent need to move this process “downward” to involve state governments, local authorities, communities and NGOs in dialogue and develop local initiatives. This local focus is essential if the FSM is to ever effectively implement its obligations under the global environmental conventions.
93. DEA is the operational focal point for the conventions on biological diversity, climate change, desertification, ozone depletion, as well as the Cartagena Protocol on Biosafety, the Biodiversity Clearinghouse, Kyoto Protocol, and the GEF. The DEA is also mandated to facilitate a coordinated approach to FSM's response measures to environmental degradation, protection, and if possible, rehabilitation of natural habitats at the national, state and local levels. The DEA SDU plays a crucial role in collaborating with all the national and state stakeholders in promoting the mainstreaming of SLM at both the political and community level, and can provide technical advice and expertise in SLM matters and issues, particularly as it relates to GIS mapping workshops and trainings and coordination.
94. The various GO and NGO stakeholders – including relevant women's and youth groups – at the State level will be the backbone of the project, implementing the provisions on the ground. They will be actively involved in the drafting of the MSP, NAP, NCSA, etc. to incorporate SLM related issues specific to their respective disciplines and islands. They will contribute to traditional knowledge sharing in reviews, workshops and meetings. They will have part ownership of all the new policies, plans, and

regulations relating to SLM in the FSM. These same stakeholders will be closely associated with the other funded SLM related projects mentioned earlier.

95. The SLM project will build on the experience of previous and existing capacity building work such as the NBSAP and the Climate Change Enabling Activity, as well as the gender promoting components of the ongoing MDG achievement, and will as much as possible endeavor to consolidate and integrate capacity building activities that have been identified and implemented under these projects into the SLM process.
96. The FSM DEA is responsible for the creation of synergies between various departments, institutions and NGO groups and will tap specialist resource people from these institutions for the various training courses and workshops. It will also identify and integrate traditional knowledge of SLM into SLM guidelines. It will identify international and national specialists in the various areas of SLM (e.g. management of protected areas, information system development, etc). Environmental economists and engineers may be asked to carry out economic and development analyses of the different land use patterns and planned projects in the FSM and provide training to key stakeholder staff, and they will in turn be able to impart their knowledge to other stakeholders, landowners, students, etc.
97. The Department of Finance plays a key role in channeling the funds from UNDP-GEF and responsible for review of audited accounts of the Project. The DOF on behalf of the FSMGO chairs the SD Council for high-level endorsement of this kind of project proposal and in committing government in-kind resources as co-financing for this particular project. Therefore it is responsible for both signatory and submission of a 'Letter of Commitment' to DEA with the stated value of the FSMGO co-financing contribution at \$US669, 300.00 (includes co-financing from State Governments).
98. The project will also seek to go beyond the environmental sector and solicit the involvement of the relevant women's, youth, and village associations at the national and state level. Additionally, the various conservation NGOs in each of the States, will also be involved as it relates to awareness raising and alliance building between the key stakeholders – the farmers and families in the communities.

FINANCIAL PLAN OF THE MSP-SLM PROJECT

12 Streamlined Incremental Costs Assessment

99. **Global Environmental Objectives:** The Global Environmental Objectives of the project are to build capacity for sustainable use of the country's land and resources. The project will secure GEF incremental funding to complement other financing sourced from the FSMGO, EU, NZAid, SPREP, and UNDP to undertake a program for mainstreaming SLM into national plans and strategies, for human resource development in key sectors, for developing knowledge management capacities for integrated SLM and for completing the NAP.
100. **Systems Boundary:** The project will develop a comprehensive range of interventions designed to build capacity for developing sustainable land management systems that address the root causes of land degradation and that overcome barriers to SLM. The project will address identified problems of unsustainable agriculture, deforestation and land degradation caused by municipal waste pollution, impractical development, severe climate effects, and invasive species.

Baseline activities that qualify as Co-financing:

101. The costing of activities has been approximated to spread over the period 2008-2010. The project will ensure the integration of SLM best practices and lessons learned into relevant NEMS and SDP policies and existing action programs at the national level, including the MDG. This also means revisiting the relevant existing regulatory frameworks of the FSM to incorporate SLM concerns.

102. One of the greatest global benefits on the proposed GEF investments is the highly integrated approach to SLM capacity development of this project. Aspects of particular importance for this multi-sectoral integrated approach include; a) the emphasis on the development of land information systems with agreed protocols for data access and sharing; b) the emphasis on participatory, multi-stakeholder approaches; c) emphasis on mainstreaming SLM and on integrating best practices and lessons learned into land use planning; d) the use of environmental economics for analyzing and prioritizing SLM options and; e) all the emphasis on SLM knowledge generation and knowledge sharing.

13 Project Budget

103. A budget summary by outcome and by source of financing is presented below in Tables 1 and 2. A full, detailed project activity budget is presented in Annex C. Note that the project management costs are listed under the same matrix with GEF funding \$US55, 000.00 and \$US156, 000.00 funded through co-financing by FSMGO. All activities in Outcome 2 on Capacity Development for SLM are co-financed by UNDP, FSMGO, the State governments, EU, and VF respectively.

Table 1: Project Budget Summary by Outcome

OUTCOME COMPONENT	GEF	CO-FINANCE		TOTAL
		Govt. Co-finance	Other Co-finance	
Mainstreaming of SLM	\$11,000	\$31,000	\$21,000	\$63,000
Capacities Developed for SLM	361,000	430,300	180,000	971,300
Completion of NAP	0	25,000	37,000	62,000
SLM Medium Term Investment Plan	5000	27,000	26,000	58,000
Adaptive Management and Lessons Learned	48,000	0	0	48,000
Project Management	50,000	156,000	0	206,000
PDF-A	25,000	0	0	25,000
GRAND TOTAL	<u>\$500,000</u>	<u>\$669,300</u>	<u>\$264,000</u>	<u>\$1,433,300</u>

Table 2: Project Budget Summary by Output

OUTCOME COMPONENT	GEF	CO-FINANCE		TOTAL
		Govt. Co-finance	Other Co-finance	
<p>1. National and State level sector policies and strategies have SLM principles and objectives mainstreamed into them.</p> <p><i>Output 1.1 SLM principles integrated into National and State policies, development strategies and development planning procedures.</i></p> <p><i>Output 1.2 SLM principles incorporated into Impact Assessments used in planning and decision-making processes for land-based investment and infrastructure development</i></p> <p>Total Outcome 1</p>	<p>\$6,000</p> <p>5,000</p> <p>\$11,000</p>	<p>\$15,000</p> <p>16,000</p> <p>\$31,000</p>	<p>\$14,000</p> <p>7,000</p> <p>\$21,000</p>	<p>\$35,000</p> <p>28,000</p> <p>\$63,000</p>
<p>2. Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels</p> <p><i>Output 2.1 Institutional and individual capacity enhanced to identify and rehabilitate degraded lands.</i></p> <p><i>Output 2.2 Sustainable agriculture practices on sloping land and appropriate technologies promoted and demonstrated, with awareness materials and sites focusing toward women and youths.</i></p> <p><i>Output 2.3 Capacity enhanced to minimize the negative impacts of solid waste on land resources.</i></p> <p><i>Output 2.4 Individual level capacity enhanced to plan, implement, monitor, and evaluate..</i></p> <p><i>Output 2.5 Capacity for planning and establishing watershed management plans enhanced (to focus on gender equality).</i></p> <p>Total Outcome 2</p>	<p>\$49,500</p> <p>29,000</p> <p>22,000</p> <p>206,500</p> <p>54,000</p> <p>\$361,000</p>	<p>\$84,200</p> <p>66,100</p> <p>58,500</p> <p>159,000</p> <p>62,500</p> <p>\$430,300</p>	<p>\$67,000</p> <p>14,000</p> <p>82,000</p> <p>6,000</p> <p>11,000</p> <p>\$180,000</p>	<p>\$200,700</p> <p>109,100</p> <p>162,500</p> <p>371,500</p> <p>127,500</p> <p>\$971,300</p>
<p>3. FSM NAP developed, promoted and implementation supported</p> <p><i>Output 3.1 Consultations undertaken for the development of the FSM NAP</i></p> <p><i>Output 3.2 Draft NAP developed and endorsed by State and National Government</i></p> <p>Total Outcome 3</p>	<p>\$0</p> <p>0</p> <p>\$0</p>	<p>\$10,000</p> <p>15,000</p> <p>\$25,000</p>	<p>\$37,000</p> <p>0</p> <p>\$37,000</p>	<p>\$47,000</p> <p>15,000</p> <p>\$62,000</p>

4. Medium Term Investment Plan developed and used to support the development of the NAP.				
<i>Output 4.1 Enhanced capacity to develop a Medium Term Investment Plan and its associated Resource mobilization strategy.</i>	\$5000	\$0	\$26,000	\$31,000
<i>Output 4.2 Medium Term Investment Plan and associated Resource Mobilization Plan developed.</i>	0	27,000	0	27,000
<u>Total Outcome 4</u>	\$5000	\$27,000	\$26,000	\$58,000
5. Adaptive Management and Lessons Learned				
<i>Output 5.1 FSM SLM project effectively monitored and evaluated</i>	48,000	0	0	48,000
<u>Total Outcome 5</u>	48,000			48,000
Project Management Unit				
<i>SLM project effectively managed</i>	\$48,000	\$156,000	\$00	\$204,000
<i>Office operating expenses</i>	2,000			
<u>Total Management</u>	\$50,000	\$156,000	\$0	\$206,000
TOTAL MSP	\$475,000	\$669,300	\$264,000	\$1,408,300
PDF-A	25,000	0	0	25,000
OVERALL TOTAL	\$500,000	\$669,300	\$264,000	\$1,433,300

Table 3: Project Administration Budget

Component	Estimated consultant weeks	GEF(\$)	Other sources (\$)	Project total (\$)
Local consultants/project staff	431 ¹	48,000	86,000	134,000
International Consultants	0	0	0	0
Office facilities, equipment, vehicles and communications, Printing & Production		2000	70,000	72,000
Travel		0	0	0
Miscellaneous		0	0	0
Total		50,000	156,000	206,000

¹ Includes total estimated work timeframe for Project Coordinator, Project Manager and Administrative Assistant (refer workplan and budget on Page 56)

Table 4: Consultants Working for Technical Assistance Components

Component	Estimated consultant weeks²	GEF(\$)	Other sources (\$)	Project total (\$)
Local consultants/project staff	260	80,250	419,800	500,050
International consultants	27	31,000	31,000	62,000
Total	577	111,250	450,800	562,050

Budget Notes

Regional and Locally recruited consultants will provide support for technical assistance. Travel will be strictly in-country, but required in order to provide training to outer island states/communities in the project sites as well as in other key areas to be determined in the course of implementation.

Short term service contractors (national and regional) will provide support in the following areas: review of policy and regulatory frameworks in order to identify and define gaps, undertaking national and community consultations; training in integrated EIA/GIS mapping/ remote sensing, and development of training modules; and Participatory technical development and community watershed and waste management appraisals

Two-three regional/international consultants will be hired to provide basic support in the training identified under outcomes 2 and 3, and undertake evaluations as detailed in the monitoring and evaluation and workplan.

² Includes work time for consultants under parallel co-financed programmes

PART III: MANAGEMENT ARRANGEMENTS AND IMPLEMENTATION PROCESS

14 Institutional framework

104. **General Framework.** The MSP for SLM will be implemented under the overall supervision and oversight of the Secretary of DEA and the Deputy Assistant Secretary for the Sustainable Development Unit under the Department of Economic Affairs (DEA) with advice from the FSM Country Team. The project will be implemented by the United Nations Development Programme and under the National Execution (NEX) arrangement.
105. **Steering Committee.** The Secretary of Economic Affairs will appoint the members of the Steering Committee from both national and state government levels as well as from the community and private sector, with an eye toward broad areas of collaboration and assurance that will include gender consideration. The Steering Committee's responsibilities will include providing policy and technical advice, launching of the SLM process, incorporating the results of the WSSD and the NCSA, final validation of the thematic priorities identified, and reviewing and approving the final MSP document.

Department of Economic Affairs (DEA), Sustainable Development Unit (SD Unit)

106. The Department of Economic Affairs (DEA) will be the executing agency for the proposed Project. Successful project execution will be achieved through close cooperation between the above-mentioned stakeholders. As executing agency, the DEA will ensure the delivery of the project outputs and the judicious use of the project resources. The Project Manager will be the Deputy Assistant Secretary for the Sustainable Development Unit of DEA, who will be responsible for the overall operational management and financial management and reporting of the UNDP-GEF funds in accordance with financial rules and regulations for nationally executed projects. DEA is also the GEF National Operational Focal Point for FSM. Its role is to endorse all GEF funded projects and to ensure that the GEF requirements are duly met and adhered to.

United Nations Development Programme, Fiji Multi-country Office (UNDP Fiji MCO)

107. UNDP, as the implementing agency of the GEF, will monitor the project through appraisal of quarterly reports and provision of status updates to GEF. UNDP guidelines will apply to the execution of the MSP. The Tripartite Review (TPR) will include representatives from the FSM government, the Steering Committee, and UNDP.

15 Project Implementation Arrangements

DEA Project Management Unit and Relevant Responsible Committees

108. The UNCCD coordinating unit has already been established under the SD Unit of the DEA. The SLM project management will be established as an entity of the Unit. This means that the UNCCD Coordinating Unit³ will provide technical and administrative support to the SLM project.

SLM Project Coordinator

109. A Project Coordinator will be recruited to manage the SLM project in accordance with UNDP GEF requirements and procedures and work closely with the Project Manager. The recruitment of the Project Coordinator shall be in accordance with UNDP recruitment guidelines through a competitive and transparent process. The Steering Committee will make the final decision of the most appropriate candidate for Project Coordinator. The PM (TORs attached as Appendix J) shall be a national professional and highly-skilled and academically qualified based on background credentials. He/she shall be highly equipped with technical know-how for the purpose of fostering policy advice across implementing sectors and at the higher level on sustainable land management needs and demands. The

³ UNCCD Coordinating Unit comprises of the Assistant Secretary of Sustainable Development and relevant staff.

PC will report to the SC on all substantive matters pertaining to the project. For daily operations of the project, the PC is expected to report to the Secretary through the Assistant Secretary of DEA and will work under the direction of the AS of the DEA. He/she will be responsible for the application of all UNDP technical and administrative functions and accountable for financial reporting and procedures for the use of UNDP/GEF funds.

Technical Advisory Group (TAG)

110. The existing UNCCD technical advisory group will provide technical support to the project (refer TOR Annex F). It will be composed of individuals from DEA and other government departments⁴ and NGO's who are selected on the basis of their competence in their respective fields. This group shall meet at least once a month to ensure progress and provide policy and technical advice for the implementation of the project. To ensure close collaboration and coherence within the SLM project, the Co-financiers and key collaborators of UNDP will sit on the Steering Committee for the entire project. Appendix F further provides details of the core responsibilities and functions of each designated management committee to the project. Women make up a significant percentage in this group and efforts will be made to increase their presence in this policy level making group. In sum, the active involvement of women will be advocated during implementation.

UNDP

111. In addition to appropriate guidelines, the project is required to comply with the following agreed policies;
- Travel : All travel must be inline with the project objectives and are duly prescribed in the project document and within the approved allocated budget. Reference is made to the Government's circular regarding project travel and expenses (annex).
 - Support Costs: GEF guidelines only allows up to 10 percent of the total amount for management support.
 - Committee Meeting Costs : All meeting costs should not exceed 3 percent of the total administrative costs.
 - In line with UN policy, no sitting allowances are allowed for all public servants except for representatives from NGO and civil society.

Direct Services

112. UNDP may provide direct services to the project when the need arises. Given that the project is based on the NEX modality, any requests for direct payments, procurement of goods and services to be conducted by UNDP on behalf of the project, the costs associated with these direct services will be charged to the project according to the UN Universal Price List.

Audit Requirements

113. The project will be audited on a yearly basis for financial year January to December as per FSMGO procedures and UNDP-GEF requirements. The project is required to undertake an audit if the annual project expenditure is US\$100,000 and above. The Government will provide the Resident Representative with certified periodic financial statements, and with an annual audit of the financial statements relating to the status of UNDP (including GEF) funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government.

GEF LOGO

114. In order to accord proper acknowledgement to GEF for providing a GEF logo should appear alongside the UNDP logo on all relevant GEF project publications including among others, project hardware and vehicles purchased with GEF funds. Any citation on publications regarding projects funded by GEF, should also accord proper acknowledgement to the GEF.

⁴ Department of Economic Affairs, College of Micronesia – Land Grant Program, Conservation Society of Pohnpei, FSM Women's Association, Department of Finance, and Pohnpei Environmental Protection Agency.

PART IV. MONITORING AND EVALUATION

16 Monitoring and Evaluation Plan

115. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the Project Management Unit (PMU) and the SD Unit with support from UNDP/GEF. The Logical Framework Matrix in Annex A provides *performance* and *impact* indicators for project implementation along with their corresponding *means of verification*.
116. In-line with the Monitoring and Evaluation Tool Kit provided by the Global Support Unit, the project management unit will endeavor to complete and supply UNDP CO with a *National MSP Annual Project Review Form* and submitted to UNDP CO by 1st July annually for review and subsequent transmission to the GSU by the 15th July. The APR Form will outline project identifiers, monitoring impact and performance, including monitoring project processes, adaptive management, an external communications plan, and lessons learned. The APR form is attached.
117. The project identifiers cover the basic background data of the project. Questions in this section have to be completed by the Project Manager.
118. The Monitoring Impact and Performance section will report on whether the impacts and performance of the project so far have resulted in an increased or strengthened capacity for sustainable land management, especially keeping a focus on opportunities for gender mainstreaming in SLM development initiatives, as well as a reflection on the intended broad areas of collaboration. The project impact will report on the progress of achieving the national MSP project objective while the project performance measures the progress towards achieving the four (4) outcomes that are common to the MSP project. Furthermore, this section will elaborate on how the project activities are meeting GEF requirements and principles.
119. Overall, there are twenty-eight (28) compulsory questions in the APR form that must be completed by the Project Manager. There are ninety three (93) *optional* indicators to which national MSP teams shall select the most appropriate indicators for their project. In some cases, the optional indicators may require modifying/adapting to the in-country situation. Otherwise, the Project Manager in consultation with the Project Executive Group may be inspired by the optional indicator, but may choose to design a superior, related indicator. Data related to optional indicators shall be submitted to the UNDP CO. There is a very long list of optional indicators that the project manager should select to setup a small inventory appropriate for FSM.
120. Lastly, the Monitoring Project Processes, Adaptive Management and Lessons Learnt section will provide data and process related to how key decisions are made including reporting on challenges and factors limiting the success of the project. This will provide the basis for identifying lessons learned, and the communication and advocacy of successes both internally and externally.

Project Inception Phase

121. A Project Inception Workshop will be conducted with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF Regional Coordinating Unit as appropriate. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goals and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project's log frame matrix. This will include reviewing the log frame (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise finalize the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project, which should include men, women, and the youth of the nation.
122. Additionally, the purpose and objective of the Inception Workshop (IW) will be to: (i) introduce project staff with the UNDP-GEF *expanded team* which will support the project during its implementation, namely the CO and responsible Regional Coordinating Unit staff; (ii) detail the roles, support services and

complementary responsibilities of UNDP-CO and RCU staff vis à vis the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), Tripartite Review Meetings, as well as the Mid-Term Review. Equally, the IW will provide an opportunity to inform the project team on UNDP project related budgetary planning, budget reviews, and mandatory budget steps.

123. The IW will also provide an opportunity for all parties to understand their roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff and decision-making structures will be discussed again, as needed in order to clarify for all, each party's responsibilities during the project's implementation phase.

Monitoring Responsibilities and Events

124. A detailed schedule of project reviews meetings will be developed by the project management, in consultation with UNDP CO and other implementation partners to be incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Tripartite Reviews, Project Executive Group Meetings, Steering Committee meetings and (ii) project related Monitoring and Evaluation activities.

Daily Monitoring

125. Day to day monitoring of implementation progress will be the responsibility of the Project Coordinator (depending on the established project structure) based on the project's Annual Work Plan and its indicators. The Project Coordinator will inform the UNDP-CO of any delays or difficulties faced during implementation so that the adaptive management is applied through appropriate support and/or corrective measures is adopted in a timely and remedial fashion to ensure that the success and progress of the project is not hindered unnecessarily or delay furthered.
126. The Project Coordinator will fine-tune the progress and performance/impact indicators of the project in consultation with the Project Manager and the Steering Committee and the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF Regional Coordinating Unit. Specific targets for the first year implementation progress indicators together with their means of verification will be developed at this Workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. The local implementing agencies will also take part in the Inception Workshop in which a common vision of overall project goals will be established. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.
127. Measurement of impact indicators related to global benefits will occur according to the schedules defined in the Inception Workshop and tentatively outlined in the indicative Impact Measurement Template at the end of this Annex. The measurement, of these will be undertaken through subcontracts or retainers with relevant institutions (e.g. vegetation cover via analysis of satellite imagery, or populations of key species through inventories) or through specific studies that are to form part of the projects activities (e.g. measurement carbon benefits from improved efficiency of ovens or through surveys for capacity building efforts) or periodic sampling such as with sedimentation.
128. ***Annual Monitoring*** will occur through the ***Tripartite Review (TPR)***. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to Tripartite Review (TPR) at least once every year. The first such meeting will be held within the first twelve months of the start of full implementation. The project proponent will prepare an Annual Project Report (APR) based on findings of Quarterly Progress Reports throughout the year and submit it to UNDP-CO and the UNDP-GEF regional office at least two weeks prior to the TPR for review and comments.
129. The Annual Project Report will be used as one of the basic documents for discussions in the TPR meeting. The project proponent will present the APR to the TPR, highlighting policy issues and

recommendations for the decision of the TPR participants. The project proponent also informs the participants of any agreement reached by stakeholders during the APR preparation on how to resolve operational issues. Separate reviews of each project component may also be conducted if necessary.

130. **Terminal Tripartite Review (TPR)** The terminal tripartite review is held in the last month of project operations. The project proponent is responsible for preparing the Terminal Report and submitting it to UNDP-CO and LAC-GEF's Regional Coordinating Unit. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation of formulation.
131. The TPR has the authority to suspend disbursement if project performance benchmarks are not met. Benchmarks will be developed at the Inception Workshop, based on delivery rates, and qualitative assessments of achievements of outputs.

Project Monitoring Reporting

132. The Project Manager in conjunction with the UNDP-GEF extended team will be responsible for the preparation and submission of the following reports that form part of the monitoring process. Items (a) through (f) are mandatory and strictly related to monitoring, while (g) through (h) have a broader function and the frequency and nature is project specific to be defined throughout implementation.

Inception Report (IR)

133. A Project Inception Report will be prepared immediately following the Inception Workshop but not later than 3 months after the official project start date. It will include a detailed First Year/ Annual Work Plan divided in quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan would include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, as well as time frames for meetings of the project's decision-making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time frame.
134. The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may effect project implementation.
135. When finalized the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit will review the document.

Quarterly Progress Reports

136. Quarter Progress Reports outlining main updates in project progress will be provided quarterly to the local UNDP Country Office and the UNDP-GEF regional office by the project team. See format attached.

Project Terminal Report

137. During the last three months of the project the project team will prepare the Project Terminal Report. This comprehensive report will summarize all activities, achievements and outputs of the Project as reported in all National MSP Annual Project Review Forms, lessons learnt; objectives met, or not achieved structures and systems implemented, etc. and will be the definitive statement of the Project's activities during its lifetime. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the Project's activities.

Technical Reports

138. Technical Reports are detailed documents covering specific areas of analysis or scientific specializations within the overall project. As part of the Inception Report, the project team will prepare a draft Reports List, detailing the technical reports that are expected to be prepared on key areas of activity during the course of the Project, and tentative due dates. Where necessary this Reports List will be revised and updated, and included in subsequent APRs. Technical Reports may also be prepared by external consultants and should be comprehensive, specialized analyses of clearly defined areas of research within the framework of the project and its sites. These technical reports will represent, as appropriate, the project's substantive contribution to specific areas, and will be used in efforts to disseminate relevant information and best practices at local, national and international levels.

Project Publications

139. Project Publications will form a key method of crystallizing and disseminating the results and achievements of the Project. These publications may be scientific or informational texts on the activities and achievements of the Project, in the form of journal articles, multimedia publications, etc. These publications can be based on Technical Reports, depending upon the relevance, scientific worth, etc. of these Reports, or may be summaries or compilations of a series of Technical Reports and other research. The project team will determine if any of the Technical Reports merit formal publication, and will also (in consultation with UNDP, the government and other relevant stakeholder groups) plan and produce these Publications in a consistent and recognizable format. Project resources will need to be defined and allocated for these activities as appropriate and in a manner commensurate with the project's budget.

Independent Evaluation

140. The MSP project is to be evaluated at least once by an independent, external evaluation team. In most cases there will be one 'end-of-project' evaluation. This should take place in the three-month period before the project is operationally closed. However, the Project Executive Group and UNDP CO may request for a mid-term evaluation to be carried out by an independent evaluator and to be paid for by the project.

Mid-term Evaluation

141. An independent Mid-Term Evaluation (MTE) could be undertaken at the end of the second year of implementation or when deemed necessary by the SC and UNDP CO. The Mid-Term Evaluation may be necessary if the project duration exceeds four years; if the project encounters difficulties or when it is necessary to significantly redesign the project. Specifically, the MTE will determine progress being made towards the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. In the event that a decision can not be made, the UNDP Resident Representative will make the final decision on the selection of an independent evaluator *inter alia*.

Final Evaluation

142. An independent Final Evaluation will take place three months prior to the terminal tripartite review meeting, and will focus on the same issues as the mid-term evaluation. The final evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

16 Communications, Monitoring & Evaluation Budget

Table 3: Indicative Monitoring and Evaluation Work plan and corresponding Budget

Type of M&E activity	Lead responsible party in bold	Budget US\$	Time frame
Inception Workshop	SD Unit , Project Manager/Coordinator	\$15,000	Within first two months of project start up
Inception Report	SD Unit , Project Implementation Team	\$5,000*	Within 6 weeks post Inception Workshop
APR/PIR	The Government, UNDP Country Office, Project Team, SD Unit	\$0*	Every year, at latest by June of that year
Tripartite meeting and report (TPR)	The Government, UNDP Country Office, Project Team, UNDP/GEF Task Manager, SD Unit	\$4,000 (travel and meeting costs)	Every year, upon receipt of APR
National MSP Annual Project Review Form	The Government, UNDP Country Office, Project Team, SD Unit	\$0*	Every year, at latest by 1 st July of that year
Mid-term External Evaluation (if necessary)	Project team, UNDP/GEF headquarters, UNDP/GEF Task Manager, UNDP Country Office, SD Unit	\$0	At the mid-point of project implementation. Project review meeting
Final Evaluation	Project team, UNDP/GEF headquarters, UNDP/GEF Task Manager, UNDP Country Office, SD Unit	\$10,000	At the end of project implementation, Ex-post: about two years following project completion
Terminal Report	UNDP Country Office, SD Unit , Project Team	\$0*	At least one month before the end of the project
Annual Audit	Executing Agency , UNDP Country Office, Project Team	\$10,000	Yearly
Visits to field sites (UNDP staff travel costs to be charged to IA fees)	UNDP Country Office, SD Unit	(combined with TPR meeting)	Yearly
Lessons learnt and project M&E reporting costs	UNDP-GEF, GEFSEC, Project Team, SD Unit	\$4,000 for 3 years	Yearly together with the APR/PIR
TOTAL INDICATIVE COST <i>Excluding project team staff time and UNDP staff and travel expenses.</i>		US \$48,000	

143. The UNDP Resident Representative in FSM is authorized to effect in writing the following types of revisions to this project document, provided s/he has verified the agreement thereto by the UNDP GEF unit and is assured that the other signatories of the project document have no objections to the proposed changes:

- (a) Revisions of, or addition to, any of the annexes to the Project Document;
- (b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of inputs already agreed to or by the cost increases due to inflation;
- (c) Mandatory annual revisions which re-phase the delivery of agreed project inputs, or reflect increased expert or other costs due to inflation, or take into account agency expenditure flexibility, and;
- (d) Inclusion of additional annexes and attachments relevant to the Project Document

Intellectual property Rights on data, study results, reports, etc.

144. All data, study results, information, reports, and the like, generated with UNDP/GEF project funds remains the property of the UNDP until after the life of the project, ownership will then be transferred to the FSMGO.
145. The workplan is integrated into the activity budget as presented in Annex C. The SDU, PMU, DEA and DFA will ensure that project execution complies with UNDP's monitoring, evaluation, auditing and reporting requirements, as spelled out in the UNDP Program Manual. In accordance with the UNDP's Program Manual, progress and other reports will be submitted by the Project Manager to the UNDP CO. They will provide a brief summary of the status of activities and output delivery, explaining any variances from the pre-agreed work plan and presenting work plan for each successive quarter for review and endorsement. SDU will prepare and request quarterly advances and will also include the disbursement status in their financial report.
146. The Project Manager will complete an annual review of the project following the current UNDP/GEF format for Annual Project Review (APR)/Project Implementation Review (PIR). A project Terminal Report will be prepared by the Project Coordinator and submitted through the DEA to the UNDP CO assessing the delivery of inputs, the achievement of the project objectives and the project's impact/results.
147. One external mid-term review (MTR) if necessary will be performed after 18 months and a final evaluation will be conducted during the last three months of the project. Each review will consist of a three-week evaluation and will be conducted by an independent evaluator. The focus of the MTR will be to make mid-term corrections to better achieve the project objective and outcomes during the remaining life of the project.

Project Sustainability

148. The principles of SLM will be sustained after the project life as a result of them being mainstreamed into National and State level planning, decision-making and budgetary processes. The project activities to be implemented across all States fall within the mandate of the agencies identified to implement them. These activities will be continued as part of the agencies annual operations. Project activities that will be implemented with communities will be assessed for their effectiveness and efforts will be made to mobilize additional resources after the project time frame, using the NAP, SLM Medium Term Investment Plan and Resource Mobilization Strategy as a guide, to replicate and upscale those that are successful and considered to be 'best practice'. New procedures, approaches, policies developed during this project will continue to be used by the relevant agencies after the project time frame. Records of these sustained efforts will feature in FSM's report to the UNCCD, Pacific Plan and MDGs.

Annex A: Logical Framework for SLM in the FSM

LONG-TERM GOAL:		The mitigation of land degradation and promotion of ecosystem integrity and stability, with enhanced ecological functions and services through capacity and policy development and mainstreaming of sustainable land management.			
PROJECT OBJECTIVE:		Strengthened capacity of people and institutions and an enabling environment established and conducive for; sustainable land management, more effective participation by stakeholders, better utilization of scientific and socio-economic data and enhanced capacities to address priority land degradation issues.			
OUTCOMES:	Key Performance Impact Indicators	Baseline	Target	Means of Verification	Critical Assumptions/Risks
Outcome 1: National and State level sector policies and strategies have SLM principles and objectives mainstreamed into them.	<ul style="list-style-type: none"> • FSM Strategic Development Plan (SDP) incorporated into NAP and SLM objectives and strategies • Strategies to respond to drought are incorporated into NDS • State level development and sector policies and strategies reflect SLM principles and priorities. • Land development and impact assessment procedures and guidelines incorporate SLM principles. • SLM is mainstreamed into Millennium Development Goals processes 	.SLM objectives and principles are yet to be mainstreamed into national and State level policies and strategies and decision makers not familiar with and yet to commit to mainstreaming.	NAP and SLM principles and objectives integrated into State level sector policies and strategies and mainstreamed into FSM MDG's by end of Project life. SLM principles incorporated into land development and impact assessment procedures and guidelines by end of Project life.	<ul style="list-style-type: none"> • National and State Government letters of endorsement & reports • NAP document • Resource mobilization strategy document • National budget document • SLM MSP reports • State Sector Policies for Agriculture, Forestry and Environment. • SLM mainstreaming guides • MDG National Reports 	<ul style="list-style-type: none"> • Continued political support for integrating SLM into national development planning and budgets • High level of cooperation amongst key agencies implementing the SLM as well as between National Government and State Governments.

OUTCOMES:	Key Performance Impact Indicators	Baseline	Target	Means of Verification	Critical Assumptions/Risks
<p>Outcome 2:</p> <p>Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels.</p>	<ul style="list-style-type: none"> • Improved enabling environment to support implementation of SLM strategies and activities compared to pre-project period. • Demonstration sites used to provide practical training and raise awareness on sustainable agriculture practices. • 30% of land-users satisfied with available SLM support through income generation • Enhanced capacity of State level stakeholders to identify and rehabilitate degraded lands. • Enhanced capacities of communities and stakeholders to plan and establish integrated watershed management plans. • Improved capacities of individuals to plan and monitor SLM using survey, mapping and EIA technologies 	<p>Limited capacity at the systemic, institutional and individual level across the national and state governments and including communities, to initiate and up-scale efforts to address land degradation and achieve SLM objectives.</p>	<p>All capacity development activities planned are implemented during the project life and capacity development targets at the systemic, institutional and individual levels achieved within the project time frame.</p>	<ul style="list-style-type: none"> • SLM MSP reports • State Government annual reports • Training evaluation reports • SLM MSP reports • Project evaluation report • Watershed management plans • Solid Waste management plans • Alternative Income projects successfully generated in collaboration with SLM demonstration sites (poverty alleviation) 	<ul style="list-style-type: none"> • . Very low staff turnover • Funds are mobilized on time • Stakeholder commitment to SLM maintained • Departments have adequate budgetary support to implement SLM strategies and actions.

OUTCOMES:	Key Performance Impact Indicators	Baseline	Target	Means of Verification	Critical Assumptions/Risks
<p>Outcome 3:</p> <p>FSM NAP developed, promoted and implementation supported.</p>	<ul style="list-style-type: none"> • NAP developed through wide stakeholder consultation • Draft NAP endorsed through process of validation workshop and consideration by cabinet. • A formal mechanism exists for an annual coordinated review of the NAP by national agencies • The national budget or medium-term development plan allocate funding to the NAP 	<p>FSM does not have a NAP to guide SLM and address land degradation in an integrated and coordinated way.</p>	<p>NAP completed and endorsed by the FSM Cabinet at end of Yr 1 of the project</p> <p>Coordination arrangements for implementation and monitoring of the NAP established and used by end of Yr 2 of Project.</p>	<ul style="list-style-type: none"> • NAP document • Validation workshop report • SLM Project Monitoring reports • National workshop to raise awareness for lawmakers and financial sector representatives to increase budget allocations for SLM conducted 	<ul style="list-style-type: none"> • Stakeholders commit to completion of the NAP • Cabinet places high importance to SLM • State Government place priority on the NAP

OUTCOMES:	Key Performance Impact Indicators	Baseline	Target	Means of Verification	Critical Assumptions/Risks
<p>Outcome 4:</p> <p>Medium Term Investment Plan developed and used to support implementation of the NAP.</p>	<ul style="list-style-type: none"> • SLM Investment Plan and Resource Mobilization Strategy approved by cabinet and supports implementation of NAP and SDP. <p>Capacity of government, NGO and community based organizations to develop and negotiate project proposals enhanced</p> <ul style="list-style-type: none"> • Financing for the investment plan has been secured • Fixed commitment from the FSM Department of Finance from annual budget • At least 30% of surveyed/targeted land users, NGOs, women’s groups, private sector With information on and access to the financial mechanism with the Mid-term Investment Plan 	<p>There is currently no Medium Term Investment Plan and an associated Resource Mobilization Strategy to support SLM. Resource mobilization is ad-hoc and not coordinated and stakeholders have limited capacity to identify opportunities to access funding resources.</p>	<p>Medium Term Investment Plan and associated Resource Mobilization Strategy developed and used by national and state level stakeholders at the end of the Project.</p> <p>National and State level actors have increased capacity to identify opportunities and mobilize resources to support SLM.</p>	<ul style="list-style-type: none"> • Medium Term Investment Plan document • Record of endorsement by National and State Governments. • Validation workshop report • At least 1 project proposal developed and submitted by entities in each State aimed at seeking resources to implement the NAP. 	<p>State and National Governments maintain support for the implementation of the NAP.</p>

Annex B: Detailed Logical Framework for SLM in the FSM

Outcome 1: National and State level sector policies and strategies have SLM principles and objectives mainstreamed into them.				
Output	Output Indicator and targets	Activities	Responsibility	Annual Target
1.1 SLM principles integrated into National and State policies, development strategies and development planning procedures.	At least four National and/or State sector policies and strategies incorporating SLM principles by end of project.	Engage consultant to draft guidelines for mainstreaming SLM into land use and master zoning plans.	SD Unit	Consultant engaged and draft guidelines ready Yr 1
		Conduct workshop to validate draft mainstreaming guidelines	SD Unit	Consultation workshop implemented and guidelines finalized Yr 1
		Use guidelines to integrate SLM into appropriate national and state policies and strategies	SD Unit	Integration of SLM into national and state policies and strategies Yr 3
		Conduct seminar with national leaders to promote mainstreaming of SLM and explore opportunities for introducing economic incentives to promote SLM.	SD Unit	Seminar conducted and guideline promoted amongst leaders. Yr 2
<i>Baseline: Various national and state level sector policies and strategies exist but do not adequately reflect consideration for SLM principles.</i>				
Outcome 1: SLM mainstreamed into national policies and strategies				
Output	Output Indicator	Activities	Responsibility	Annual Target
1.2 SLM principles incorporated into EIA used in planning and decision-making processes for land-based investment and infrastructure development.	At least four major infrastructure projects will have EIA's that incorporate SLM principles in the planning and development process by end of project.	Identify and engage consultant to review EIA procedures.	SD Unit	Consultant engaged. Yr 2
		Plan and Conduct workshop and use of EIA guidelines incorporating SLM principles.	SD Unit	Workshop conducted on EIA/SLM practices. Yr 2
		Promote EIA guidelines to stakeholders through public awareness activities.	SD Unit	EIA guidelines produced and promoted. Yr 2

Baseline: EIA guidelines have been developed and staff of various agencies have had some introductory training in EIA however these have not included or been guided by SLM principles and considerations particularly for impact assessments for land-based development activities...

Outcome 2: Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels.

Output	Output Indicator	Activities	Responsibility	Annual Target
2.1 Institutional and individual capacity enhanced to identify and rehabilitate degraded lands.	State government agencies, NGO's and at least one community in each state able to collaborate, prioritize and use technical guidelines to identify and rehabilitate degraded land areas.	Resource person identified and practical training planned and implemented in the identification and mapping of areas degraded due to impact of invasive species.	Kosrae and Chuuk EPA's, Pohnpei DL&NR, Yap DAF	Resource persons identified and training planned and implemented Yr 1
		Field based practical training for government, NGO and communities undertaken on measures to eradicate invasive species on degraded lands.	Kosrae and Chuuk EPA's, Pohnpei DL&NR, Yap DAF	Field training on methods to eradicate invasive plant species carried out. Yr 1
		Practical training undertaken on measures to reforest and restore natural habitats lands out on degraded lands.	Kosrae and Chuuk EPA's, Pohnpei DL&NR, Yap DAF	Field training on methods to reforest and restore natural habitats conducted. Yr 1
		Practical training in establishing nurseries for replanting of indigenous species.	Kosrae and Chuuk EPA's, Pohnpei DL&NR, Yap DAF	Training on establishing native species nurseries conducted. Yr 1
		Guidelines developed for rehabilitation of land disturbed due to landslides.	Chuuk EPA, YDAF	Guidelines developed. Yr 1 and 2
		Community Consultation carried out on use of guidelines and identify practical rehabilitation measures.	Chuuk EPA, YDAF	Community consultations carried out on identification of practical rehabilitation measures. Yr 1 and 2
		Field training in use of appropriate rehabilitation measures.	Chuuk Department of Agriculture, YDAF	Field training carried out. Yr 1

Baseline: Introductory training in prevention and monitoring of invasive species, agriculture production has been carried out in the past but no specific training has been implemented and practical methods applied by government and NGO staff and communities for restoration of lands degraded due to; invasive plant species, fires and landslides.

Outcome 2: Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels.

Output	Output Indicator	Activities	Responsibility	Annual Target
2.2 Sustainable agriculture practices on sloping land and appropriate technologies promoted and demonstrated, with awareness materials and sites focused toward women and youths.	At least two demonstration sites established in two States that demonstrate sustainable agriculture practices, a guide for sustainable agriculture on sloping land developed and made available to all States, and a minimum of 30 farmers – 50% of which should be women – in both target States benefiting from practical training.	Plan and establish an agro-forestry demonstration site on sloping land using SLM principles.	Pohnpei DA, COM-LG, Yap DAF, KIRMA	Demonstration sites established and implemented Yr 2 and 3
		Conduct field day and farmer training activities at the demonstration sites.	Pohnpei DA, COM-LG, Yap DAF, KIRMA	Field day and training activities conducted. Yr 2 and 3
		Establish practical demonstration site on composting.	Pohnpei DA, COM-LG, Yap DAF, KIRMA	Demonstration sites established and implemented Yr 2 and 3
		Promote organic production through awareness raising activities	Pohnpei DA, COM-LG, Yap DAF, KIRMA	Awareness activities implemented. Yr 2 and 3
		Develop a sustainable agriculture practices guide for agriculture production on sloping land	Pohnpei DA, COM-LG, Yap DAF, KIRMA	Guide produced and distributed to communities and villages. Yr 2 and 3

Baseline: Training has been carried out in composting and sustainable agriculture practices but these have focused on flat areas and not on sloping land. The increasing population density in all States is resulting in people having to start using sloping lands for food and cash crop production.

Outcome 2: Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels.

Output	Output Indicator	Activities	Responsibility	Annual Target
2.3 Capacity enhanced	Solid waste management plan developed for at least two States,	Expertise identified and engaged to develop a SWM plan.	State EPA's	Expert identified and engaged. Yr 1

to minimize negative impact of solid waste on land resources.	at least one training activity implemented in the two States to promote waste minimization and public awareness raised on the negative impacts of illegal dumping of waste.	Consultation workshop carried out to develop a SWM plan and includes Government, NGOs, communities, women's groups and private sector.	State EPA's	Workshop carried out with broad stakeholder input toward development. Yr 1 and 2
		SWM plan draft finalized and endorsed by State authorities.	State EPA's	SWM plan developed, reviewed, and endorsed. Yr 3
		Conduct training in waste minimization practices focusing on promoting recycling and segregation.	State EPA's	Training completed and recycling program implemented. Yr 2
		Conduct awareness raising activities to minimize illegal dumping of solid waste, and share actions and successes with other islands, donors, governments, and regional organizations	State EPA's	Awareness raising activities produced and distributed. Yr 1-3

Baseline: The FSM has joined other Pacific countries in developing a regional solid waste management strategy however limited work has been done in developing national and State level solid waste management plans. Training has also been undertaken by government staff in waste characterization, collection systems and policy development however there still needs to be wide stakeholder involvement in development of a solid waste management plan. Capacity development opportunities have also not been extended to NGO bodies and communities.

Outcome 2: Strengthened capacity for SLM at the systemic, institutional and individual level

Output	Output Indicator	Activities	Responsibility	Annual Target
2.4 Individual level capacity enhanced to plan, implement, monitor and evaluate SLM	Capacity at the individual level is enhanced through the issuance of at least 4 scholarships in a field related to SLM, with returning students being employed within relevant government organizations in the FSM by end of project.	Provide scholarships for award training in environment management and sustainable agriculture focusing on gender equality.	KIRMA, Chuuk Department of Agriculture, Pohnpei Office of Economic Affairs, Yap EPA	Scholarships identified, funded, and provided. Yr 1-3
		Identify expertise to conduct in-country EIA training.	State EPA's	Expert identified and engaged. Yr 1-2

		Plan and conduct in-country training in EIA.	State EPA's	Practical training in EIA conducted. Yr 1-2
		Plan and conduct school-based activities to promote career opportunities in environment in SLM.	State EPA's and COM	School activities designed and presented on SLM related career opportunities. Yr 1-3
		Plan and conduct training on methodologies to monitor soil erosion and implement mitigation options.	State EPA's and CSP	Practical training conducted. Yr 2 and 3
		Plan and conduct training in use of GIS to support SLM.	State EPA's	Y Practical training conducted. Yr 2 and 3
		Development of a guide to monitor erosion and identification of mitigation options related to development activities.	Kosrae and Yap EPA's	Guide developed. Yr 2 and 3
		Raise awareness on alternative livelihood options targeting rural communities and aimed at minimizing land degradation.	KIRMA, Yap EPA, Chuuk DA	Awareness raising activities completed. Yr 1-3
		Design a coastline protection plan to minimize erosion and land degradation.	Yap DAF	Coastline protection plan designed and approved. Yr 1
		Conduct vegetation survey and mapping of selected site.	Yap DAF	Vegetation survey and mapping completed. Yr 2
		Selection of plants and building materials to be used based on surveys and data.	Yap DAF	Plants and building materials selected. Yr 3
		Selection of construction types and methods to be used.	Yap DAF	Construction types selected and approved. Yr 3

Baseline: Government staff and NGO staff have received some short term training in the area of environmental monitoring, but a full scale scholarship program, combined with a focus on awareness raising in the school systems on the career opportunities available in fields related to SLM will help in building up the individual capacity to address SLM issues in the nation.

Outcome 2: Strengthened capacity for SLM at the systemic, institutional and individual level

Output	Output Indicator	Activities	Responsibility	Annual Target
2.5 Capacity for planning and establishing watershed management plans enhanced, with a focus on gender equality.	Watershed management plans incorporating SLM principles are planned and developed in at least two States involving a wide range of stakeholders, including women and youth.	Develop guideline and approach to demarcating and monitoring watershed areas	Pohnpei Division of Forestry, Chuuk EPA	Guideline developed. Yr 2
		Identify and engage expertise to facilitate the development of an integrated watershed management plan.	Kosrae and Chuuk EPA's	Expert identified and engaged. Yr 2
		Conduct consultations to develop an integrated watershed management plan.	Kosrae and Chuuk EPA's	Consultations held to develop WMP. Yr 2
		Conduct practical training for stakeholders in integrated watershed management planning including the use of terrestrial conservation approaches.	Kosrae and Chuuk EPA's	Practical training using conservation approaches conducted. Yr 2 and 3
		Identify potential protected areas.	Kosrae EPA(KIRMA)	Potential protected areas identified. Yr 2 and 3

Baseline: Government staff, NGOs and some communities in the State of Pohnpei have begun developing integrated watershed management plans and individuals have been trained in this approach however limited funding has not made it possible to extend this opportunity to other communities and States.. This project will extend this knowledge and approach to other communities and States in FSM.

Outcome 3: FSM NAP developed, promoted and implementation supported.				
Output	Output Indicator	Activities	Responsibility	Annual Target
3.1 Consultations undertaken for the development of the FSM NAP.	National government and stakeholder representatives in all States participate in the development of the NAP.	Develop guide for the development of the NAP	SD Unit	Guide developed and circulated to facilitators in the national and State governments. Yr 1
		Conduct training for the development of the NAP	SD Unit	Training of facilitators carried out Yr 1
		Engage consultant to develop the NAP	SD Unit	Consultant engaged Yr 1
		Conduct consultations for the development of the NAP	SD Unit	Consultations carried out at State level and information obtained to develop the NAP Yr 1
3.2 Draft NAP developed and endorsed by State and National Governments.	NAP document completed, endorsed by State and National Governments and submitted to the UNCCD Secretariat.	NAP finalized and presented to State and National Governments for consideration.	SD Unit	Draft NAP completed Yr 1
		NAP endorsed by State and National Governments and presented to the UNCCD Secretariat.	SD Unit	NAP endorsed by government and presented to the UNCCD Secretariat. Yr 1
		Plan and conduct awareness raising on the NAP	State Governments	Awareness raising activities carried out. Yr 1
Baseline: No baseline.				

Outcome 4: Medium Term Investment Plan developed and used to support the implementation of the NAP.				
Output	Output Indicator	Activities	Responsibility	Annual Target
4.1 Enhanced capacity to develop a Medium Term Investment Plan and its associated resource mobilization plan.	Training of trainers carried out on the development of a resource mobilization strategy and stakeholder representatives from each State trained in ways to develop resource mobilization strategies, project management and development of project proposals.	Expertise identified and secured to facilitate the development of the FSM NAP resource mobilization strategy	SD Unit	Expert engaged to facilitate development of strategy and training program developed. Yr 2
		Training workshop on developing a resource mobilization strategy planned and implemented.	SD Unit	Training workshop implemented and evaluated. Yr 2
		Training workshop on Project Cycle Management and development of project proposals planned and implemented	SD Unit	Training workshop implemented and evaluated. Yr 2
4.2 Medium Term Investment Plan and associated Resource Mobilization Plan developed.	Medium Term Investment plan and resource mobilization plan completed, endorsed by Government and used as a guide in development of government and NGO work plans and project proposal development.	Consultations undertaken by a team of national experts and draft Medium Term Investment Plan developed and Resource Mobilization plan developed.	SD Unit	Consultations carried out and draft plan completed Yr 2
		Draft Medium Term Investment Plan and Resource Mobilization Strategy presented to National and State Governments for consideration and endorsement	SD Unit	Draft plan presented to National and State governments. Yr 2
		Guideline developed for use of the Medium Term Investment Plan and Resource Mobilization Strategy by stakeholders	SD Unit	Guideline completed and distributed to stakeholders. Yr 2
		Medium Term Investment plan and Resource mobilization strategy promoted amongst stakeholders.	State Governments	Promotional activities undertaken and evaluated. Yr 2
Baseline: <i>Some assessments on land use, causes of land degradation and some initiatives have been carried out to map soils and forest types. These together with new information gathered from consultations and past reports will be compiled and organized to develop the NAP. Land degradation issues are being identified amongst the States but have not been assessed in a way that strategies and actions can be developed to address them.</i>				

Annex C: Detailed Project Budget and Work Plan

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
	1	2	3						
Outcome 1: National and State level sector policies and strategies have SLM principles and objectives mainstreamed into them.									
Output 1.1 SLM principles integrated into National and State Policies, Strategies and development planning procedures									
1.1.1 Recruit a national consultant	X			SD Unit	GEF	Consultant fees	2,000	-0-	2,000
1.1.2 Prepare draft guidelines for mainstreaming SLM into land use and master zoning plans	X			SD Unit	GEF	Consultant fees, FSM staff time	4,000	-0-	4,000
1.1.3 Conduct workshop to validate draft documents	X			SD Unit	FSM Govt. SPREP	Venue costs, travel costs	-0-	18,000	18,000
1.1.4 Use guideline in integrating SLM into appropriate national and state policies and strategies			X	SD Unit	FSM Govt. SPREP	Staff time	-0-	4,000 3,000	7,000
1.1.5 Conduct a seminar with political leadership to work SLM principles into decision making and policy level processes		X		SD Unit	FSM Govt. SPREP	Stationary, seminar costs, staff time.	-0-	2,000 2,000	4,000
Output Sub-Total 1.1							\$6,000	\$29,000	\$35,000
Output 1.2 SLM principles incorporated into Impact Assessments used in planning and decision making processes for land-based investment and infrastructure development.									
1.2.1 Identify and engage consultant to review EIA procedures and guidelines to incorporate SLM principles.		X		SD Unit	GEF FSM SPREP	Consultant fees, staff time, stationary	3,000	2,000 3,000	8,000
1.2.2 Plan and conduct workshop on use of EIA guidelines incorporating SLM principles.		X		SD Unit	GEF FSM SPREP	Consultant fees, staff time, venue costs, travel costs	2,000	2,000 2,000	6,000
1.2.3 Promote EIA guidelines to the Private and Foreign Investment Sectors		X		SD Unit	FSM State Govts.	Staff time, stationary, meeting costs	0	1,000 4,000	5,000
1.2.4 Guideline developed to 'climate proof' land-based development activities to ensure minimal impact on land resources.		X		SD Unit	SPREP FSM	Staff time	0	2,000 2,000	4,000
1.2.5 Guideline promoted amongst stakeholders through public awareness activities.		X		State EPAs	FSM Govt. State Govt.	Staff time, stationary, cost of radio programs	0	1,000 4,000	5,000
Output Sub-Total 1.2							\$5,000	\$23,000	\$28,000
Outcome 1: Sub-Total							\$11,000	\$52,000	\$63,000

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year		Responsibility	Donor	Budget Description	GEF	Co-finance	Total	
Outcome 2: Capacity for Sustainable Land Management enhanced at the systemic, institutional and individual levels.									
Output 2.1. Institutional and individual capacity enhanced to identify and rehabilitate degraded lands									
KPY 2.1.1 Resource person identified and practical training planned and implemented in the identification and mapping of areas degraded due to impact of invasive species. Kosrae Pohnpei Yap	X			KIRMA	KSG, SPC, USFS	Consultant, vehicle, gas, Data logger	-0-	4,100	4,100
	X	X		DL&NR	GEF PSG	Equipments, materials and supplies	2,500	2,500	5,000
	X			YDAF	YSG	Training costs, materials to identify and map areas	-0-	2,000	2,000
KPY 2.1.2 Field based practical training undertaken on methods to eradicate invasive species on degraded lands. Kosrae Pohnpei Yap	X			KIRMA	KSG, SPC, USFS	Fuel, Safety gear, chemical herbicides, Consultant	-0-	5,400	5,400
	X	X		PIST	GEF PSG	Equipments, materials and supplies	2,500	2,500	5,000
	X			YDAF	YSG	Equipment, site visits	0	13,000	13,000
KPY 2.1.3 Practical training undertaken on measures to reforest and restore natural habitats. Kosrae Pohnpei Yap	X			KIRMA	KSG, USFS	Plant materials, supplies, Fertilizers (organic), Nursery expansion	-0-	15,000	15,000
	X	X		Forestry	GEF PSG	Equipments, materials and supplies	2,500	2,500	5,000
	X			YDAF	YSG	Equipment, training support materials, personnel time & salaries	-0-	5,000	5,000
KPY 2.1.4 Training in establishing nurseries for replanting of indigenous species. Kosrae Pohnpei Yap	X			KIRMA	KSG, VF	Training supplies ,and materials, personnel costs	-0-	31,200	31,200
	X	X		Forestry	GEF, PSG, SPC	Equipments, materials and supplies	5,000	5,000	10,000
	X			YDAF	YSG	Nursery stocks, expertise from local partners	-0-	5,000	5,000
C 2.1.5 Guidelines developed for rehabilitation of land disturbed due to landslides.	X	X		EPA	GEF, CSG, CCS, UFO	1 consultant, transportation, workshops in the communities	10,000	15,000	25,000
C 2.1.6 Community consultation carried on use of guidelines and identify practical rehabilitation measures.	X	X		EPA	GEF, CSG, CCS	Boat rental, pol, supplies, community meetings	10,000	12,000	22,000
C 2.1.7 Field training in use of appropriate rehabilitation measures.	X			AGRI	GEF, CSG	Workshops, transportation, supplies & materials	17,000	6,000	23,000
Y 2.1.8 Development of a guideline for replanting of savannah areas degraded due to past fires.		X		YDAF	Venezuela Fund	Site selection visits with communities, printing materials	-0-	2,000	2,000

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
Y 2.1.9 Training in reforestation of savannah areas caused by fires		X		YDAF	Venezuela Fund	Training materials, meeting and consultation costs, reforestation materials and labor	-0-	10,000	10,000
Y 2.1.10 Training in methods for monitoring savannah areas that have been reforested.		X		YDAF	Venezuela Fund	Monitoring visits, printing materials, communication, consultations with communities	-0-	9,000	9,000
Y 2.1.11 Public awareness activities and consultations with community and public partners			X	YDAF	Venezuela Fund	Consultations and printed materials	-0-	4,000	4,000
Output Sub-Total 2.1							\$49,500	\$151,200	\$200,700
Output 2.2 Sustainable agriculture practices on sloping land and appropriate technologies promoted and demonstrated									
P 2.2.1 Plan and establish an agro-forestry demonstration site using SLM principles, with successes shared.	X	X	X	Agriculture	GEF PSG	Equipments, local experts, travel, fuel, supplies	5,000	5,000	10,000
P 2.2.2 Conduct field day and farmer training activities at the demonstration site.	X			Agriculture	GEF PSG	Equipments, local experts, travel, fuel, supplies	5,000	5,000	10,000
P 2.2.3 Establish practical demonstration site on composting.	X	X		Agriculture	GEF PSG	Equipments, local experts, travel, fuel, supplies	5,000	5,000	10,000
KCP 2.2.4 Promote organic production through awareness raising activities. Kosrae Chuuk Pohnpei	X			Agriculture	KSG, COM LG	Personnel costs, Supplies, Transportation costs, Venue, Media costs	-0-	13,100	13,100
	X	X	X	COM-LG	GEF, CSG, CCS, COM	Transportation, brochures, flyers, radio program	6,500	10,000	16,500
	X	X	X	Agriculture	GEF PSG	Equipments & supplies	2,500	2,500	5,000
Y 2.2.5 Develop a sustainable agriculture practices guide for agriculture production on sloping land; share project results.	X			YDAF	YSG	Consultations, printing costs	-0-	3,000	3,000
CY 2.2.6 Promote sustainable agriculture practices through community consultations. Chuuk Yap	X	X	X	COM	GEF, CSG COM/SPC, CCS	Visit 10 communities transportation	5,000	12,000	17,000
		X		YDAF	YSG	Consultations and meetings costs	-0-	5,000	5,000
K 2.2.7 Develop SALT guidelines.		X		KIRMA	USFS, KSG, SPC	Transportation, Office supplies, Printed materials	-0-	8,500	8,500
K 2.2.8 Establish demonstration site for SALT.		X		KIRMA	USFS, KSG, SPC	Farming supplies, personnel,	-0-	6,000	6,000
K 2.2.9 Conduct field demonstrations on SALT.		X	X	KIRMA	USFS, KSG, SPC	Farming supplies & equipment, transportation	-0-	5,000	5,000

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
Output Sub-Total 2.2							\$29,000	\$80,100	\$109,100
Output 2.3 Capacity enhanced to minimize negative impacts of solid waste on land resources									
YK 2.3.1 – Expertise identified and engaged to develop a SWM plan. Kosrae Yap				KIRMA	JICA, KSG	Consultant, Communication costs	-0-	6,000	6,000
	X			YEPA	YSG	Communication, consultations costs	-0-	1,000	1,000
YK 2.3.2 Consultation workshop carried out to develop SWM plan. Kosrae Yap	X			KIRMA	DOI, KIRMA	Transportation, Supplies, Venue, refreshment, personnel	-0-	22,000	22,000
	X			YEPA	GEF	Consultation and meeting costs	5,000	-0-	5,000
YK 2.3.3 SWM plan draft finalized and endorsed by State authorities Kosrae Yap				KIRMA	JAPGOV, KSG	Personnel, Office supplies	-0-	22,000	22,000
		X		YEPA	YSG	Consultation and meeting costs, printing	-0-	1,000	1,000
YKP 2.3.4 Conduct training in waste minimization practices focusing on promoting recycling and waste segregation. Kosrae Pohnpei Yap	X	X	X	KIRMA	KSG, UNDP, JAPGOV	Personnel, Printed materials, Video & radio production	-0-	32,000	32,000
	X	X	X	EPA	GEF PSG	Equipments, fuel, supplies and materials	5,000	5,000	10,000
	X			YEPA	YSG	Consultations, printed materials	-0-	25,000	25,000
KC 2.3.5 Conduct awareness raising activities to minimize illegal dumping of waste, while sharing successes externally. Kosrae Chuuk	X	X	X	KIRMA	KSG, KCSO,	Personnel, supplies, transportation, fees	-0-	12,500	12,500
	X	X	X	EPA	GEF, CSG, CCS	Radio program, community visits, transportation	2,000	12,000	14,000
Y 2.3.6 Increase public awareness about SWM plan and program		X		YEPA	YSG	Printed materials and supplies	-0-	2,000	2,000
Y 2.3.7 Increase capacity to promote and implement public education and awareness programs to minimize impact of waste on land resources, while sharing successes externally.	X			YEPA	GEF	Training for public education and materials, supplies, printing	10,000	-0-	10,000
Output Sub-Total 2.3							\$22,000	\$140,500	\$162,500

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year	Responsibility	Donor	Budget Description	GEF	Co-finance	Total	
Output 2.4 Individual level capacity enhanced to plan implement, monitor and evaluate SLM								
CPKY 2.4.1 Provide scholarships for award training in environment management and sustainable agriculture focusing on gender equality in SLM. Kosrae Chuuk Pohnpei Yap	X		KIRMA	GEF	Scholarship	40,000	-0-	40,000
	X		AGRI	CSG	Student's tuition, room & board	-0-	12,000	12,000
	X	X	OEA	GEF PSG	Scholarship to assist graduate study.	5,000	5,000	10,000
	X	X	YEPA	GEF	Scholarship award & management costs	40,000	-0-	40,000
CPKY 2.4.2 Identify expertise to conduct in-country EIA training Kosrae Chuuk Pohnpei Yap	X		KIRMA	KSG		-0-	1,000	1,000
	X		EPA	CSG	1 consultant	-0-	3,000	3,000
	X	X	EPA	GEF PSG	Communication, supplies and materials	5,000	5,000	10,000
	X		YEPA	GEF	Travel and housing costs	1,000	-0-	1,000
CPKY 2.4.3 Plan and conduct in-country training in EIA. Kosrae Chuuk Pohnpei Yap		X	KIRMA	GEF	Training supplies & equipment, Transportation	10,000	-0-	10,000
	X		EPA	GEF, CSG	4 workshops	12,000	12,000	24,000
	X	X	EPA	GEF PSG	Communication, supplies, venue, local refreshments	2,500	2,500	5,000
	X	X	YEPA	GEF	training and associated costs	5,000	-0-	5,000
CPKY 2.4.4 Plan and conduct school-based activities to promote career opportunities in environment and SLM, with focus on equal gender participation. Kosrae Chuuk Pohnpei Yap	X		KIRMA	GEF	Transportation, Education materials, Personnel	15,000	-0-	15,000
	X	X	EPA	GEF CSG	Awareness materials, POL	1,500	9,000	10,500
	X	X	COM/FSM	CSP, GEF PSG	Equipment, supplies, materials and venue	2,500	2,500	5,000
	X	X	YEPA	GEF	Printed awareness materials	3,000	-0-	3,000
PKY 2.4.5 Plan and conduct training on methodologies to monitor soil erosion and implement mitigation options. Kosrae	X		KIRMA	GEF	Supplies & materials	2,000	-0-	2,000

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
Pohnpei	X	X		CSP	GEF PSG	Equipment, supplies and materials	5,000	5,000	10,000
Yap			X	YEPA	GEF	Training and field visit costs	3,000	-0-	3,000
CYK 2.4.6 Plan and conduct training in use of GIS to support traditional SLM practices		X	X	KIRMA	GEF KSG	Training materials, Software, GPS	12,000	10,000	22,000
Kosrae				EPA	GEF, CSG, CCS, COM	1 expert, equipment & supplies, transportation	6,000	25,000	31,000
Chuuk	X			YEPA	GEF	Equipment costs	3,000	-0-	3,000
Yap	X								
YK 2.4.7 Development of a guide to monitor erosion and identification of mitigation options related to development activities.		X		KIRMA	GEF, KSG	Personnel, supplies & equipment, printing materials	1,000	5,000	6,000
Kosrae				YEPA	GEF	Compilation and printing cost	5,000	-0-	5,000
Yap			X						
YCK 2.4.8 Raise awareness on alternative livelihood options targeting rural communities, women and youth, and aimed at minimizing land degradation.		X		KIRMA	GEF	Radio programs, Workshop costs, Local consultant	2,000	1,000	3,000
Kosrae				AGRI	CSG, CCS, UFO, COM	Workshops, transportation, demonstration	-0-	18,000	18,000
Chuuk	X	X	X	YEPA	YSG	Travel costs, surveys, personnel time & salaries, printing materials	-0-	49,000	49,000
Yap	X								
Y 2.4.9 Design a coastline protection plan to minimize erosion and land degradation	X			DAF	GEF	Consultation, meeting, and design costs	2,500	-0-	2,500
Y 2.4.10 Conduct vegetation survey and mapping of selected site		X		DAF	GEF	Field survey and mapping costs	2,500	-0-	2,500
Y 2.4.11 Selection of plants and building materials to be used based on surveys & data			X	DAF	GEF	Building materials costs	10,000	-0-	10,000
Y 2.4.12 Selection of construction types and methods to be used			X	DAF	GEF	Construction costs	10,000	-0-	10,000
Output Sub Total 2.4							\$206,500	\$165,000	\$371,500
Output 2.5 Capacity for planning and establishing watershed management plans enhanced									
PC 2.5.1 Develop guideline and approach to demarcating and monitoring watershed areas, including the use of GIS	X	X	X	Forestry	GEF PSG	Equipment, Supplies and material	5,000	5,000	10,000
Pohnpei				EPA	GEF, CSG, CCS, COM	Equipment, supplies, POL, consultant	6,000	6,000	12,000
Chuuk	X								
KC 2.5.2 Identify and engage expertise to develop an integrated watershed management plan	X	X		KIRMA,	GEF	Consultant, Commcts., supplies & equipment	5,000	-0-	5,000
Kosrae				EPA	GEF, CSG, COM, CCS	10 community meetings, POL, consultant	12,000	40,000	52,000
Chuuk	X								

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
KC 2.5.3 Conduct consultations to develop an integrated IWMP plan Kosrae Chuuk		X		KIRMA	GEF, KSG	Consultation costs, Transportation costs	3,000	500	3,500
	X	X		EPA	GEF, CSG, CCS, COM	Community meetings, POL	4,000	6,000	10,000
KC 2.5.4 Conduct training for stakeholders in IWMP including terrestrial conservation principles Kosrae Chuuk		X	X	KIRMA	GEF, KSG	Workshop costs	5,000	500	5,500
	X	X	X	EPA	GEF, CSG, CCS	Community consultations, POL	9,000	15,000	24,000
K 2.5.5 Identify potential protected areas		X	X	KIRMA	GEF, KSG	Consultations , surveys	5,000	500	5,500
Output Sub Total 2.5							\$54,000	\$73,500	\$127,500
Outcome 2: Sub Total							\$361,000	\$610,300	971,300
Outcome 3: FSM NAP developed, promoted and implementation supported									
Output 3.1 Consultations undertaken for the development of the FSM NAP									
3.1.1 Develop guide for the development of the NAP	X			SD Unit	UNDP SPREP	Resource persons time, stationary	0	4,000	4,000
3.1.2 Conduct gender-equal training for the development of the NAP	X			SD Unit	UNDP SPREP	Travel costs, stationary, conference costs	0	18,000	18,000
3.1.3 Engage consultant to develop the NAP	X			SD Unit	UNDP SPREP	Fees	0	5,000	5,000
3.1.4 Conduct consultations for the development of the NAP, ensuring a good representation of youth and women are included	X			SD Unit	UNDP FSM	Travel costs, meeting costs	0	20,000	20,000
Output Sub-Total 3.1							\$0	\$47,000	\$47,000
Output 3.2 Draft NAP developed and endorsed by State and National Government									
3.2.1 NAP finalized and presented to State Governments and National Governments for consideration	X			SD Unit	FSM	Officers time	0	5,000	5,000
3.2.2 NAP endorsed by State and National Governments and presented to the UNCCD Secretariat	X			SD Unit	FSM	Officer time	0	5,000	5,000
3.2.3 Plan and conduct awareness raising on the NAP, focusing on all relevant stakeholders, including women's groups	X			SD Unit	FSM	Stationary, media costs	0	5,000	5,000
Output Sub-Total 3.2							\$0	\$15,000	\$15,000
Outcome 3: Sub Total							\$0	\$62,000	\$62,000
Outcome 4: Medium Term Investment Plan developed and used to support the implementation of the NAP.									
Output 4.1 Enhanced capacity to develop a resource mobilization plan									

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
4.1.1 Expertise identified and secured to facilitate the development of the FSM NAP resource mobilization strategy		X		SD Unit	SPREP SPC	Cost of travel and DSA	0	6,000	6,000
4.1.2 Training workshop on raising awareness for lawmakers and finance personnel to increase budget allocations for SLM and developing a resource mobilization strategy planned and implemented		X		SD Unit	UNDP SPREP	Cost of travel, DSA and workshop costs	0	10,000	10,000
4.1.3 Training workshop for economic planners and finance staff on use of environmental economic analysis of land use options as a tool and Project Cycle Management in the development of policies and project proposals and budgets planned and implemented		X		SD Unit	UNDP SPREP	Cost of travel, DSA, workshop costs	0	10,000	10,000
Output Sub-Total 4.1							\$0	\$26,000	\$26,000
Output 4.2 Resource mobilization plan developed									
4.2.1 Consultations undertaken by a team of national experts and draft Medium Term Investment Plan developed.		X		SD Unit	FSM	Officers time, stationary	5000	12,000	17,000
4.2.2 Draft Medium Term Investment Plan presented to National and State Governments for consideration and endorsement.		X		SD Unit	FSM	Officers time, stationary	0	6,000	6,000
4.2.3 Guideline developed for use of the Medium Term Investment Plan by stakeholders.		X		SD Unit	FSM	Officers time, stationary	0	6,000	6,000
4.2.4 Medium Term Investment Plan promoted amongst stakeholders.		X		SD Unit	FSM	Officers time, stationary	0	3,000	3,000
Output Sub-Total 4.2							\$5000	\$27,000	\$32,000
Outcome 4: Sub total							\$5000	\$53,000	\$58,000
Outcome 5. Effective Management and Lessons Learnt									
Output 5.1 FSM SLM Project effectively Monitored & Evaluated									
5.1.1 Mid-term Evaluation (if necessary)				SD Unit					
5.1.2 Final Evaluation			X	SD Unit			10,000	0	10,000
5.1.3 Annual Audits	X	X	X	SD Unit			10,000		10,000
5.1.4 Inception workshop and report	X			SD Unit			20,000		20,000
5.1.5 Field visits/TPR Meetings costs	X	X	X	SD Unit			4,000		4,000
5.1.6 Project M&E reporting costs	X	X	X	SD Unit	GEF	Stationary, printing and binding	4,000		4,000

Table1: Total Budget and Work Plan (by Activity)

Outcomes / Outputs / Activities	Year			Responsibility	Donor	Budget Description	GEF	Co-finance	Total
OUTCOME 5: Sub-Total							\$48,000	\$0	\$48,000
Project Management Unit									
<u>Project Manager</u>	X	X	X	SD Unit	FSM	Salary for 3 years	0	54,000	54000
<u>Project Coordinator</u>	X	X	X	State Govts	GEF	Salary for 3 years	48,000		48,000
<u>Administrative Assistant</u>	X	X	X	State Govts	FSM	Salary for 3 years		32,000	32,000
<u>Office space</u>	X			State Govts	GEF	Basic setup, furniture		12,000	12,000
<u>Office operating expenses</u>	X	X	X	State Govts	FSM	Stationary, toners, cost of repair and maintenance,	2,000	18,000	20,000
<u>Office equipment</u>	X	X	X	State Govts	FSM	Laptop, camera, printer	0	16,000	16,000
<u>Vehicle running costs for vehicle</u>	X	X	X	State Govts	FSM	Petrol, servicing, maintenance		24,000	24,000
Total Management							\$50,000	\$156,000	\$206,000
Total Outcomes							\$475,000	\$933,300	\$1,408,300
PDF A							\$25,000	\$0	\$25,000
OVERALL TOTAL							\$500,000	\$933,300	\$1,433,300

Table2: Total Budget and Work Plan (by Outcome)

Award ID: TBC										
Award Title: TBC										
Project ID: TBC										
Project Title: CAPACITY BUILDING FOR SUSTAINABLE LAND MANAGEMENT IN FSM										
Executing Agency: Sustainable Development Unit, Department of Economic Affairs (DEA)										
GEF Outcome/Atlas Activity	Responsible Party (Implementing Partner)	Fund ID	Source of Funds	Atlas Budgetary Account Code	ERP/ATLAS Budget Description/Input	Amount (USD) Year 1	Amount (USD) Year 2	Amount (USD) Year 3	Total (USD)	See Budget Note:
OUTCOME 1: Mainstreaming of SLM	Govt. of FSM	62000	GEF	71300	Local Consultants	6,000	2,500	0	8,500	a
				71400	Contractual services	0	2,500	0	2,500	b
				Total Outcome 1		6,000	5,000	0	11,000	
OUTCOME 2: Capacities Developed for SLM	Govt. of FSM	62000	GEF	71300	Local Consultants	10,250	5,500	3,000	18,750	c
				71200	International Consultant	6,000	17,000	8,000	31,000	d
				71400	Contractual services	5,000	8,500	7,000	20,500	e
				72500	Office Supplies	2,500	4,000	0	6,500	f
				72200	Equipment	23,500	17,250	10,000	50,750	g
				74500	Miscellaneous	6,000	3,000	2,000	11,000	h
				72400	Communications	7,000	2,500	9,000	18,500	i
				72300	Materials and Goods	0	0	20,000	20,000	j
				74200	Printing & Production	1,000	1,500	5,000	7,500	k
				72600	Grants/Learning Costs	40,000	25,000	20,000	85,000	l
				71600	Travel	45,000	24,000	22,500	91,500	m
Total Outcome 2		146,250	108,250	106,500	361,000					
OUTCOME 4: Medium Term Investment Plan developed and used to support the development of the NAP.	Govt. of FSM	62000	GEF	71400	Contractual services	5,000	0	0	0	s
				Total Outcome 4		5000	0	0	0	
OUTCOME 5: Effective Management & Lessons Learnt	Govt. of FSM/UNDP	62000	GEF	71300	Local Consultants	8,000	5,000	10,000	23,000	n
				71400	Contractual services	2,000	5,000	2,000	7,000	o
				72500	Office Supplies	2,000	1,000	1,000	4,000	p
				74500	Miscellaneous	2,000	0	0	2,000	q
				71600	Travel	8,000	2,000	2,000	12,000	r
				Total Outcome 4		22,000	13,000	13,000	48,000	
Project Management Unit	Govt. of FSM	62000	GEF	71400	Contractual services	16,000	16,000	16,000	48,000	s
				72500	Office Supplies	2,000	0	0	2,000	t
				Total Management		20,000	18,000	17,000	50,000	
					PROJECT TOTAL (MSP)					
Summary of Funds:										
GEF (PDF-A + MSP)									\$500,000	
Government of FSM (Inkind)									669,300	
Bilateral & State NGOs (Cash)									264,000	
Project Total									\$1,433,300	

Budget Notes (please see Annex C Table1 for detailed activity budget):

- a. 1 Local consultant will be recruited to provide technical support for drafting guidelines for mainstreaming SLM in land use and master zoning plans and reviewing EIA procedures.
- b. Specialized short term service contracts by individuals for conducting national workshops on use of EIA guidelines incorporating SLM principles. For outcome 1 the costs for administrative and preparing workshop reports for the project coordinator is included. TOR for the consultants will be prepared by Project Coordinator.
- c. 3 Regional/Local consultants will be hired to undertake conducting training in the identification and implementation for mapping areas degraded due to impact of invasive species, state based EIA training and assisting in designing coastline protection plan to minimise erosion and land degradation. It also includes outer island state training workshop and consultancy costs. Assistance from Regional organizations (SPREP, SPC) will also be utilized, and hence this cost includes cost recovery for such services.
- d. 1-2 International consultants will be recruited for leading design of coastline protection plan to minimise erosion and land degradation, conducting in-country training EIA and developing guidelines for rehabilitation of land disturbed due to landslides.
- e. Specialized short term service contracts by individuals for assisting and coordination of national and state workshops, training events on reforestation, restoration, community consultations on use of guidelines developed, field training in use of appropriate rehabilitation measures and conducting various awareness activities (see outcome 2 in Annex C for complete details) . For outcome 2 the costs for administrative and preparing workshop reports for the project coordinator is included. TOR for the consultants will be prepared by Project Coordinator.
- f. Office supplies for awareness workshops, community consultations, and national training workshops (printing materials, printing supplies)
- g. Equipment such as GIS/remote sensing, survey and monitoring equipment (Output 2.4) and other gear for conducting school based awareness activities and promoting waste minimization practices (recycling & waste segregation).
- h. This includes materials for the workshops and contingency.
- i. Communication costs under national/community awareness programmes (Media costs –Radio, Television & Newspaper)
- j. Construction and building costs for design of coastline protection plan to minimise erosion and land degradation (demonstration)
- k. Printing costs for preparation of information/awareness materials for schools, community, national stakeholders
- l. Learning costs includes scholarship awards in Kosrae, Pohnpei and Yap for graduate level studies/training in environment management and sustainable agriculture focusing on gender equality in SLM.
- m. This includes travel for local consultants as well as travel to the island states for workshops (mostly via planes & boats), transportation costs for awareness/training programmes.
- n. 1 Regional/Local consultants will be hired to assist in mid-term and final evaluations. Also include costs for annual project financial audits.
- o. Specialized short term service contracts by individuals for coordinating inception, TPR and other stakeholder meetings (targeted specifically for monitoring & evaluation and adaptive learning).
- p. This includes materials and supplies for the workshops
- q. Costs to cover workshop venues
- r. Travel for participants for inception and stakeholder workshop (from other island states)
- s. Project Coordinator and short term individuals to be contracted to prepare TORs, disseminate draft workshop Report, undertake coordination responsibilities with Govt. and relevant organizations, gather feedback from relevant agencies and organizations as appropriate, assist in project monitoring as well as reporting to donors, UNDP-GEF and Government. See Annex G for TOR
- t. Computer, Peripherals and office expenditures (see detailed costs under output 5 in Annex 10)

Annex D: Stakeholder Involvement Matrices

Chuuk State

Name of Stakeholder	Stakeholder's Interest in SLM	Justification for Inclusion of Stakeholder	Expected Role of Stakeholder
Department of Agriculture & Forestry		Co-finance the project, coordinate other related activities on sustainable agriculture and provide information on forest activities, etc.	Staff will be trained on how to manage the conservation area. They will be able to use GPS and be able to delineate the whole conservation area and locate on the maps, assist other partners in training local community people by following the management plan and coordinate other activities on sustainable agriculture. Provide support & resources to conduct the training.
Environmental Protection Agency	Mandated by CSL 02-94-01 to provide for the protection of land, water and quality of air.	Focal point on UNCCD, UNCBD, UNFCCC; identify the commonalities between the three conventions that are related to the SLM. Deals with all environmental issues by regulating & enforcing the laws	Officers will be involved in different trainings and workshops on EIA, GIS & conservation management. Lead in facilitating & conducting community meetings. Follow up on the implementation of the management plan by the community.
College of Micronesia (COM-Land Grant)	DSAP Implementing Institution	Focal point on the DSAP ,co-financing for the project, proactive in promoting sustainable agriculture.	Officers or staff will be trained to gain more knowledge on the sustainable agriculture practices in order to assist in facilitating and conducting workshop. Promoting sustainable agriculture with other stakeholders.
Chuuk Conservation Society (CCS)	Mandated to conserve & protect terrestrial resources	Community consultation on watershed conservation , public awareness raising, Implement the Chuuk BSAP, ability to access and receive external funding	CCS will be involved in trainings and workshops to gain knowledge & will also be raising some money through this project. CCS will conduct consultation meetings in the community and do follow up meetings to gain strong support from community & other stakeholders
Chuuk Womens Association	Women are central in promoting and maintaining village farm plots in the community	Key NGO group that can act as a promoter of SLM within the communities, and a key focus group for the FSM SLM project	Will promote SLM at the village level through hands on work and other direct awareness raising activities

Kosrae State

Name of Stakeholder	Stakeholder's Interest in SLM	Justification for Inclusion of Stakeholder	Expected Role of Stakeholder
KIRMA (Forestry & Wildlife, Historic Preservation, Marine surveillance)	Focal point of the project.	Review project proposals, reforestation, Recycling , land management , technical assistance, environmental awareness	Spearheading the implementation of the SLM, work in partnership with the other stakeholders
COM- FSM Land Grant	They train farmers/resource users for sustainable use of the land.	Train farmers on ecofriendly techniques. Ongoing projects with DSAP.	Teach farmers erosion control methods, preparing compost instead of chemical fertilizers.
Agriculture		Train farmers	Teach farmers erosion control methods, preparing compost instead of chemical fertilizers.
KCSO	Environmental group	NGO. Assist on the environmental awareness of the SLMT	Collaboration with the other stakeholders
Public Works	Constructs much of the infrastructure	Construction of the landfill, road maintenance	Build infrastructure more ecological sound.
Kosrae Radio Station	Communicates info to the people	Disseminate information about SLM	The information about SLM to the people.
Dept.of Education	Educates the new generation	The information reach the younger people.	Can form ecofriendly minds.
Kosrae Womens Association	Women are central in promoting and maintaining village farm plots in the community	Key NGO group that can act as a promoter of SLM within the communities, and a key focus group for the FSM SLM project	Will promote SLM at the village level through hands on work and other direct awareness raising activities
Legislature Speaker	Protect the island natural resources for future generations	Policies maker	Make laws protecting the natural resources.
Chief of Police	Protect the island natural resources for future generations	Enforce environmental laws	To enforce the laws.
Attorney General	Protect the island natural resources for future generations	Prosecute violations on natural resources	Prosecute environmental violations
KRMC		Community based organization	

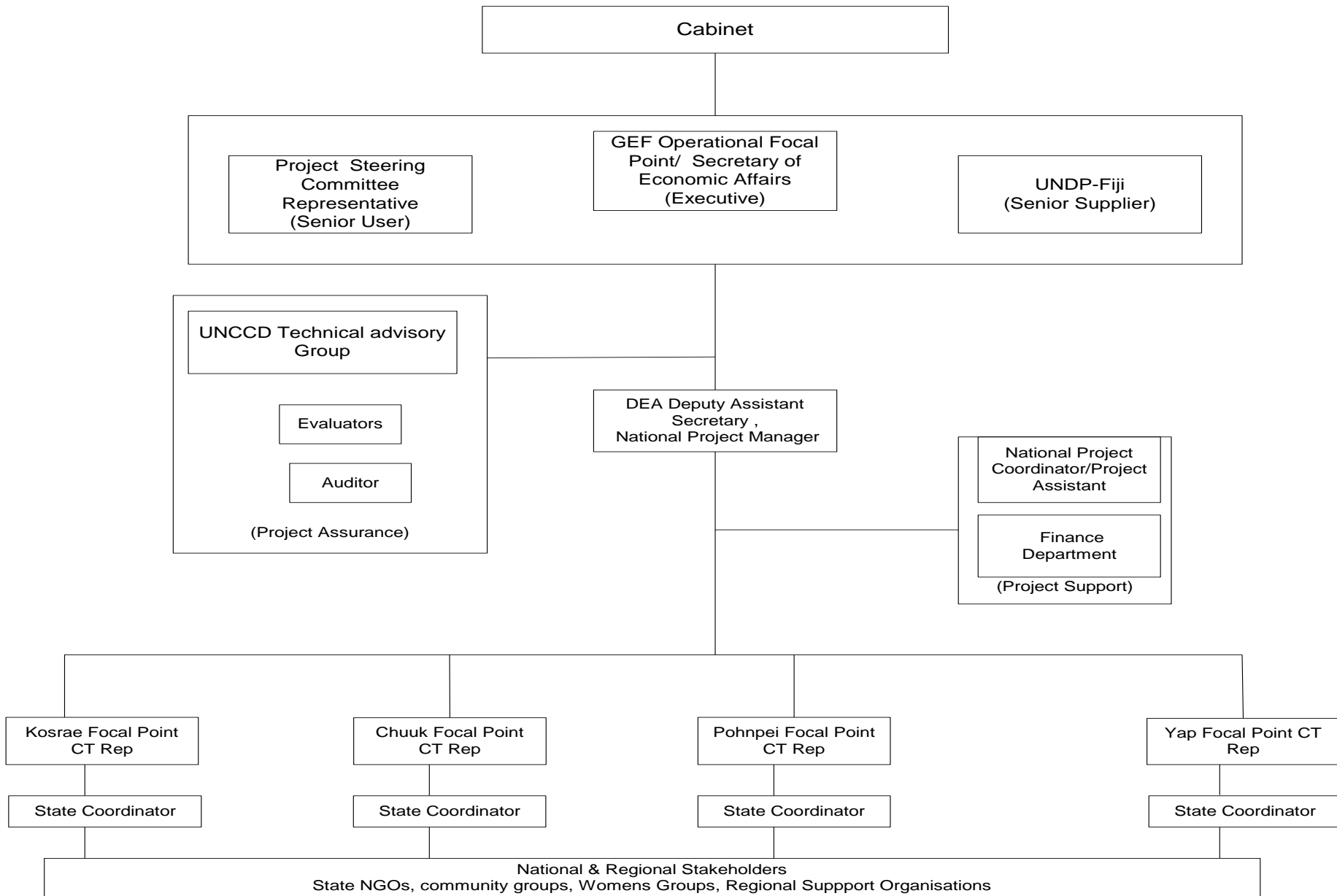
Pohnpei State

Name of Stakeholder	Stakeholder's Interest in SLM	Justification for Inclusion of Stakeholder	Expected Role of Stakeholder
Pohnpei EPA	The main SLM project coordinator.	State focal point and mandated EPA function.	Administer the funds, coordinate project status reports, site inspection, monitoring and reporting.
OEA, Agriculture	Assist EPA with the coordination role of the SLM project in Pohnpei.	Agriculture managing a 20 acres established Pilot Farm. Six full time local personnel already available. Main infrastructure in place. Some years of hands on experience on vegetable production and marketing.	Coordinate agricultural field days and training programs with partners. Develop, deliver and manage information materials and services.
OEA, Marine	Participate in the EIA	Local marine experts available	Perform field inspection and produce relevant written reports.
DL&NR, Forestry	Coordinate with partner agencies on important task relating the watershed land.	Forest environment is relevant duty of the forestry section.	Take part in community meetings, field boundary survey and maintain records and information.
Department of Education	Scholarships	Scholarship is a function of the Department of Education.	Arrange meetings and make recommendation for distribution of the funds. Inform and issue application forms. Manage records.
COM-FSM	Early years college level environmental science, agriculture, forestry and marine studies. Host of the U.S Land Grant prog.	FSM national education institute. Some courses are already available. Responsible for the agriculture extension programs and research activities.	Teach the courses. Add additional new courses when require. Performs agriculture extension services and farmers training. Conduct needed agriculture research. Coordinate or take part in community meetings and awareness programs.
SPC	Agriculture, forestry and related environments. Active member PRMC and PIST.	North Pacific sub-regional office is located in Pohnpei, providing the home base of the following resident experts; PPM, DSAP, Forestry and Veterinarian.	Provide technical assistance in plant protection, sustainable agriculture practices, animal health and forestry. Can participate in field visits and training of farmers and landowners.
NRCS	Field office in Pohnpei. Active member of local NGOs and relevant groups.	Source of technical assistance (soil and water conservation needs). Personnel experienced with the local environmental situations.	Take part in community trainings and field visits. Can take part in meetings to provide guidance.
CSP	Active in terrestrial and marine conservation work.	Experience and dedicated personnel.	Assist complete the undone watershed work and further monitoring work. Lead the eradication work of the invasive.
IFCP	Active in promotional work of locally produce foods.	Produced significant research results on important local foods (banana, taro, breadfruits and pandanus). These crops are among the most important food crops in the local traditional farming system.	Participate in research, public awareness and community training.
Pohnpei Womens Association	Women are central in promoting and maintaining village farm plots in the community	Key NGO group that can act as a promoter of SLM within the communities, and a key focus of the FSM SLM project	Will promote SLM at the village level through hands on work and other direct awareness raising activities

Yap State

Name of Stakeholder	Stakeholder's Interest in SLM	Justification for Inclusion of Stakeholder (Activity)	Expected Role of Stakeholder
Division of Agriculture & Forestry (DAF)	Main division that coordinates and implements measures promoting sustainable land management and agricultural practices	DAF is responsible for implementing shoreline protection and reforestation measures to mitigate land degradation; involved in management of educational scholarships supporting environment and management of land resources	Developing and training in sustainable agriculture practices Increased awareness of sustainable agriculture and land use practices
Yap State Environmental Protection Agency (EPA)	Regulatory agency responsible for protection of land, air, and ocean resources	Responsible for promulgating and enforcing environmental and land use regulations; involved in management of educational scholarships supporting environment and management of land resources	Enforcement of environmental regulations Training and monitoring of development and land use projects
College of Micronesia – Land Grant Yap	Extension program working with state and communities partners promoting	GIS Training Scholarship Savannah reforestation	Training and resources for GIS use Development of GIS capabilities
Div of Land Management	Responsible for management of public lands	Land use plan Data recording & management Scholarship	Land use plan, guidelines, and records Training in land management ie surveys,
Department of Resources & Development	Department overseeing divisions responsible for managing land use and resources	SWM Plan Scholarship Land use plan	Resources and technical assistance to support development of land use plan
Yap Institute of Natural Science (YINS)	Engaging communities, private, and public partners in sustainable land and agricultural practices	Savannah reforestation Shoreline protection Scholarship Awareness of sustainable agricultural practices	Training and resources in sustainable agriculture practices ie agroforestry Promotion of agroforestry and sustainable land use practices
Yap Womens Association	Women are central in promoting and maintaining village farm plots in the community	Key NGO group that can act as a promoter of SLM within the communities, and a key focus group of the FSM SLM project	Will promote SLM at the village level through hands on work and other direct awareness raising activities

Annex E: National Project Management Structure



Annex F: Terms of Reference for SLM Project

Terms of Reference

FSM Country Team

Objective

The Government of FSM has received funding through the UNDP/GEF to assist with the assessment of local capacity to address sustainable land management under the UN Convention to Combat Desertification (UNCCD). An important part of this project is the establishment of a Project Steering Committee to provide oversight and advice in the implementation of the project.

It is expected that FSM Country Team which includes representatives from FSM's states will act as the Steering Committee for the SLM Project. The FSM Country Team will consist of equal numbers of men and women, will be chaired by the members on a rotational basis, The committee will not only ensure the needs and concerns of states' in the activities specified in the project document, but needs of women and vulnerable group (youth and children) to promote gender equality and empowerment of women.

In addition to its other existing duties and responsibilities, the FSM Country Team will carry out the following specific functions for the SLM Project.

1. Provide policy and technical advice guidance to the SD Unit, Project Coordinator and SLM consultants in the implementation of the SLM Project
2. Perform final validation of the thematic and cross-cutting priorities identified and ensure they are addressed appropriately
3. Review and approve the final SLM document and related activities
4. Ensure activities are carried out by their own agencies in accordance with SLM work plan and budget
5. Facilitate and participate in national consultation workshops involving the SLM stakeholders
6. Meet at least every month to review progress reports, including progress reports from the state project teams
7. Facilitate inter-agency sharing of information and experience relating to capacity building and the SLM Project
8. Provide quality control of reports and publications produced under the project
9. Review and endorse SLM reports to UNDP and GEF
10. Help identify other potential sources of support for the implementation of the National Action Program
11. Help evaluate the success or otherwise of SLM activities
12. Other duties as necessary from time to time

Terms of Reference

SLM Project Manager

Objective

The Government of FSM has received funds through the UNDP/GEF to assist with the assessment of FSM's capacity to address sustainable land management under the UN Convention to Combat Desertification (UNCCD). An important part of this project is the appointment of a Project Manager to have overall responsibility for the management and implementation of the project. In this regard, the government of FSM has identified the Head of the SD Unit as the Project Manager for the SLM Project. The Project Manager, who possess a tertiary level qualification in a field related to the project purpose and objectives and has extensive working experience in the FSM and also with GEF and donor funded projects, will be responsible for the following tasks:

1. Have overall responsibility for the management and implementation of the SLM project.
2. Assist in the recruitment and supervision of State Project Coordinators to be responsible for the day-to-day operation of the SLM Project. Recruitment procedure must give equal opportunity to men and women.
3. Approve the TOR and recruitment of SLM consultants.
4. Ensure that there is close coordination between the SLM and other environmental and capacity building projects in FSM.
5. Review and endorse SLM progress and financial reports to UNDP
6. Ensure SLM resources are effectively used.
7. Assist secure additional resources in support of the SLM; and
8. Set other duties as deemed necessary for the success of the SLM.
9. Ensure adequate representation of women and vulnerable community (youth and children) needs to promote gender equality and empowerment of women in sustainable land management, land use plans and other capacity development initiative of the project.

Qualifications

- Postgraduate degree in natural resource management or other relevant academic and professional qualifications with at least 10 years professional experience;
- Proven extensive experience and technical ability to manage a large project especially SLM-related projects in the Pacific;
- Ability to communicate with different types of stakeholders, including senior government officials, farmers, communities and business executives;
- Ability to lead, manage and motivate teams of local and national consultants to achieve results;
- Excellent communication skills, both oral and written;
- Good knowledge and understanding of UNDP project implementation procedures, including procurement, disbursement and monitoring.

Terms of Reference

State Project Coordinator

Objective

The Government of FSM has received funding through the UNDP/GEF to assist with the assessment of local capacity to address sustainable land management under the UN Convention to Combat Desertification (UNC CD). An important part of this project is the recruitment of a State Project Coordinator to the Executing Agency (i.e. SD Unit, Department of Economic Affairs and State focal point offices) to provide oversight and supervision for the implementation of the project. In this regard, the Project Manager of the SD Unit, who will also be the National Project Manager for the project, will assist the States to recruit a Project Coordinator to be responsible for the following tasks:

1. Manage and supervise the overall implementation of the project including the preparation of work plans, budgets and the SLM report.
2. Liaise closely with the Project Manager and UNDP on matters relating to the project.
3. Report to the FSM Country Team and Project Manager on all matters relating to the implementation of the project.
4. Ensure the timely delivery of financial and progress reports to the Project Manager and UNDP.
5. Ensure close collaboration between the project and its stakeholders.
- 6.
7. Manage the recruitment and work of local and regional consultants.
8. Foster and establish links between the SLM and other capacity building initiatives in FSM.
9. Ensure SLM activities are carried out in accordance with work plans.
Other duties as may be assigned by the Project Manager from time to time.
Report to UNDP during any partite Reviews of the project that maybe scheduled by UNDP in consultation with the National Project Manager.
10. Ensure adequate representation of women and vulnerable community (youth and children) needs to promote gender equality and empowerment of women in sustainable land management, land use plans and other capacity development initiative of the project.

Qualifications

- A baccalaureate or advanced degree in a field of relevance to the objectives of the project;
- At least two years of working experience related to project management, capacity building and government;
- A good understanding of environment and conservation issues in FSM and the Pacific;
- Good understanding of the CBD, UNFCCC and the UNCCD;
- Good written communication and reporting skills;
- Good understanding of local institutions and stakeholders; and
- To ensure adequate representation of women in land management and environmental issues, applications from women are highly encouraged for the SLM MSP vacancy.

Terms of Reference

SLM Project Consultants

Objective

The Government of FSM has received funding through the UNDP/GEF to assist with the assessment of local capacity to address sustainable land management under the UN Convention to Combat Desertification (UNCCD). An important part of this project is the recruitment of consultants with expertise in land management and capacity assessment to assist in carrying out the following tasks, but it is noted that specific TORs will be prepared for each consultant based on the specific needs of the project.

1. Provide training and mentoring to counterparts as identified by the stakeholders.
2. Develop self-assessment methodology and assist the conduct of self-assessments by the stakeholders.
3. Document the self-assessment process noting successes, constraints and especially lessons learned.
4. Assist conduct workshops by the stakeholders as required.
5. Provide technical assistance as required to local counterparts and other staff in carrying out their work relating to the activities of the project.
6. Preparation and production of SLM awareness raising materials.
7. Assist the conduct of workshops and meetings for the purpose of promoting the project activities and management tools.
8. Assist the Project Coordinator in the organization and conduct of SLM meetings and workshops.
9. Review reports by other programmes and provide comments to the Project Coordinator.
10. Ensure adequate representation of women and vulnerable community (youth and children) needs to promote gender equality and empowerment of women in sustainable land management, land use plans and other capacity development initiative of the project.

Qualifications

- An advanced degree in a field of relevance to the objectives of the project;
- At least five years of working experience in capacity building, institutional strengthening, self-assessments, land management or other relevant fields;
- A good understanding of environment and conservation issues in FSM and the Pacific;
- Good understanding of the CBD, UNFCCC and the UNCCD;
- Good communication and reporting skills; and
- Some understanding of local institutions and stakeholders.
- To ensure adequate representation of women in land management and environmental issues, applications from women are highly encouraged for the SLM MSP vacancy.

Annex G: Letter of Endorsement from the GEF Focal Point

Annex H: Risk & Mitigation Matrix

Risk Type	Date Identified	Risk Description	Risk Management	Critical	Review Date	Risk Monitor
Environmental	9/7/07	Increasing vulnerability of land resources resulting from changing environmental conditions from natural and human induced factors	Realistic activities for management and increased resilience of land resources Change of project activities to suit changing needs & conditions-revision of LFA	No	Q2 2008	PMU/ State Coordinators
Financial	9/7/07	Delay in disbursement of project funds (both UNDP & Department of Finance)	1.1. Details of disbursement communicated to project management once funds transferred 1.2. Regular financial monitoring and finance procedure training 1.3. PMU to engage discussions with government finance 1.4. Regular review of business processes 1.5. Induction training for project coordinators 1.6 Review of financial procedures at UNDP and at Government level.	Not Yet	Q1 2008	UNDP/ PMU
Operational	9/7/07	Non-inclusive stakeholder involvement in the consultation/implementation process Delay in the implementation of activities	1.1 Clear guidelines where stakeholders are engaged 1.2 Participatory and monitoring of stakeholder involvement 1.1. Review of pending activities at the TPR meeting –Q2 2008	Not Yet	Q1 & Q2 2008	PMU/SD Unit/UNDP

Annex I: Letters of Co-financing



**YAP STATE
ENVIRONMENTAL PROTECTION AGENCY**

P.O. Box 178
Yap, Western Caroline Islands
Federated States of Micronesia, 96943
Tel: (691) 350-2113/2317
Facsimile: (691) 350-3892
Email: epayap@mail.fm

April 20, 2007

Akillino H. Susaia
Secretary
Department of Economic Affairs
FSM Government
P.O. Box PS-12
Palikir, Pohnpei 96941

**Re: Letter of Commitment for Co-Financing for the Federated States of
Micronesia's (FSM) Sustainable Land Management Medium Sized Project
Proposal**

Dear Sir:

This letter serves to confirm that on behalf of the Yap State Government, the Yap State Environmental Protection Agency, as one of the lead executing agencies for the above-stated Project, is committed to provide the necessary support in the form of in kind contribution as co-financing for the Project.

The Yap State Environmental Protection Agency is committed to provide \$50,000 as in kind contribution and co-financing for the FSM's Sustainable Land Management Medium Sized Project Proposal.

Should you require anything further, please do not hesitate to contact me. Thank you.

Sincerely,



Christina G.K. Fillmed
Executive Director
Yap State EPA

KOSRAE CONSERVATION AND SAFETY ORGANIZATION
Box 1007, KOSRAE, FM 96944
MICRONESIA
691 370.3673
KCSO@MAIL.FM



— Mobilizing the People of Kosrae to Protect and Improve Our Island Environment —

June 13, 2007

Mr. Richard Dictus
Resident Representative
UNDP
Private Mail Bag
Suva, Fiji

Co-Financing Commitment

FSM Capacity Building and Mainstreaming of Sustainable Land Management

This communication serves to confirm that Kosrae Conservation and Safety Organization is committed to provide support in the form of in kind contribution for the said project. We will participate in awareness activities to minimize negative impacts of waste on our land resources. Our contribution to the project will be in the amount of USD 5,000, that could be use to co-finance the GEF portion. KCSO is an environmental NGO, interested in safeguarding the island's natural resources and will support initiatives to improve the health of our ecosystems.

Mr. Andy George
Executive Director
Kosrae Conservation & Safety Organization
Kosrae State, FSM.