



**Regional Bureau for Africa  
Regional Project**

**Project Title:** Management of Environmental Services & Financing for Sustainable Development

**RBA Regional Programme Outcomes:**

1. Participation of African governments and institutions in environmental/carbon finance
2. Enhanced capacities of regional and sub-regional institutions to manage and deliver environmental services.

**Expected Project Outputs:**

- Countries familiar with building blocks of Bali road map, effectively participate in the post Kyoto post-Kyoto climate change regime and a foundation established for Africa's participation in carbon/environment finance
- Sub-regional mechanisms for managing shared environmental resources including instruments & guidelines for land use and tenure options developed and linkages to development and economic benefits strengthened.
- Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively promote and participate in Payment for Ecosystem Services (PES) using existing PES pilots as a basis for determining areas for capacity strengthening and for addressing constraints).
- Capacities of Designated National Authorities strengthened with key staff fully familiar with Clean Development Mechanism (CDM) procedures, eligibility criteria and contribution of CDM to national development priorities and CDM projects in the pipeline or under development

**Project Summary:**

This project aims to bring to the attention of African governments, the private sectors and other key regional and national stake-holders, the urgent need to find sustainable ways to restore and manage natural ecosystems, while also, establishing enabling conditions for countries to access environmental finance from emerging carbon/environmental finance markets.

Drawing on emerging lessons from initiatives currently underway both within and outside of UNDP, the project will i) build on and expand ongoing efforts of helping African governments and institutions, to effectively participate in the international climate negotiations, in particular, enhancing their understanding of the crucial Bali Road Map discussions, currently underway and their economic and policy implications within the context of the Convention, ii) act as vehicle to create awareness among regional and national partners, of the development benefits of and the interface between sustainable development and Payments for Ecosystem Services and Clean Development Mechanism and iii) contribute to efforts aimed at establishing enabling institutional, legal and regulatory frameworks required for accessing environmental and related carbon finance, needed to sustainably restore and manage natural resources.

The project will further, seek to align and synchronize activities across sub-regional and national levels and strengthen collaboration to ensure sharing of information and harmonization of actions for improved and sustainable management of shared natural resources such as water and forests

Implementing Partner/ Executing Entity: RBA/ASRO  
Project Site: ASRO/Johannesburg

Programme Period: 2009 – 2011 Project Title: RAF/09/004- Management of Environmental Services and Financing for Sustainable Development.  Atlas Award ID: 00057110 Atlas Project ID: 00070437 Start date: 2009 End date: 2011 PAC Meeting date: 29 January, 2009	Total Budget: US\$ 3.4M  Allocated Resources: US\$ 3.4M  Regional TRAC: US \$ 3.4M  Other partners: Unfunded:
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Agreed by (Regional Institution)

Date:

Agreed by (UNDP):



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Assistant Administrator and  
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Date

19/11/09

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## SECTION 1

### I. SITUATION ANALYSIS

#### A. Introduction

The 2005 Millennium Ecosystem Assessment Report (MA), an unprecedented 4-year study, conducted under the auspices of the United Nations, by more than 1300 scientists from 95 countries, demonstrated that humans depend fundamentally on ecosystems and the flow of services they provide. The study concluded that ecosystems are being used unsustainably and called for action to be taken for their conservation and sustainable use for human well being. The report further warned that it is the world's poorest people, most of whom are in Sub-Saharan Africa who will suffer most from changes to the ecosystems and the services they provide.

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**Ecosystem Services** are regarded as the benefits that human beings obtain from the ecosystem. The benefits can be categorized according to the services they provide and include:

- Supply services such as food and water,
- Regulatory services such as flood control and health,
- Cultural services such as recreation, and
- Support services that maintain favorable conditions for life on earth, such as nutrient cycling.

Despite their critical importance to sustaining life, natural ecosystems and the services they provide are taken for granted and continue to be degraded at an alarming rate. The degradation, the Millennium Ecosystem Assessment (MA) reports, is largely driven by the need to meet rapidly growing demands for food, fresh water, timber, fiber and fuel.

In addition, **climate change** has emerged as one of the pressing challenges facing the global community in the 21<sup>st</sup> century and poses a serious threat to current and future development efforts. It is also reported to exacerbate changes in ecosystems. Even though the baseline data for Africa is sketchy, the projected impacts of climate change, some of which are already being felt by countries in Sub-Saharan Africa include; worsening droughts and crop failures, water shortages, more frequent and intense storms, and extinction of species. As stated above, the combined effects of climate change and the changes in ecosystems will be felt most strongly by the poorest people, mostly in sub-Saharan Africa, who rely on the natural environment for their livelihoods. Often, in such situations, women and young girls disproportionately bear the burden of time and labor, and spend more of their time collecting water and fuel wood.

Responses to the above challenges have varied. Typically, the development community has relied on the public sector to formulate policies for preventing environmental degradation and creating incentives for the sustainable management of ecosystems. However, experience is showing that environmental conservation and management strategies crafted by government ministries, without bringing on board other non-state actors, are unlikely to be effective in protecting the integrity of critical ecosystem functions. This more so, especially, considering the fact that the key drivers of environmental and ecosystem degradation are in the productive sectors of the economy, including agriculture, forestry, fisheries, energy and transport.

On a regional and sub-regional level, the UNFCCC Bali Road Map negotiations and decisions taken by governments to agree on a framework for Long Term Cooperative Action by 2009 provided an impetus for the Regional Economic Commissions (RECs) and African governments as evidenced by two regional conferences held in West Africa in June 2007 & October 2008, hosted by the Benin government under the auspices of ECOWAS, to actively engage in dialogue and examine pathways for sustainable development, within the context of the Bali Road Map. Other Africa continent wide efforts have been led under the auspices of the African Ministerial Conference on the Environment

(AMCEN). However, AMCEN activities have not been sufficiently reflected or mainstreamed in regional and country plans, and have mostly been limited to and/or depended on almost exclusively the availability of funds from the Global Environment Facility whose allocations to Africa has been decreasing, making it a challenge to secure & mobilize requisite resources for financing the management and conservation of natural ecosystems.

Alongside regional and global efforts to address climate change and related environmental issues, UNDP launched a global project aimed at deepening understanding and enhancing cross-sector coordination capacities of policy makers and practitioners address Climate Change and enable African governments effectively participate in the Post Kyoto negotiation process. Currently the project has dedicated financial and technical resources to support only five countries in Africa, to strengthen national capacities to co-ordinate views, participate in the UNFCCC process, and negotiate positions under the 2-year timeframe of the Bali Road Map. Several other countries in the region have expressed interest in benefiting from the services and support provided by the global project but there are currently no funds available to support additional countries.

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Unless environment-related issues and commitments are incorporated in sector policies and broader economic activities, there is little chance that governments alone will succeed in establishing effective mechanisms and instruments for environmental sustainability, the functioning of critical ecosystems and the conservation of natural resources on which many of the social and economic activities depend.

In this regard, there are several pilot efforts underway, aimed at promoting new mechanisms and developing instruments to create market based incentives aimed at engaging other key stakeholders beyond the state and public entities in the conservation and sustainable management of ecosystems and the services they provide. These are mainly premised on placing a monetary value on ecosystem services; creating ecosystem markets, and the assumption that putting a price tag on ecosystem services will slow down the rate of environmental degradation while ensuring that the benefits obtained are managed in a sustainable and equitable manner. The basic concept is that those who conserve and manage ecosystems and the flow of the services are rewarded and those who benefit pay for such services.

Emerging markets to protect ecosystems while rewarding those who manage them, often indigenous communities on land and/or forest users and farmers, for good land management practices include; carbon sequestration, flood regulation, soil protection, air and water purification, biodiversity conservation, watershed protection and energy provision from traditional biomass resources.

It is equally prudent to note that "payment for ecosystem services" and "payment for environmental services" have sometimes been used interchangeably. However, "payment for ecosystem services" is considered as providing a narrow definition, limited to biological benefits provided by natural ecosystems to households, communities and economies, while "payment for environmental services" is seen to provide for a much broader definition encompassing even the services provided by the people to benefit natural ecosystems. In this context, "payment for environmental services", (PES), would be used as an incentive to maintain ecosystems and manage the services they provide.

Although notable initiatives are currently underway across the world, in sub-Saharan Africa, most governments and agencies responsible for conserving ecosystems such as Water, Forestry, Agriculture, Electricity utilities, NGOs, and the private sector are not as yet fully sensitized and therefore, do not have an appreciation of the potential benefits of PES to the sustainable management of natural ecosystems and the flow of the services they provide. This could be due to the fact that the concept of PES is relatively new, meaning that initiatives underway need the benefit of time to demonstrate their intended results, impacts and benefits, in terms of the services with incentives to both the provider and the user, the cost effectiveness of the service and the environmental sustainability of the practice.

Other reported challenges to moving beyond pilot PES schemes, identified through engagements with countries and the pilots under implementation in Africa, include:

- Lack of clear legal frameworks and institutional arrangements essential for PES
- Difficulties in mainstreaming the PES concept into institutions and existing programs
- Lack of clear property rights for buying or selling ecosystem service stewardship
- Difficulties connecting buyers and sellers as well as in negotiating and structuring deals

UNDP is also involved in pilot PES schemes in Africa covering the following ecosystem markets:

- **Biodiversity Conservation**, (GEF); mainstreaming of agro-biodiversity conservation into farming systems of Ethiopia
- **Carbon Sequestration**, (GEF); sustainable charcoal project in Kenya
- **Water purification** (GEF); a green water credits pilot project in Malawi to reduce land degradation in the Shire River Basin through improved institutional, policy and PES arrangements
- **Watershed management** (DDC in partnership with ICRAF and UNEP); Fouta Djallon, Guinea

It is important to note that while these initiatives are undertaken as pilots, they provide valuable information and lessons, for guiding actions required for transitioning and/or transforming pilots to national programs

In addition to the above referred pilots in developing ecosystem markets, the Clean Development Mechanism, CDM, one of the three flexible market mechanisms, of the Kyoto Protocol is another instrument for creating an incentive for sustainable environmental management, using carbon as a commodity CDM was meant to be an opportunity for developing countries to promote sustainable development by contributing to the stabilization or reduction of green house gas emissions, while also, benefiting from transfer of innovative and/or clean technologies from industrialised countries (governments and businesses) Unfortunately, this has not been the case for many of the countries in Sub-Saharan Africa

Reasons for this vary and include structural, institutional, policy and regulatory issues. For example, with respect to institutional challenges, for a country to participate in CDM, it has to establish a CDM-Designated National Authority, DNA; a key national structure responsible for the review and approval process. While sub-Sahara Africa has a reasonable representation of DNAs (accounting for 18% of the total), fewer than one-third have projects that have reached the validation stage with South Africa, Nigeria, Uganda, Tanzania, Ivory Coast accounting for one-third of Sub-Saharan Africa's projected CERs up to 2012

The 2007, UNDP assessment of CDM activities across the regions found that in Africa, within the DNAs established, while the level of technical skills and human resources available varies considerably between countries, a range of common constraints maintain These include:

- Limited understanding of broader climate change issues, the Kyoto Protocol and the possible contribution of CDM to national development objectives;
- Relatively low levels of awareness within governments - across sectors, including the private sector, about the CDM and its potential role in sustainable development;
- No clear policy direction on countries' sustainable development priorities;
- Limited understanding of project eligibility for CDM, particularly baseline and additional issues. CDM being a market mechanism and driven by mitigation -reduction of carbon emissions from industry, it has not been easy to find significant mitigation projects in many countries in Africa, which tend to have fewer industries;
- Limited ability to assess and review actual projects against national selection criteria due to lack of experience and/or relevant technical skills and
- Lack of understanding of the procedural steps and requirements of the CDM project cycle and the review process.

The above information suggests that some of the initial expectations about the CDM, and what it could deliver, were optimistic, or even unrealistic, including the targets established in the approved regional program document, 2008-2011 It is also evident that there are a range of barriers and constraints being faced by African countries, especially LDCs, in the CDM market that will take several years to overcome

In recognition of the need to develop understanding and capacity for CDM, UNDP formulated a CDM capacity building project, (CD4CDM), in partnership with UNEP as part of implementing the Nairobi framework, launched at COP12/MOP2 in Nairobi 2006. The project covers six countries in Southern and East Africa and is intended to amongst other things i) help countries establish and or strengthen DNAs, ii) conduct quick assessments of potential sectors and determine the potential nature and scope for CDM projects; iii) ensure that the public sector provides policy and regulatory context needed to promote and/or undertake CDM projects and iv) working through the MDG-Carbon facility, to provide a comprehensive package of services to assist project proponents with the preparation and implementation of CDM projects.

Alongside UNDP/UNEP, CDM capacity building efforts, the Common Market for Eastern and Southern Africa, COMESA, has most recently taken an active role in preparing countries to engage in carbon finance and has initiated actions to establish a fund that will finance the underlying projects and address the issue of security of resource tenure. Most importantly, COMESA is committed to ensuring that African countries are not left out of these new carbon markets and has come up with a checklist of requirements needed to develop an enabling environment for Africa to realize the benefits of Global Initiatives, and to maximize the returns to the countries through Carbon Finance. Some of the services to be provided by the COMESA Carbon Facility are intended to address the myriad institutional and policy constraints that prevent rapid evolution of private sector investment, including, i) land tenure insecurity, ii) very high transaction costs, iii) institutional and governance frameworks required to make African countries "market ready" for the new carbon regimes.

The above referred initiatives should be seen in the broader context of the road map for negotiations laid down in Bali which included a "Bali Action Plan" focusing on four main building blocks – mitigation, adaptation, technology and financing – and established a timetable under the Kyoto Protocol, with detailed steps to be taken to complete negotiations on the new emission reduction targets for industrialised countries by 2009. Most importantly, the agreement in Bali opened a new avenue related to reduction emissions from forests. This would create an opening for more countries in Sub-Saharan Africa to effectively participate and benefit from emerging environmental financing mechanisms.

However, in order to effectively participate in, and develop positions for such a challenging and complex negotiation process, developing countries, in particular those with medium and small-size economies will need to co-ordinate various concerns and views across key sectors at the national level, as well as with other relevant stakeholders, including at regional levels. This will require an understanding and appreciation by decision-makers of the key issues and elements of the Bali Action Plan complemented by the strengthening of their capacities to coordinate and develop, cross-sector policy options in the context of climate change and the international negotiations. As noted earlier, only five countries in Africa, i.e.; Namibia, Niger, Togo, The Gambia and Liberia are currently benefiting from support from the global UNDP project aimed at developing capacities of policy makers and key stakeholders to effectively participate in negotiations and subsequently address related climate change issues.

ECOWAS has also, explicitly requested UNDP to assist in sensitizing and developing the technical capacity of both its staff in the secretariat and member states, for them to better understand the negotiation process and appropriately organize to respond to climate change and benefit from emerging environmental financing schemes including CDM.

Similarly, land tenure and related security options remain the center piece of legal and regulatory aspects for both PES (for land users, farmers, communities, etc) and CDM markets, (especially in LULUCF). Well defined tenure and access rights to land and other natural resources have typically acted as a powerful incentive for creating conditions for sustainable management and investments. It has also, been documented that where communities have tenure they are most likely to invest in improving their land through soil and water conservation measures, tree planting, watershed management and biodiversity conservation. In contrast, where communities have weak or unprotected rights to use land, they will tend to "mine" it extracting as much as possible from the land in as short time period to time without investing for the future. Tenure systems and options remain a source of concern for long term investments and it is mainly the most marginalized communities who have the weakest tenure and women who are particularly discriminated against, especially in cases of

ownership and/or inheritance. Thus, improving security of tenure for millions of people in the rural areas of Africa remains a massive challenge which undermines efforts towards sustainable environmental management and the empowerment of women

In this connection, several countries in the Southern Africa Development Community, (SADC) region have embarked on incremental processes of land policy reform, aiming among other things to i) homogenise disparate tenure systems, ii) regularise and/or codify non-statutory tenure together with the necessary institutional infrastructure, and to iii) introduce more choice in terms of tenure options. Specifically, the SADC secretariat has established a SADC Land Facility whose aim is (i) to contribute to the development and/or implementation of land policy within countries in the region; and (ii) to provide a platform for collecting, promoting and sharing knowledge and expertise, lessons learnt and best practices as means for improving policies and programmes on agrarian reform in and among member countries. The core rationale for the establishment of the SADC Land Facility is to create benefits for [member] countries in ways that they could not achieve on their own in addressing issues of national interest

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Within UNDP, the Drylands Development Center, (DDC), based in Nairobi, has been assisting SADC in this effort and intends to continue its support by making the facility fully operational

## II. PROJECT IMPLEMENTATION STRATEGY

In order for countries to effectively participate in the elaboration of the post-Kyoto climate change regime while realizing the benefits of PES and CDM as innovative financing market mechanisms for the sustainable management of natural resources they need to fully appreciate the economic, social and environmental benefits to be derived from ecosystem markets, explore the potential for developing CDM projects and understand investment and financial flows needed to address climate change, in key economic sectors

Thus and working in partnership with the global UNDP project on capacity building for climate change negotiations the project will first and foremost expand current efforts of helping African governments participate in the crucial Bali road map negotiations. It will further, work in collaboration with the GEF/Biodiversity and UNDP CD4CDM regional teams to undertake analyses, document and develop evidence based knowledge products for raising awareness among regional and national partners, on the development benefits of and the interface between sustainable development, PES and CDM.

Operational linkages will be established with regional GEF teams & DDC to align and synchronize activities across sub-regional and national levels and strengthen collaboration with UNEP, ECA, SADC and ECOWAS, to ensure sharing of information and harmonization of actions for improved and sustainable management of shared natural resources such as water and forests.

Project activities will focus on the production of four core outputs, necessary for achieving the expected outcomes, i.e., i) participation of African governments and institutions in environment/carbon finance and ii) enhanced capacities of regional and sub-regional institutions to manage and deliver environmental services.

Following are envisaged outputs and related activities for each outcome.

**Expected regional program outcome:** Participation of African governments and institutions in environment/carbon finance

**Output 1:** Countries familiar with building blocks of Bali road map, effectively participate in the post Kyoto post-Kyoto climate change regime and a foundation established for Africa's participation in carbon/environment finance.

Activities will include:



- Facilitating participation of African governments and key regional stakeholders in Bali road map and establishing foundation for Post-Kyoto: building on investment and financial flows (I& FF) activities under the global project, provide direct support to countries, assisting them to coordinate and analyze cross-sector interactions of investment and financial flows in the context of climate change.
- In collaboration with the global capacity development project, providing training for key decision makers and selected African delegates on the Bali road map negotiation process.
- Identifying other regional initiatives supporting economic assessments and establishing partnerships to support follow up to assessments and help countries integrate in their development and economic plans.

**Expected regional program outcome:** Enhanced capacities of regional and sub-regional institutions to manage and deliver environmental services

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**Output 2:** Mechanism for managing shared environmental resources established including clear guidelines for land use, land security and tenure options and strengthened linkages to economic and development plans

Activities will include:

- Facilitation of regional and sub-regional level dialogue focusing on harmonization of regional frameworks & strengthening of capacities of Land, Agricultural, Water and Environment divisions in RECs to manage shared environmental resources (water and forestry).
- Targeted support through the SADC land facility and in partnership with ECA and AU, with focus on facilitating dialogue for the development of policy instruments and guidelines for land use and tenure options

**Output 3:** Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively participate in PES (and a number of countries with clear regulatory and legal frameworks to enable the development of PES schemes).

Interventions under this output will mainly focus on promoting understanding and advocacy for reconciling development and environmental needs through regional and multi-stakeholder dialogue to shift the current focus of how development affects ecosystems to how development depends on ecosystems. It is expected that this would facilitate the creation establishment of enabling regulatory and legal frameworks for the development of PES schemes

Activities will include:

- Undertaking a study of PES schemes in the region to generate evidence-based economic case for increased investment in ecosystems and the development of PES markets
- Undertaking evidenced based advocacy - linking with on-going initiatives, internal and external to UNDP, to generate valuable knowledge and develop good practices on strategies for applying PES schemes in trans-boundary settings and their integration into development, economic and poverty reduction strategies.
- Contributing to ongoing efforts to scale up PES efforts through resource mapping to identify ecosystem markets and services for selected countries and ensure that capacities for coordination and multi-stakeholder engagement are strengthened
- Expanding efforts to generating and sharing knowledge, and facilitate the development of a network of African experts and institutions engaged in PES (bringing together policy makers and practitioners, state and non state utility companies, selected private sector companies and communities)
- Contributing directly to some of the pilots to address barriers (policy, regulatory, etc) and facilitate the transitioning of pilots to national programs

**Output 4:** Countries with fully functioning Designated National Authorities (DNAs) and CDM projects in pipeline and/or under development.

The project will have a two pronged approach accounting for variations in the level of engagement in CDM. Specifically, support will focus on assisting countries that haven't ratified the Kyoto Protocol, but wish to do so, and ensuring the establishment of the institutional structure, DNA UNDP has now gained considerable experience, through ongoing CDM projects in East and Southern Africa, in establishing DNAs. Drawing on this experience, the project will serve as a vehicle for experience sharing on the potential for CDM projects in LDCs and for providing technical support in those countries wishing to establish DNAs, especially in West Africa.

For countries with existing DNA structures: Focus will be on building and strengthening competencies in areas where they have identified deficiencies but also on building linkages to potential project developers so that a CDM project pipeline can be generated. This will enable the DNAs to test their structures and procedures on real projects through a "learning-by-doing approach". Experience from the current UNDP/UNEP pilot CD4CDM suggests that hands on training with real project activities is proving to be a valuable means of building capacity of both the DNA and private sector entities. In countries where projects have been developed and are being processed, 'road-testing' of sustainable development criteria against actual projects with a view to refining the criteria would be another important task.

Activities include:

- For countries with DNAs - facilitation of peer learning and study visits to ensure adequate capacity exists to establish clear and simple sustainable development criteria that take into account
- For countries without DNAs sensitization and training of staff of units in ECOWAS, key government ministries, and selected private sector companies to understand the Kyoto protocol with particular emphasis on CDM requirements
- For all countries – support in identifying and/or linking to potential project proponents
- For all countries continued engagement and sensitization on Bali road map and related issues for negotiations

In line with the guiding principles of RBA's 2008-2011, regional program document and UNDP's role of knowledge networking, the four core outputs will be complemented by a fifth one, focused on i) sharing of resources and information on climate change issues and implications for Africa, ii) exchange of experiences on PES and CDM among partners in the region, iii) and contributing to UNDP's global knowledge network.

**Output 5:** Experiences and best practices related to PES, CDM, I&FF assessments and climate policies are disseminated through knowledge networking and targeted advocacy forums.

Activities will focus on:

- Creation of sub-regional groups and contributing to the UNDP Climate Community knowledge platform, an information resource on climate negotiations and policy that includes both English and French interfaces developed under the UNDP global project, "Capacity Development for Policy Makers to Address Climate Change".
- Contributing to efforts required for tailoring the Millennium Ecosystem Assessment (MEA) framework to relevant development situations and its application across diverse spatial dimensions.
- Establishing a dedicated knowledge network for sharing experiences and broadening access to information regarding the institutional, legal and economic requirements to establish payment for environmental services including CDM.
- Facilitating stakeholder awareness workshops, presentations and training sessions to inform and key stakeholders about PES markets and CDM.

### **Beneficiaries and Stakeholders**

This project will involve a wide range partnerships and stakeholders in its implementation. Internally, partnerships will be established with the DDC, the UNDP/UNEP CDM capacity building project, UNDP/UNEP, Poverty Environment Initiative, PEI, and GEF/PES projects in Africa. Key stakeholders will include ECOWAS, COMESA and selected countries where PES and CDM initiatives are underway, research institutions and civil society groups active in PES and/or natural resources management

The ultimate project beneficiaries are the communities, especially, low income earners, indigenous people and farmers who manage ecosystem services without recognition and rewards for the environmental services they provide, potential beneficiaries/buyers of the services; i.e., the public & private sector, government agencies and civil society organizations.

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### **Links to UNDP's priorities**

This project is aligned with UNDP's priorities in cooperation with Africa. Environment and sustainable development is a key thematic area under the UNDP program for the region (UNDP strategic plan, 2008 – 2011). In particular, it focuses on assisting countries meet their national level commitments related to international agreements on the environment. Indicative activities are guided by the imperative to enhance understanding of environmental management and environmental finance, while strengthening institutional and organizational capacities of relevant institutions, to design gender sensitive legal frameworks.

The project will contribute significantly to enhanced environmental sustainability in Africa by assisting the continent to develop its capacities to deliver much needed environmental services and to participate in environmental finance, thus assisting African countries meet their MDGs.

Direct support to safeguarding African countries from the impact of climate change, by amongst other things, helping in the establishment of comprehensive institutional frameworks for building resilience and promoting early adaptation measures, will be provided under the UNDP inter-bureau (BDP-RBA-RBAS) comprehensive program framework entitled "Africa Adaptation Program" funded by the Government of Japan, covering 19 RBA countries. The program led by BDP has been approved by UNDP by concerned regional bureaus (BDP/RBA/RBA).

### **III. MANAGEMENT ARRANGEMENTS**

**Advisory Board:** There is already an Advisory Board (AB) for the Regional Cooperation Framework III. It will also serve as the Advisory Board for this project. In this regard, the AB will provide (i) policy advice and (ii) suggestions on coordination with other agencies involved in germane projects. These services will not be charged against the project.

**Project Governance:** This will be at two levels. Overall accountability for the attainment of results and judicious use of program resources, that is, coordination, strategic direction and oversight for this project, will be the responsibility of the RBA Director, assisted by the Deputy Regional Director for the Policy and Strategy Division (PSD) in New York. Consistent with the newly defined UNDP and RBA functional structure, project implementation will be decentralised and therefore, the Deputy Regional Director in the ASRO in Johannesburg will assist with the supervision of the management of project activities.

The RBA Director will further be assisted in his functions by a Project Board, which will act as the Steering Committee (SC) for the project. The SC will be established by RBA Director and, in providing strategic guidance for the project, will (i) approve work plans, including prioritization of project activities, shifts in strategic direction when required and assessing the relevance and quality of activities, (ii) advise on coordination with other agencies involved in germane projects, and (iii) review

and approve the project's reports on activities and outputs achieved. The SC will meet twice a year to review overall progress in the implementation of the project and between meetings there will be electronic exchanges of information and video-conferences. The SC will be comprised of senior representatives of key beneficiary institutions, such as ECOWAS and EAC, international institutions (such as UNECA and AfDB), the DRD ASRO, at least one RR/RC and senior staff of BDP Energy, Capacity Development and Gender Groups. Members of the SC will be chosen for their leadership, experience and understanding of environment and sustainable development issues. Seeking gender balance will be mandatory when selecting the members of the Steering Committee. The RBA Director will delegate chairing of the SC to the RBA Deputy for PSD

**Day to Day management:** The project will be directly managed by the RBA Deputy Regional Director in the Johannesburg ASRO, who will delegate day to day responsibilities for project implementation to a Project Manager who will be recruited using project resources. The delegated responsibilities of the Project Manager will include partnership building, resource mobilization, and liaison with partners (both beneficiary and donors) and reporting on progress to both the RBA Director and partners/beneficiaries, as needed. In carrying out project management responsibilities, the Project Manager will be assisted by a project specialist to coordinate technical activities, especially those related to climate change negotiations. The Project Manager will work closely with relevant policy advisory staff in the Johannesburg and Dakar ASROs and the Headquarters-based EEG Team which will provide quality assurance for project activities. In implementing project's activities, attention will be given by the Project Manager to fostering coordination with germane activities carried out by bilateral and multilateral actors - donors, UN agencies, CSOs and policy think tanks - to seek synergies and avoid duplication

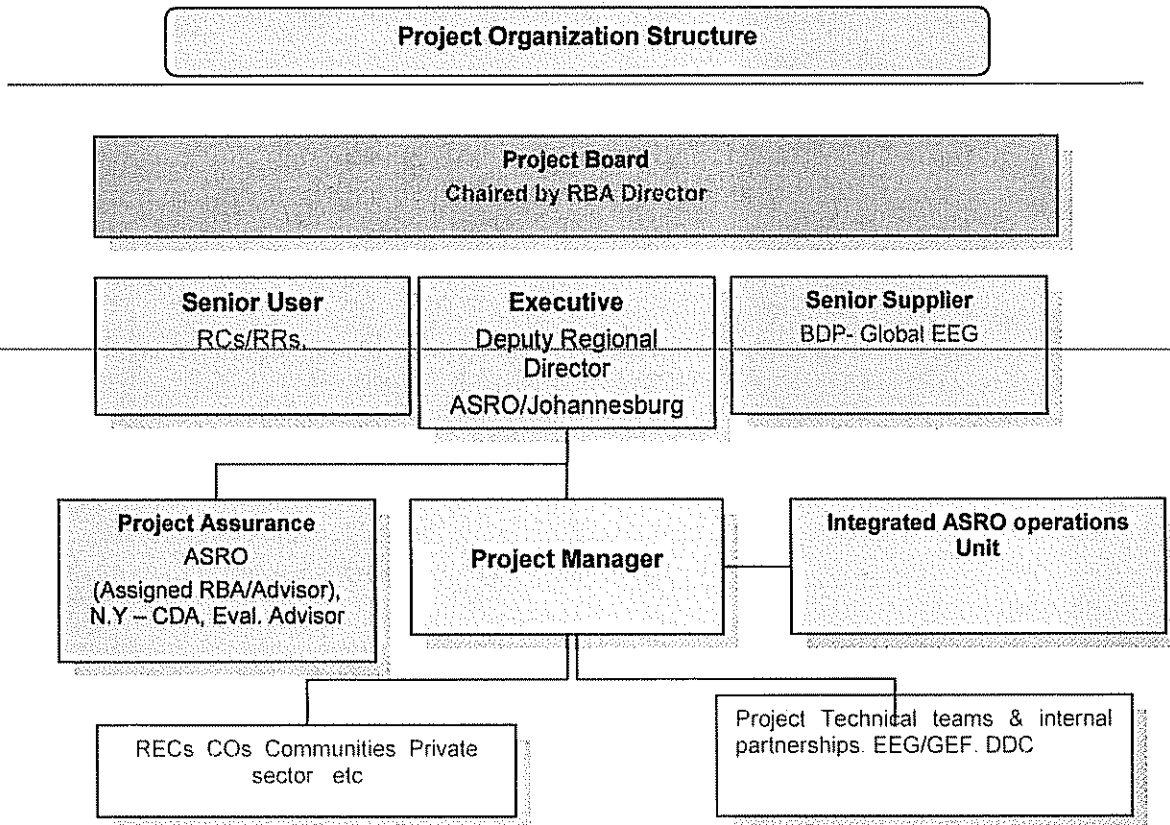
Support to operations and financial management and reporting on project activities will be provided by the Operations and Management Support Unit (OMSU) based in the Johannesburg ASRO. Where necessary, regional programme resources will be used to supplement staff costs of the OMSU.

**Execution:** In view of the critical role given to UNDP to provide assistance to developing the capacities of national and regional institutions for better management of environmental services, and the increasing need for enhanced accountability and quality assurance in line with the decentralization strategy of UNDP, this project will be directly executed by the RBA Johannesburg ASRO. In addition, there is no single UN agency with a package of expertise and experience required to support partners in a changed context of highly complex processes for addressing climate change and sustainable management of environmental resources. The RBA Evaluation Advisors will facilitate regular monitoring and timely evaluation of project activities.

**Project Assurance:** This will be delegated to the assigned RBA Advisor who will ensure i) that project commitments are in line with the resources allocated, ii) substantive compliance and overall environmental management programmatic approach as per the approved project document and iii) the timely production of quarterly updates to management and present work plans to RBA management for the allocation of indicative resources as needed. The EEG practice group in the RSC will also contribute to substantive alignment between project activities and UNDP policies and practices.

The structure below shows coordination and management arrangements.

### Management Arrangements and Coordination



#### IV. MONITORING AND EVALUATION

Monitoring of each component's inputs and outputs in relation to the objectives is an important element of project management. The goal will be to assess and track progress towards the production of outputs as set out in annual work plans against the overall project objectives and the results framework.

##### Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management Table provided in UNDP programming manual
- An Issue Log shall be activated in Atlas and updated by to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Quarterly Progress Reports (QPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project

- A monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

#### Annually

- **Annual Review Report** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes

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Annual review meetings will be used as a mechanism to track progress, promote stakeholders ownership of the programme activities and test key assumptions in design. It is assumed that this will make it possible for partners to define an agreed exit strategy based on progress made within the project financial commitments

The Evaluation Advisor in ASRO will help to design a specific project monitoring framework with clear CD indicators and tools for tracking progress with partners.

Additionally, the monitoring process will allow for an assessment of management and operations ("process evaluation") of capacity building, technical assistance and investment activities

The project will employ a third-party contractor to provide independent evaluation including verification, analysis and reporting of findings

An independent final outcome evaluation will take place six months prior to the final Programme Board meeting and will focus on the effectiveness, efficiency and timeliness of programme implementation. It will present lessons learned regarding programme design, implementation and management.

The programme outcome will be evaluated using progress indicators and parameters as reflected in UNDP Regional Programme Document for Africa (2008-2011).

#### V. LEGAL CONTEXT

This project forms part of an overall programmatic framework under which several separate associated country level activities will be implemented. When assistance and support services are provided from this Project to the associated country level activities, this document shall be the "Project Document" instrument referred to in: (i) the respective signed SBAs for the specific countries; or (ii) in the Supplemental Provisions attached to the Project Document in cases where the recipient country has not signed an SBAA with UNDP, attached hereto and forming an integral part hereof

This project will be directly executed by UNDP RBA/ASRO, based in Johannesburg

**SECTION II – RESULTS AND RESOURCES FRAMEWORK**

	<p><b>Project Title:</b> Management of Environmental Services &amp; Financing for Sustainable Development</p>
	<p><b>Intended Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Participation of African governments and institutions in environment/carbon finance.</li> <li>2. Enhanced capacities of regional and sub-regional institutions to manage and deliver environmental services.</li> </ol>
	<p><b>Outcome 1:</b></p> <p># of African countries endorsing the outcome of the 2009 Climate Change negotiations in Copenhagen</p> <p><b>Baseline:</b> African countries not familiar with Bali road map building blocks and the potential the process carries for the outcome of climate change negotiations and for unlocking opportunities for Africa to benefit from environment/carbon finance</p> <p><b>Target:</b> Countries participate effectively in climate change negotiations and Africa specific issues (financing mechanisms for adaptation and for new technologies, etc.), considered in the agreement.</p> <p><b>Outcome 2:</b></p> <p># of countries with appropriate policies relating to sustainable management of natural ecosystems, # of countries with clear security and land tenure options</p> <p><b>Baseline:</b> No clear guiding and regulatory frameworks on PES and land use management Only 2 countries in Sub-Saharan Africa with approved CDM projects and 4 with pipeline projects</p> <p><b>Target:</b> Country level PES schemes and projects underway covering East, South and West Africa At least 15 countries with pipeline CDM projects</p>
	<p><b>Applicable UNDP Areas:</b> Countries develop markets and access environmental finance to promote sustainable environmental management</p> <p><b>Partnership Strategy:</b></p> <p>Operational partnerships with be established within UNDP especially with i) EEG global project on CD for climate change to raise awareness on key climate change issues particular the Bali road map and its building blocks and possible options for post- Kyoto, and ii) GEF &amp; DDC supported pilots to contribute to efforts aimed at addressing constraints and to gather information/data required for engaging key stakeholders. Strategic partnerships will be established with non-traditional donors and private sector entities active in promoting sustainable environmental management, whether through PES or voluntary carbon markets, to leverage existing resources( financial and technical). Institutional partnerships such as with UNEP on PEI, and ECA on land issues, will be brought to bear on knowledge products and tools required to support decision making.</p>

Intended Outputs	Output targets (2009-2011)	Indicative Activities	Inputs (\$)
<b>Intended Outcome: Participation of African governments and institutions in environment/carbon finance</b>			
<p><b>Output 1:</b> Countries familiar with building blocks of Bali road map, effectively participate in the climate change negotiations and foundation in place for Africa's participation in carbon/environment finance.</p>	<p><b>Targets (2009)</b></p> <p>Core group of African negotiators fully familiar with the building blocks of the Bali road map and effectively participate in the post-Kyoto negotiations.</p> <p>Cross-sector interactions of investment and financial flows and social costs and benefits analysed and presented to countries</p>	<p>Training of decision makers and key stakeholders on Bali road map and options for Post-Kyoto</p> <p>Direct support to country analyses up to 8 (across East, Southern, Central and West Africa</p> <p>Regional workshops to present analyses and share experiences</p>	<p>- Consultants for country assessments and analyses</p> <p>Regional workshop</p> <p>Training on Bali building blocks</p>
<p><b>Baseline:</b> No clear indication of countries' understanding of Bali Road map, nor known position on Africa on climate change negotiations.</p>	<p><b>(2010)</b></p> <p>Countries with poverty reduction, economic and growth plans incorporating climate change issues and reflecting potential for mobilising environment finance.</p>	<p>Facilitate stakeholder awareness workshops and presentations on climate issues, including, CDM and PES and climate change issues</p> <p>Establish partnerships with regional institutions to follow up on analyses and assist countries identify specific projects and lay the foundation for benefiting from carbon finance</p>	<p>facilitation of study visits and production of fact sheets from ongoing initiatives, translation of French and English Resource persons/consultant, Travel and DSA, conferencing</p>
			<p><b>Est. total \$</b> <b>800.000</b></p>
<b>Intended Outcome: Enhanced capacities of regional and sub-regional institutions to manage and deliver environmental services</b>			
<p><b>Output 2:</b> Regional mechanisms for managing shared environmental resources established, including regulatory frameworks, instruments and guidelines for land use and tenure options and strengthened linkages to development and economic plans</p>	<p><b>(2009)</b></p> <p>Agreement by key sub-regional partners, ECA, ECOWAS and SADC on actions to be taken to develop a framework and protocol for harmonising actions on shared regional resources.</p>	<p>Facilitation of regional level dialogue focusing on harmonization of regional frameworks &amp; strengthening of capacities of Land, Agricultural, Water and Environment divisions in RECs to manage shared environmental resources (water and forestry)</p> <p>Targeted support SADC land facility in partnership with ECA and AU, with focus on facilitating dialogue for the development of policy instruments and guidelines for land use and tenure options.</p>	<p>Technical Assistance – DDC and/or external consultant travel and fees.</p> <p>Regional workshop</p> <p><b>Est. \$ 400.000</b></p>



<p><b>Baseline:</b> no clear regulatory and legal frameworks nor a regional protocol on harmonising actions for managing shared environmental resources</p> <p><b>Indicators:</b> Agreement and a draft framework to establish a mechanism for managing shared regional resources.</p> <p># of countries taking necessary measures to harmonise regional actions.</p>	<p><b>(2010)</b> Targeted country level support within framework of SADC Land Facility.</p> <p><b>(2011)</b> Agreement on draft regional framework to establish mechanism for shared regional resources.</p>		
<p><b>Output 3:</b> Capacities of CDM-designated DNAs strengthened and countries with CDM pipeline projects</p> <p><b>Baseline:</b> about 5 countries with technically functional DNAs</p> <p><b>Indicators:</b> Number of countries with fully functional DNAs evidenced by competent technical staff with clear established procedures for review and approval of CDM projects.</p>	<p><b>Targets (2009)</b> Key government ministries, local authorities, state and non-state utilities and private sector entities sensitized and aware of CDM, issues and its prospects (post Bali)</p> <p><b>(2010)</b> 10 more countries with fully functional DNAs</p> <p><b>(2011)</b> Countries with CDM projects under development</p>	<p>For countries with DNAs - facilitation of peer learning and study visits to ensure adequate capacity exists to establish clear and simple sustainable development</p> <p>For countries without DNAs sensitization and training of staff of units in ECOWAS and in key government ministries to understand the Kyoto protocol with particular emphasis on CDM requirements</p> <p>Targeted training on CDM</p>	<p>Exchange/study tours to countries with functioning DNAs.</p> <p>DNA regional training workshops</p> <p>Sensitization and training on climate change, CDM and issues under considerations for the Bali road map.</p> <p>Est. total : \$ <b>500.000</b></p>
<p><b>Output 4:</b> Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively participate in PES with clear policy and regulatory frameworks, enabling existing PES schemes to be scaled-up and new</p>	<p><b>Targets (2009)</b> Regional Study completed on status of PES in the region outlining prospects and opportunities, completed.</p> <p><b>Targets (2010)</b></p>	<p>Undertake studies on PES schemes in the region to generate evidence-based economic case for increased investment in ecosystems and the development of PES markets.</p> <p>Contribute to ongoing efforts to scale up PES efforts through resource mapping to identify ecosystem</p>	<p>Consultants for regional study and country resource mapping; travel and DSA</p> <p>Publication and</p>

<p>ones developed.</p> <p><b>Baseline:</b> No legal and regulatory frameworks for the development and promotion of PES</p> <p><b>Indicators:</b> Number of countries with clear legal and regulatory frameworks to promote the development of PES markets.</p>	<p>Regional forum hosted by one of the RECs, organised in partnership with development partners to share the findings and use as a basis for opening dialogue on development and economic benefits of PES markets.</p> <p><b>Targets (2011)</b> At least 5 countries with establishing regulatory and legal frameworks for PES</p>	<p>markets and services for selected countries</p> <p>Support the development of a network of African experts and institutions engaged in PES (bringing together policy makers and practitioners)</p> <p>Contribute directly to some of the pilots to address barriers and facilitate the transitioning of pilots to national programs</p>	<p>translation costs</p> <p>Conferencing for regional forum</p> <p>Direct support to countries and selected pilots; Est. total: \$ <u>500.000</u></p>
<p><b>Knowledge Networking and Management</b></p>			
<p><b>Output 5:</b> Experiences and best practices related to PES, CDM, I &amp; FF and climate policies are disseminated through knowledge networking and targeted advocacy forums.</p> <p><b>Baseline:</b> Sketchy information and data on state of ecosystems and initiatives in Africa.</p> <p>No functional network of African professional on Climate change issues, including CDM &amp; PES</p> <p><b>Indicators:</b> An inventory professionals and of PES and CDM projects with key information on processes, methodologies and actions required to establish viable PES and CDM projects.</p>	<p><b>Targets (2009)</b> Agreed framework and countries selected for assessments and documenting of case studies on PES, CDM and measures for responding to climate change</p> <p>African climate resources promoted on UNDP Climate Community knowledge platform</p> <p><b>(2010)</b> A network of professionals and institutions promoting and participating in PES &amp; other carbon related initiatives, such as CDM established</p> <p>Active portal with concrete country experiences/case studies on climate change related issues, CDM and PES, and a network of practitioners sharing knowledge and information</p>	<p>Tailoring of the Millennium Ecosystem Assessment (MEA) framework to relevant development situations and its application across diverse spatial and temporal dimensions.</p> <p>Establish an easy to access portal to link with established knowledge network for sharing experiences and broadening access to information regarding the institutional, legal and economic mapping of on-going initiatives, internal and external to UNDP, to generate valuable knowledge and develop good practices on strategies for formulating CDM projects and applying PES schemes in trans-boundary settings and their integration into development and poverty reduction strategies</p>	<p>Technical support/consultants knowledge products; Travel &amp; DSA Conferencing</p> <p>Est. total: \$ <u>400.000</u></p>
<p><b>Project Management and Implementation Support</b></p>			

<p><b>Output 5:</b> Project fully operational with M &amp; E accessible to all partners</p>		<p>Project Coordinator Project Analyst Office equipment Stationary, administration and facilities  M &amp; E</p>	<p>Staff costs, computer Rental and running costs Staff travel for monitoring and Evaluation  Est. total : \$ <u>800.000</u></p>
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**Table 1: Summary Budget for UNDP/RBA Allocation**

<b>Management of Environmental Services and Financing for Development</b>	2009	2010	2011	Total
<b>Outputs/ATLAS Activities</b>				
1. CD for Climate Change Negotiations & Environment/Carbon Finance	400	300	100	US \$ 0.800
2. Management of shared regional resources	200	200	100	US \$ 0.400
3. Capacity Strengthening (. both PES and CDM)	400	400	200	US \$ 1.0M
4. Knowledge Networking, Management & Experience Sharing	150	150	100	US \$ 0.400
5. Management Support, Coordination and M & E	300	300	200	US \$ 0.800
<b>GRAND TOTAL</b>	<b>1.35M</b>	<b>1.35 M</b>	<b>0.700</b>	<b>US \$3.4M</b>

Section III - ANNEX 1. Risk Log

Project Title: Management of Environmental Services & Financing for Sustainable Development									
#	Description	Date Defined	Type	Impact & Probability	Counter measure/ Mngt response	Owner	Award ID:		Date
							Submitted/ Updated by	Last Update	
1	Promoting the sustainable management of environmental services within the context of climate change negotiations, has become a complex political issue which will require skills beyond the technical knowledge of environmental issues. In addition, UNDP should maintain its human development stance while remaining	Dec. 2008	Strategic Political Operational	This can significantly compromise overall UNDP work and support to sustainable development in Africa.  P = 4 I = 4	UNDP at a global level working with regional bureaux continues to support and engage partners within the context of the 2007/2008 Climate Change Human development report and in full partnership with leading UN agencies, i.e., UNEP and the UNFCCC for a coordinated UN approach to	RBA Mngt and Project Mngt team	Project prep. team	December, 2008	

Project Title: Management of Environmental Services & Financing for Sustainable Development							Award ID:	Date	
#	Description	Date Defined	Type	Impact & Probability	Counter measure/ Mngt response	Owner	Submitted/ Updated by	Last Update	Status
	neutral – by not being seen as promoting any particular negotiation issue or market mechanism.				support developing countries engage in climate negotiations and consider Post – Kyoto, options for sustainable development.				
2	Speed of deploying support and delivery to partners, including availability of technical skills to support some of the project components.	Oct. 2008	Operational Organizational	P = 4 I = 4	Engagement with UNOPS already underway to agree on level, quality of service and turn around time. Partnerships pursued with existing initiatives, especially with global UNDP projects operating	RBA Mngt	Project Prep. team		

Project Title: Management of Environmental Services & Financing for Sustainable Development							Award ID:	Date	
#	Description	Date Defined	Type	Impact & Probability	Counter measure/ Mngt response	Owner	Submitted/ Updated by	Last Update	Status
3.	Time required to sensitize, engage and mobilize countries on some of the emerging market mechanisms, especially, payment for ecosystem services may delay action in promoting some of the promising measures.	Oct. 2008	Operational Strategic	P = 3 I = 2	in Africa to share information and for professional referrals.  UNDP Global EEG/GEF to continue sharing experiences emerging from ongoing pilots with the view to contribute to development knowledge on emerging issues and informing policy options.	RBA mngt. RECs, Countries and Project Mngt team	Countries and RECs		

## I. Annual Workplan

Year: 2009

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Funding Source	Amount
<p><b>Output 1:</b> Countries familiar with building blocks of Bali road map, effectively participate in the climate change negotiation and foundation in place for Africa participation in carbon/environment finance</p>	<p>Consultants for country assessments and analyses recruited</p>		X			ASRO Johannesburg, Project Manager	Regional TRAC	150,000
<p><b>Baseline:</b> No clear indication of countries' understanding of Bali Road map, nor known position on Africa on climate negotiation</p>	<p>Direct support to country assessments up to 8 across East, Southern, Central and West Africa</p>			X	X	ASRO Johannesburg, Project Manager	Regional TRAC	150,000
<p><b>Indicators:</b> At least one regional workshop jointly supported by UNDP/UNEP to familiarize and train African decision makers on key issues for the 2009 Copenhagen negotiations.</p>	<p>Regional workshops/training to present analyses and share experiences conducted</p>				X	ASRO Johannesburg, Project Manager	Regional TRAC	100,000
	<p>Facilitate participation of African governments and key regional stakeholders in Bali Road Map</p>			X		ASRO Johannesburg, Project Manager	Regional TRAC	100,000



<p><b>Targets:</b> 1) Core group of African negotiators fully familiar with the building blocks of the Bali road map and effectively participate in the post-Kyoto negotiations. 2) Cross-sector interactions of investment and financial flows and social costs and benefits</p>	<p>Facilitation of study visits and production of fact sheets from ongoing initiatives translated in English and French</p>					<p>X</p>	<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Johannesburg, Project Manager</p>	<p>Regional TRAC</p>	<p>500,000</p>
<p><b>Output 2:</b> Regional mechanisms for managing shared environmental resources including regulatory frameworks, instruments and guidelines for land use and tenure options and strengthened linkages to development and economic plans.</p>	<p>Consultant recruited</p>	<p>X</p>					<p>ASRO Johannesburg, Project Manager</p>	<p>Regional TRAC</p>	<p>30,000</p>	
<p><b>Baseline:</b> No clear regulatory and legal frameworks nor regional protocol on harmonising actions for managing shared environmental resources</p>	<p>Consultations/facilitation of regional level dialogue focusing on harmonization of regional framework</p>		<p>X</p>				<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Johannesburg, Project Manager</p>	<p>Regional TRAC</p>	<p>30,000</p>

<p><b>Indicators:</b> a) Agreement and a draft framework to establish a mechanism for managing shared regional resources. B) # of countries taking necessary measures to harmonise regional actions</p>	Regional workshop held				X			Project governments, Dakar Johannesburg, Project Manager	country ASRO and Project	Regional TRAC	30,000
<p><b>Output 3:</b> Capacities of CDP-designated DNAs strengthened and countries with CDM pipeline projects</p> <p><b>Baseline:</b> About 5 countries with technically functional DNAs</p> <p><b>Indicators:</b> Number of countries with fully functional DNAs evidenced by competent technical staff with clear established procedures for review and approval of CDM projects</p> <p><b>Targets:</b> Key government ministries, local authorities, state and non-state utilities and private sector entities sensitized and aware of CDM, issues and its prospects (post Bali)</p>	Identify Countries with functioning DNAs	X					Project governments, Dakar Johannesburg, Project Manager	country ASRO and Project	Regional TRAC	20,000	
	Consultant recruited		X					Project governments, Dakar Johannesburg, Project Manager	country ASRO and Project	Regional TRAC	50,000
	Capacity needs Assess of pilot Countries				X			Project governments, Dakar Johannesburg, Project Manager	country ASRO and Project	Regional TRAC	30,000
	Exchange/study tours to countries with functioning DNAs					X		Project governments, Dakar Johannesburg, Project Manager	country ASRO and Project	Regional TRAC	50,000
											<b>190,000</b>
											<b>150,000</b>

<p><b>Output 4:</b> Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively participate in PES with clear policy and regulatory frameworks, enabling existing PES schemes to be scaled-up and new ones developed</p>	<p>Consultants recruited</p>	<p>X</p>				<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Project</p>	<p>Regional TRAC</p>	<p>50,000</p>
<p><b>Baseline:</b> No legal and regulatory frameworks for the development and promotion of PES</p>	<p>Undertake studies on PES schemes in the region to generate evidence-based economic case for increase investment in ecosystems and the development of PES markets</p>	<p>X</p>	<p>X</p>			<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Project</p>	<p>Regional TRAC</p>	<p>45,000</p>
<p><b>Indicators:</b> Number of countries with clear legal and regulatory frameworks to promote the development of PES markets</p>	<p>Report finalized</p>			<p>X</p>		<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Project</p>	<p>Regional TRAC</p>	<p>20,000</p>
<p><b>Targets:</b> Regional Study completed on status of PES in the region outlining prospects and opportunities completed</p>									<p><b>115,000</b></p>

<p><b>Output 5:</b> Experiences and best practices related to PES, CDM, I &amp; FF and climate policies disseminated through knowledge networking and targeted advocacy forums.</p>	<p>Consultants recruited</p>	<p>X</p>				<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Project</p>	<p>Regional TRAC</p>	<p>100,000</p>
<p><b>Baseline:</b> 1) Sketchy information and data on state of ecosystems and initiatives in Africa. 2) No functional network of African professional on Climate change issues, including CDM &amp; PES</p>	<p>Tailoring of the Millennium Ecosystem Assessment (MEA) framework</p>		<p>X</p>			<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Project</p>	<p>Regional TRAC</p>	<p>50,000</p>
<p><b>Indicators:</b> An inventory professionals and of PES and CDM projects with key information on processes, methodologies and actions required to establish viable PES and CDM projects.</p>	<p>Design and launch knowledge network for sharing experiences</p>		<p>X</p>	<p>X</p>		<p>Project governments, Dakar Johannesburg, Project Manager</p>	<p>country ASRO and Project</p>	<p>Regional TRAC</p>	<p>50,000</p>
<p><b>Targets:</b> 1) Agreed framework and countries selected for assessments and documenting of case studies on PES, CDM and measures for responding to climate change. 2) African climate resource promoted on UNDP Climate Community knowledge platform</p>									<p>200,000</p>

Management Implementation Support	&	One Project Manager	X	X	X	X	UNDP/RBA, Johannesburg	ASRO	Regional TRAC	70,000
One Project Analyst		X	X	X	X	ASRO Johannesburg	ASRO Johannesburg	Regional TRAC	Regional TRAC	30,000
Rental Cost		X	X	X	X	ASRO Johannesburg	ASRO Johannesburg	Regional TRAC	Regional TRAC	20,000
M&E		X	X	X	X	ASRO Johannesburg	ASRO Johannesburg			40,000
Office Equipment & Stationary		X	X	X	X	ASRO Johannesburg	ASRO Johannesburg	Regional TRAC	Regional TRAC	50,000
<b>GRAND TOTAL</b>										<b>210,000</b>
										<b>1,365,000</b>

**Year: 2010**

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Funding Source	Amount
<p><b>Output 1:</b> Countries familiar with building blocks of Bali road map, effectively participate in the climate change negotiation and foundation in place for Africa participation in carbon/environment finance</p> <p><b>Baseline:</b> No clear indication of countries' understanding of Bali Road map, nor known position on Africa on climate negotiation</p> <p><b>Indicators:</b> At least one regional workshop jointly supported by UNDP/UNEP to familiarize and train African decision makers on key issues for the 2009 Copenhagen negotiations.</p> <p><b>Targets:</b> Countries with poverty reduction, economic and growth plan incorporating climate change issues and reflecting potential for mobilising environment finance</p>	Resource Persons/consultant recruited	X				Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	150,000
	Identify specific projects and lay the foundation for benefiting from carbon finance	X				Project governments, ASRO Dakar and Johannesburg, Project Manager		80,000
	Establish partnership with regional institutions to follow up on analyses			X		Project governments, ASRO Dakar and Johannesburg, Project Manager		70,000
								<b>300,000</b>

<p><b>Output 2:</b> Regional mechanisms for managing shared environmental resources established, including regulatory frameworks, instruments and guidelines for land use and tenure options and strengthened linkages to development and economic plans.</p> <p><b>Baseline:</b> No clear regulatory and legal frameworks nor regional protocol on harmonising actions for managing shared environmental resources</p> <p><b>Indicators:</b> a) Agreement and a draft framework to establish a mechanism for managing shared regional resources. B) # of countries taking necessary measures to harmonise regional actions</p> <p><b>Targets:</b> Targeted country level support within framework of SADC Land Facility</p>	Consultant recruited	X				Project governments, ASRO Dakar and Iqhannesburg, Project Manager	Regional TRAC	40,000
	Identify country level support in partnership with ECA and AU	X				Project governments, ASRO Dakar and Iqhannesburg, Project Manager	Regional TRAC	30,000
	Workshop held to formulate policy instruments and guidelines for land use and tenure options		X			Project governments, ASRO Dakar and Iqhannesburg, Project Manager	Regional TRAC	30,000
	policy instruments and guidelines for land use and tenure options finalized	X	X	X	X	Project governments, ASRO Dakar and Iqhannesburg, Project Manager	Regional TRAC	30,000
<p><b>Output 3:</b> Capacities of CDP-designated DNAs strengthened and countries with CDM pipeline projects</p>	Consultant recruited	X				Project governments, ASRO Dakar and Iqhannesburg, Project Manager	Regional TRAC	130,000
								100,000

<p><b>Baseline:</b> About 5 countries with technically functional DNAs</p> <p><b>Indicators:</b> Number of countries with fully functional DNAs evidenced by competent technical staff with clear established procedures for review and approval of CDM projects</p>	Training material developed	X			Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	50,000
	Training workshop organized to sensitized and trained staff of Units in ECOWAS and key government ministries to understand the Kyoto protocol with emphasis on CDM requirements		X			Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC
<p><b>Targets:</b> 10 more countries will fully functional DNAs</p>							
	Consultant recruited	X			Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	200,000
<p><b>Output 4:</b> Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively participate in PES with clear policy and regulatory frameworks, enabling existing PES schemes to be scaled-up and new ones developed</p>	Report translated in English and French		X		Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	50,000
	Report launched			X	Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	70,000



<p><b>Targets:</b> Regional forum hosted by one of the RECs, organised in partnership with development partners to share the findings and use as a basis for opening dialogue on development and economic benefits of PES markets</p>	Develop a network of African experts and institutions engaged in PES						Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	20,000
	Organize a regional forum		X				Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	70,000
	Consultants recruited								<b>260,000</b>
	<p><b>Output 5:</b> Experiences and best practices related to PES, CDM, J &amp; FF and climate policies disseminated through knowledge networking and targeted advocacy forums.</p>				X		Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	100,000
<p><b>Baseline:</b> 1) Sketchy information and data on state of ecosystems and initiatives in Africa. 2) No functional network of African professional on Climate change issues, including CDM &amp; PES</p>	Assess on-going initiatives, internal and external to UNDP		X			X	Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	50,000
	Generate knowledge and good practices on strategies for formulating CDP projects and applying PES schemes		X				Project governments, ASRO Dakar and Johannesburg, Project Manager	Regional TRAC	50,000
<p><b>Indicators:</b> An inventory professionals and of PES and CDM projects with key information on processes, methodologies and actions required to establish viable PES and CDM projects.</p>									



Year: 2011

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Funding Source	Amount
<p><b>Output 2:</b> Regional mechanisms for managing shared environmental resources including regulatory frameworks, instruments and guidelines for land use and tenure options and strengthened linkages to development and economic plans.</p>	<p>Consultation on draft regional framework to establish mechanism for shared regional resources</p>	X				Project governments, Johannesburg Manager	Regional TRAC	40,000
<p><b>Baseline:</b> No clear regulatory and legal frameworks nor regional protocol on harmonising actions for managing shared environmental resources</p>	<p>Workshop held to draft regional framework to establish mechanism for shared regional resources</p>		X			Project governments, Johannesburg Manager	Regional TRAC	20,000
<p><b>Indicators:</b> a) Agreement and a draft framework to establish a mechanism for managing shared regional resources. B) # of countries taking necessary measures to harmonise regional actions</p>	<p>draft Regional framework to establish mechanism for shared regional resources finalized</p>			X		Project governments, Johannesburg Manager		20,000
<p><b>Targets:</b> Agreement on draft regional framework to establish mechanism for shared regional resources</p>						Project governments, Johannesburg Manager		

					Consultant recruited	X		Project governments, ASRO Dakar and Johannesburg, Project Manager	country ASRO Dakar Project	80,000
<p><b>Output 3:</b> Capacities of CDP-designated DNAs strengthened and countries with CDM pipeline projects</p> <p><b>Baseline:</b> About 5 countries with technically functional DNAs</p> <p><b>Indicators:</b> Number of countries with fully functional DNAs evidenced by competent technical staff with clear established procedures for review and approval of CDM projects</p> <p><b>Targets:</b> Countries with CDM projects under development</p>	Training material developed	X					Project governments, ASRO Dakar and Johannesburg, Project Manager	country ASRO Dakar Project	50,000	
	Training workshop on climate change. CDM and issues under considerations for the Bali road map	X					Project governments, ASRO Dakar and Johannesburg, Project Manager	country ASRO Dakar Project	50,000	
	Consultant recruited	X					Project governments, ASRO Dakar and Johannesburg, Project Manager	country ASRO Project	150,000	
<p><b>Output 4:</b> Capacities of key ministries, private sector, public utilities and local communities strengthened, to actively participate in PES with clear policy and regulatory frameworks. enabling existing PES schemes to be scaled-up and new ones developed</p> <p><b>Baseline:</b> No legal and regulatory frameworks for the development and promotion of PES</p>	Identify pilot countries for establishing regulatory and legal framework for PES	X					Project governments, ASRO Project Manager	country ASRO Project	50,000	

Indicators: Number of countries with clear legal and regulatory frameworks to promote the development of PES markets	Regulatory and legal framework for TES established in 5 pilots countries				X	X		Project governments, Johannesburg Manager	country ASRO Project	25,000
<b>Output 5: Management &amp; Implementation Support</b>										<b>125,000</b>
One Project Coordinator	X		X		X		UNDP/RBA, Johannesburg	ASRO	Regional TRAC	120,000
One Project Analyst	X		X		X		UNDP/RBA, Johannesburg	ASRO	Regional TRAC	50,000
M & E			X		X					50,000
Rental Cost	X		X		X		UNDP/RBA, Johannesburg	ASRO	Regional TRAC	50,000
Stationary	X		X		X		UNDP/RBA, Johannesburg	ASRO	Regional TRAC	10,000
<b>GRAND TOTAL</b>										<b>280,000</b>
										<b>635,000</b>

## **ANNEXE 2**

### **1. Africa Adaptation Program**

<http://content.undp.org/go/newsroom/2008/may/japan-undp-to-fight-climate-change-in-africa.en;jsessionid=axbVvzt8vXD9>

<http://www.climate-l.org/2008/06/29-may-2008-the.html#top>

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