



PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission Date: March 16, 2010
Resubmission date: April 16, 2010

PART I: PROJECT IDENTIFICATION

GEF PROJECT ID¹: PROJECT DURATION: 36 months
 GEF AGENCY PROJECT ID:
 COUNTRY(IES): Regional – Algeria, Morocco, Jordan, West Bank and Gaza,
 PROJECT TITLE: Regional technical assistance and capacity building for the promotion of treated wastewater reuse in the Mediterranean/MENA countries
 GEF AGENCY(IES): World Bank
 OTHER EXECUTING PARTNER(S):
 GEF FOCAL AREA (S)²: International Waters
 GEF-4 STRATEGIC PROGRAM(S): IW - SP2/SP3

INDICATIVE CALENDAR*	
Milestones	Expected Dates mm/dd/yyyy
Work Program (for FSP)	06/04/2010
CEO Endorsement/Approval	06/15/2011
Agency Approval Date	09/30/2011
Implementation Start	12/01/2011
Mid-term Evaluation (if planned)	12/01/2013
Project Closing Date	12/30/2015

* See guidelines for definition of milestones.

NAME OF PARENT PROGRAM/UMBRELLA PROJECT (if applicable): SUSTAINABLE MED

A. PROJECT FRAMEWORK

Project Objective: : is to promote wastewater treatment and reuse in the Mediterranean and MENA region through technical assistance for policy strengthening, facilitating investments in technologies and their adoption, demand promotion and building local capacity.

The project will identify opportunities for promoting appropriate cost-effective technologies for wastewater treatment and approaches for reuse, thereby contributing the mitigating the problems of water pollution and other environmental degradation as well as of water scarcity by enhancing availability of water for agriculture and other sectors.

Project Components	Indicate whether Investment, TA, or STA ^b	Expected Outcomes	Expected Outputs	Indicative GEF Financing ^a		Indicative Co-Financing ^a		Total (\$) c = a + b
				(\$) ^a	%	(\$) ^b	%	
1. Promoting demand for wastewater reuse and building local capacity in the Mediterranean MNA	TA, STA	Opportunities for cost-effective wastewater treatment and reuse applications in the Mediterranean and MNA countries identified for priority schemes with environmental and socio-economic benefits.	Strategic assessment for WWT and reuse applications in the MED /MENA region including site-based inventories made of sites for WWT and reuse applications in the project countries. Specific/pilot cropped/irrigated areas identified and supported through technical assistance to promote demand for waste water (including building local capacity of farmers)	1,645,455	46	1,900,000	54	3,545,455

¹ Project ID number will be assigned by GEFSEC.

² Select only those focal areas from which GEF financing is requested.

<p>2. Strengthening the enabling environment for promotion of waste water treatment and reuse including building regional capacity and information sharing, and supporting high level policy dialogue (in conjunction with the KnowMED Project under Sustainable MED)</p>	<p>Inv, TA</p>	<p>Better access to new technologies, improved strategies for demand promotion and cost recovery and increased planning capacity for implementation of WWT and recycling technology in the project countries.</p> <p>Greater national commitment and improved institutional support to wastewater treatment and reuse</p>	<p>Design and implement a learning program on Wastewater Treatment and Water Reuse to be delivered by a regional institution (eg. the Arab Water Academy) and national WW treatment and reuse agencies in the countries as focal points for WWT and recycling technologies, demand generation, cost recovery etc..</p> <p>Regional reuse network and technology guidelines will be developed.</p> <p>Capacity building and awareness activities including a knowledge exchange on Wastewater Treatment and Reuse (for example, to Tunisia, As Samra WWTP in Jordan, Cyprus, Malta, Spain etc)</p> <p>Timely and accurate reporting on the IW tracking tool; and participation in IW:Learn activities (participation in IWC, IWENs etc, Website consistent with IW:Learn guidance,).</p>	<p>900,000</p>	<p>60</p>	<p>600,000</p>	<p>40</p>	<p>1,500,000</p>
<p>3. Strengthening access to technologies and improving cost recovery including supporting the promotion of appropriate technologies</p>	<p>TA</p>	<p>An increase of appropriate investments in WWT and reuse along with the use of locally appropriate technologies.</p> <p>Better planning for</p>	<p>Technical investment planning assistance provided for WWT and recycling applications for different re-use categories (irrigation, groundwater recharge, land management, ecosystems).</p>	<p>1,800,000</p>	<p>31</p>	<p>4,000,000</p>	<p>69</p>	<p>5,800,000</p>

and investment planning assistance for wastewater treatment (WWT) and reuse installations		implementing alternative WWT and recycling applications.	Appropriate, wastewater treatment technologies introduced/facilitated. Support provided for investment identification and pre-feasibility level planning for implementation of WWT and recycling applications including focus on cost-recovery					
4. Project management	Effective project management, monitoring and evaluation.			200,000	40	300,000	60	500,000
Total project costs				A4,545,455		B6,800,000		11,345,455

^a List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

^b TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE and by NAME (in parenthesis) if available, (\$)

Sources of Co-financing	Type of Co-financing	Project
Project Government Contribution	Inkind	2,000,000
GEF Agency(ies)	Credit	2,000,000
Bilateral Aid Agency(ies) SIDA	Grant	3,300,000
Total Co-financing		7,300,000

C. INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Previous Project Preparation Amount (a) ³	Project (b)	Total c = a + b	Agency Fee
GEF financing	0	A4,545,455	4,545,455	454,545
Co-financing	500,000	B6,800,000	7,300,000	
Total	500,000	11,345,455	11,845,455	454,545

D. GEF RESOURCES REQUESTED BY AGENCY (IES), FOCAL AREA(S) AND COUNTRY(IES)¹

GEF Agency	Focal Area	Country Name/ Global	(in \$)		
			Project (a)	Agency Fee (b) ²	Total c=a+b
World Bank	International Waters	Regional – MNA	4,545,455	454,545	5,000,000
Total GEF Resources			4,545,455	454,545	5,000,000

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

² Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

PART II: PROJECT JUSTIFICATION

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

Background and Main Issue

³ Include project preparation funds that were previously approved but exclude PPGs that are awaiting for approval.

The countries in the Mediterranean coastal zone are experiencing rapid development and urbanization. Increasing demands of agriculture (mainly irrigated) and tourism sectors are placing severe stresses on water and other environmental resources, particularly through rapidly increasing inland and coastal water pollution.

Unplanned development combined with little attention to environmental degradation is having an impact on the Mediterranean Sea. The gross total flow of untreated sewage disposed into the Mediterranean Sea by the southern coastal Mediterranean countries of North Africa and the Near East, is estimated at 6.4 billion cubic meters per annum. This is the main source of land-based coastal and marine water pollution. Half the urban water pollution originates from direct wastewater discharges, with one-third as residual pollution from less efficient treatment in existing plants and the balance from urban storm water runoff (TDA MED 2005). About 30 coastal towns with between 50,000 and 400,000 inhabitants discharge municipal and industrial wastewater directly into the Mediterranean Sea. The negative impacts of this pollution and resource degradation are likely to be exacerbated with climate change making the coastal zone more vulnerable.

Across the MENA region only a very low share of the water used is treated – this results from a combination of a variety of barriers to the demand and supply of wastewater treatment and reuse including on the supply side, disparate access to knowledge and capacity related to technologies, poor cost recovery from treatment plants and supply of WW, weak institutional support and coordination between ministries having overlapping or linked mandates as well as demand side issues including cultural resistance to using treated wastewater, limited local capacity, weak or non-existent local institutions (such as farmers groups) that manage the resources, and low willingness to pay for treated WW. Some of these issues relate to the weaknesses in the policy environment (water pricing, weak incentives for adoption of WWT, lack of clear institutional priorities) while low capacity and inadequate knowledge contribute to other barriers.

In principle, the demand for the treated wastewater could be very high, given the increasing scarcity of water resources and the increasing pressures from the agriculture sector and population centers. This trend has been further strengthened because of increasing climate variability, mainly long lasting droughts that the MENA region has been experienced. In some countries, this has translated to increasing attention to wastewater treatment and reuse and these countries provide the examples and knowledge base for a wider regional effort. Jordan is currently reusing as much as 90 percent of the treated wastewater. Tunisia uses 20-30 percent, with plans for expansion to 60 percent. Egypt and Syria are recycling increasing volumes of wastewater, and the Gulf countries reuse about 40 percent, mainly for irrigated fodder crops and landscaping (World Bank 2007; MENA Development report). This, together with the wastewater treatment backlog in southern and Eastern Europe reflects an ample potential for the promotion of applications of the improved treatment and reuse technologies that address local demand and are sustainable over the longer-term.

The barriers preventing the adoption of greater reuse of waste water implies a double loss – loss of recycled resources and well as the pollution generated by discharging wastewater and pollutants directly into the sea. While some countries have invested in large centralized sewage collection and wastewater treatment plants and discharge treated wastewater into the sea or the surface watercourses, they still do not capture the opportunity cost of using the scarce resource or addressing the significant residual pollution loads in those discharges. Often, these operations are also inefficient and do not attain full cost-recovery for their operations.

Thus, national investments in wastewater treatment have remained low and have often been seen as non-productive and costly. The full economic values of these investments have not incorporated the potential for reuse nor have they included the negative externalities of water pollution. Water reuse can: (a) help reduce the growing supply-demand imbalance; (b) provide irrigation water for agriculture, (c) support water-

dependent ecosystems; and (d) support groundwater recharge and reduce of coastal sea water intrusion into freshwater systems. Improved and expanded wastewater reuse represents a priority strategy for water resources and environmental management in the project countries.

The Proposed Project

The objective of the proposed project is to promote wastewater treatment and reuse in the Mediterranean and MENA region through technical assistance for policy strengthening, facilitating investments in technologies and their adoption, demand promotion and building local capacity.

The proposed Project would assist the countries in operationalizing their strategic priorities regarding the reuse of treated wastewater. The project will identify opportunities for promoting appropriate cost-effective technologies for wastewater treatment and approaches for reuse, thereby contributing the mitigating the problems of water pollution and other environmental degradation as well as of water scarcity by enhancing availability of water for agriculture and other sectors. It will help catalyze investments in treatment and reuse by promoting locally appropriate and demanded technologies that are cost-effective in the Mediterranean and MNA region. It will work to build capacity and awareness at local and policymaker levels to promote the adoption of wastewater and enhance demand for WWT and reuse.

The Project is organized in four components:

Component 1 Promoting demand for wastewater reuse and building local capacity in the Mediterranean MNA: This component would seek to address the barriers to greater demand for waste water and reuse applications through support for local capacity, support for targeted applications, strengthening local groups and institutions that can advocate for WWT and reuse (farmers groups etc) and actively manage the supply of available treated waste water. GEF incremental support would focus on conducting a strategic assessment for WWT and reuse applications in the MED/MENA region and their applicability in specific sites to be identified in project countries. These specific sites, identified through this component will also receive technical assistance in promoting demand for and managing use of treated wastewater.

Component 2 Strengthening the enabling environment for promotion of waste water treatment and reuse: This component would support regional and national capacity and information sharing on the policy and technical aspects of waste water treatment and reuse as well as high level policy dialogue (in conjunction with the KnowMED Project under Sustainable MED) and strengthening of coalitions for promotion of WWTR in country and at the regional level. GEF incremental support will focus on of the design and implementation of learning programs on wastewater treatment and water reuse (by relevant regional institutions/ center of excellence and knowledge). It would also strengthen the capacities of national WW treatment and reuse agencies in the selected countries. The work would be guided by a regional technical WWT and Recycling Committee and be implemented in conjunction with the Governance, Knowledge and Technical Assistance Project under Sustainable MED. The precise roles of the country focal points and regional committees will be defined by the stakeholders early in the project. The component will promote regional knowledge sharing, learning from the examples of countries such as Jordan and Tunisia. The component would also support the development of regional reuse network and technology guidelines.

Component 3 Strengthening access to technologies and improving cost recovery: This component would address a variety of barriers relating to the supply of treated wastewater including access to technologies and poor cost recovery. It will support the promotion of locally appropriate technologies and provide investment planning assistance for wastewater treatment (WWT) and reuse installations thus facilitating these investments. GEF support will focus on technical assistance for investment planning for WWT and recycling applications for different reuse categories (irrigation, groundwater recharge, land management,

ecosystems). It would support the identification and piloting of some wastewater treatment technologies sub-projects as well as promotion and/or pre-feasibility planning for implementation of other WWT and recycling applications. It will support and strengthen cost-recovery strategies (including appropriate pricing, links to policy etc). Thus, it will help catalyze investment in WWT and reuse applications.

Component 4 Project management and monitoring: This component would ensure effective project management, monitoring and evaluation (including GEF 4/5 indicators compliance and IW tracking tool implementation), and knowledge exchanges such as through IW:Learn.

Global Environmental Benefits

Alternative treatment and reuse approaches can be expected to reduce the current pollution and environmental costs and generate economic gains in part by low net wastewater disposal costs. The Project would contribute to the achievement of multiple environmental benefits, promote low-cost alternatives, and target high-waste water reuse efficiency towards zero-waste discharges into the Mediterranean Sea and larger surface and aquifer water. The global environmental benefits that this project would contribute to are: (a) to reduce wastewater discharge and to reduce its nutrient and pollutant content, thereby contributing to improved water quality and biodiversity in the Mediterranean Sea; and (b) to increase the reuse of treated wastewater for agriculture and the environment, including reducing pressure on non-renewable aquifers.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL/REGIONAL PRIORITIES/PLANS:

Several countries in the MEDA/MENA region have adopted reuse as a national strategy with plans to recycle the available wastewater for different environmental and socio-economic reuse categories. The latter include irrigated agriculture, forestry and fish farming, aquifer recharge, and support of water dependent dryland and coastal ecosystems, wetlands, and biodiversity. There is also scope to introduce reuse in the growing tourism areas including the coastal cities along the Moroccan coasts. Given the objective to improve income and living conditions in rural communities, reuse offers an opportunity for cost-effective and safe wastewater disposal as well as improved agricultural productivity in Morocco, Jordan, and the West Bank and Gaza. However, investments in wastewater treatment and reuse has remained low, with the need for technology and institutional support to mobilize reuse evenly and as an alternative to the current baseline with high losses, degradation and inefficient use of the scarce water resources in the region. The regional systems approach for assessment and introduction of safe and acceptable technology aims at leveraging and mobilizing productive reuse installations in the project countries and the other countries in the MED/MENA region. Morocco, Jordan and West Bank and Gaza have potential and high demand for expanded safe and affordable reuse and are representative for the countries' needs. Syria has also expressed interest in joining the project, given the growing prospect for tourism development along its coast as well as the need for improved and cost effective irrigation patterns. This participation will be confirmed during the preparation phase.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH [GEF STRATEGIES](#) AND STRATEGIC PROGRAMS:

The primary strategic priorities of the proposed Project are fully consistent with those of GEF's International Waters. Specifically, the expected improvement in wastewater treatment (both a reduction in volume and the nutrient level) is in line with SP2. The use of treated waste water of acceptable quality would be used for appropriate agricultural operations and to replenish aquifers, support ecosystems, etc., and this would therefore contribute to the International Waters SP3. The Project also corresponds well to the six criteria used to present the IW Focal Area based on the strengths and weaknesses of the IW projects (IW Program Study, 2004).

D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES:

GEF grant incremental financing would provide catalytic support for developing a regional program of investments in wastewater treatment and reuse that would directly address two of the critical issues affecting the Mediterranean ecosystem – the pollution caused by discharges of untreated or poorly treated wastewater into the Mediterranean and other large water courses entering it; and the degradation caused to coastal and other ecosystems due to the drawdown of aquifers and other water resources for meeting the increasing demands of agriculture and growing economies in the Mediterranean MNA countries. The key issues related to wastewater treatment and reuse relate to inadequately channeling demand for water resources to treated water and provision of treatment of wastewater efficiently and on a cost-recovery basis. The project seeks to address these barriers and thereby promote significantly the adoption of treatment of wastewater and its reuse in the region.

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

In the Mediterranean region, the outcomes and global environmental benefits under the Project respond to enhanced international cooperation on wastewater recycling for accelerated, cost-effective implementation of the adopted targets under the Barcelona system. These targets include those of the MAP/MEDPOL (1978), LBS Protocol (1996), Protocol on Coastal Zone Management, 2008, SPA and Biodiversity Protocol 1995, and SAP MED, and SAP BIO. They support regional water security, water productivity and additional water supplies for socio-economic and environmental uses, with reduced international water pressures and vulnerability to climatic variability in the water scarce MENA-MED region. The Project supports the EU WFD (2000/60/EC) including its objective of achieving good environmental status of water bodies, and the Urban Wastewater Treatment Directive (91/271/EEC) for the protection of the environment from the adverse effects of wastewater discharges. The Project further is aligned with current initiatives within the EU-MED partnership and EU neighborhood policy as well as the Horizon 2020 initiative for depolluting the Mediterranean Sea, which is a priority of the Sustainable MED umbrella program. The Project will closely work with the Governance, Knowledge and Technical Assistance Project of Sustainable MED, and will jointly deliver component 3 to capitalize on the resources available, both human and financial, for the two projects and also the resources of the Marseilles Center for Mediterranean Integration.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :

Baseline scenario. Some efforts have been undertaken to improve wastewater treatment and reuse but the results so far have been limited due to a variety of reasons, which continue to persist. The base case therefore assumes continued sewage disposal into the Mediterranean Sea at significant levels. Improved water treatment would gradually be adopted, but only slowly, and given the developing water scarcities, water reuse for agricultural and other purposes would also continue to increase, but at a low rate.

Value added of GEF involvement. GEF resources would be strategically and incrementally used to support activities aimed at creating the enabling conditions for the participating countries to move more substantially toward better wastewater treatment and reuse. GEF resources itself will be relatively small, but they will be catalytically used to leverage additional funding and influence the policy direction and investments. The incremental values of the proposed GEF-supported operation would materialize due to: (a) increased wastewater treatments, adopted more rapidly than in the base case, and thereby leading to a more significant reduction of nutrient flows into the Mediterranean Sea; and (b) a faster increase in the reuse of treated wastewater of an acceptable quality. This would provide additional safe water supplies, increased agricultural productivity with plant nutrition benefits as well as better protection of coastal wetlands and ecosystems. It is also hoped that the GEF involvement would produce demonstration effects, thus inducing others to adopt the new approaches and drive investments elsewhere either at the national or regional level. The Project provides the incremental costs for a coherent and practical treatment and reuse technology and

systems approach, with scope for achievements of global benefits, country and stakeholder involvement, cost-effectiveness as drivers for direct replication, catalysis and funding leverage, and specific institutional support for technology, stakeholder mobilization and financial mechanisms. Also, through intervention at the regional level, the project will promote cross-fertilization of technologies, approaches and knowledge across sectors and countries and through the Sustainable MED program is expected to have a wider impact than just through specific investments in countries. The relatively limited GEF activities will help increase investments and will later enable the GEF support to cease or be refocused.

Under the GEF alternative, the cost streams would likely also be higher than under the baseline scenario, since additional investments would likely be required. But likewise, the overall benefit streams would also be higher. The main expected outcome of the incremental analysis would be that net increment benefits under the GEF alternative would be higher.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED, AND IF POSSIBLE INCLUDING RISK MITIGATION MEASURES THAT WILL BE TAKEN:

The following risks are considered relevant to the Project

Risk	Risk Rating	Mitigation Measure
There is limited or non-sustainable cooperation between the individual Mediterranean and MENA countries	Low	Regional commitments made under the MED/MAP plan and cooperation under Barcelona Convention, the Sustainable MED, and EU-supported and regional and neighborhood policy and de-pollution initiatives provide the framework for cooperation.
Low demand by farmers for reuse water	Medium	The barriers to demand of wastewater are well recognized by the project and project activities are targeted to address these barriers through a combination of capacity enhancement, public awareness, strengthened policy and institutional coordination as well as through the demonstration effect of pilot activities.
Inadequate cost-recovery/poor willingness to pay for treated wastewater enhancing risks to financial sustainability of investments	High	The project notes the policy weaknesses that result in low incentives for cost-recovery and will seek to address them through its activities to strengthen the enabling environment. Cost recovery is a strong focus in all the components and efficiencies will be sought through local management of facilities oriented towards local demand. A combination of promotion of cost-effective locally appropriate technologies with demand promotion activities will likely increase the willingness to pay.
The project is unable to catalyze investments in WW reuse infrastructure due to macro factors (recession etc).	Medium	This issue has been given considerable priority in the various country strategic plans for integrated environmental and water resources management. Further, with the demand for the technologies (based on the demand for water and the results of demonstration) there is likely to be interest in such investments. Further, the project will identify like partners and seek to promote such investments.
Climate variability and change	Medium	<i>In the short term</i> , the project is highly sensitive to water availability during the implementation period: more precipitation could reduce demand for WWT and reuse, while drought conditions would increase uptake by the target user groups. To address this risk, the project will invest strongly in public awareness building in combination with the strong cost-recovery focus outlined above. <i>In the mid and long term</i> , projected climacteric changes in the region associated with reduced water availability will increase the need for WWT and reuse and user uptake, with the project also having a positive impact in increasing climate resilience. Potential risks

		associated with siting of pilot infrastructure (e.g. exposure to SLR or exceeding handling capacity due to extreme events) will be carefully assessed and addressed at the design stage for each individual pilot investment.
Lack of sharing of information and capacity among countries	Medium	The purpose of the regional program envisaged within this project is to ensure that sharing of information and economies of scale for planning and implementation activities – hence, learning, knowledge sharing and regional capacity building activities are embedded within the project.

H. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:

The Project will provide cost-effective technical assistance that promote national investments for better wastewater treatment and reuse technology and least-cost/multi-benefit alternatives for full-scale replications to generate multi-environmental benefits and synergies. At the ecosystem level, the project would contribute to reduced LBS sea pollution and nutrient inflows, sustainability of coastal and groundwater dependent ecosystems and biodiversity, control of land degradation and sedimentation and water security, protection and productivity with urban and irrigation reuses and managed recharge for protection and reduced evaporation losses, and seawater intrusion in coastal aquifers. The specific benefits of the individual investment activities will be monitored and quantified at the time of their implementation. The multi-benefits are expected to drive effectiveness and implementation to progress and cooperate on the priority alternative options for water recycling. At the operational level the Project would include continuous analysis and provide accounting of the cost-effectiveness of demonstrated reuse methodology.

I. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY:

The Project is part of the Sustainable MED program, with a focus on a specific technology and systems approach of wastewater reuse, and it represents a continuation of the targets and activities under the World Bank METAP program completed in mid-2009. The comparative advantage of the World Bank is further based on its experience as a leading financial institution at global scale with established cooperation in social, economic and environmental sectors including water resources, water supply and sanitation, land and agriculture, and development planning. In particular, the MENA region of the World Bank has significant experience in and strong programs of both investments and technical assistance in water resources management and water supply and sanitation, including on wastewater treatment and reuse, desalinization, coastal pollution, managing environmental externalities etc. At the global and MENA levels, the World Bank has strong experience with institution-building, infrastructure development and policy reforms in the International Waters area and as well across the other focal areas of the GEF. The World Bank benefits from a long presence in the MEDA/MENA region with policy, institutional and mobilization of financial resources to leverage investments and implementation at regional and national levels.

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

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

(Please attach the [country endorsement letter\(s\)](#) or [regional endorsement letter\(s\)](#) with this template).

NAME	POSITION	MINISTRY	DATE (<i>Month, day, year</i>)
Saleh Al-Kharabsheh	GEF Operational Focal Point; Director, Projects Department	Ministry of Planning & International Cooperation, Amman Jordan	October 27, 2009

Mohamed BENYAHIA	Director of Partnership, Communication and Cooperation, State Secretary in Charge of Water & Environment	Ministry of Environment, Rabat, Morocco	October 28, 2009
.Dr. Mohammedila	GEF Operational Focal Point;	Environmental Quality Authority, Palestinian National Authority	October 2009

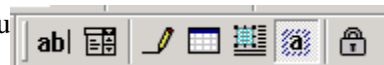
B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Steve Gorman, World Bank GEF Agency Coordinator			Dahlia Lotayef, Sr. Environmental Spec., MNSSD	202-473- 5439	dlotayef@worldbank.org

GEF Trust Fund PIF Preparation Guidelines
(This template is applicable to both FSPs and MSPs)

Unlocking instruction: The template, by default, is locked to allow the pull-down menu to function. However, in order to access the various documents through the hyperlink, the template has to be in an unlocked form. To unlock the template follow this path: Go to **View > Toolbars > Forms**. You will then see a pop up menu



Click on the right most icon (a lock) to unlock.

When inputting information in the fields in the template, please use the “locked” mode.

Length of PIF Submission: We recommend the PIF to be as short as possible (4-8 pages), excluding Part III of the template.

Submission date: self explanatory

PART I: PROJECT IDENTIFICATION

The first part is the project core information and standard selections are provided to the extent possible for ease of preparation. The Strategic Programs for each focal area have to be filled in manually, due to limitations by Microsoft Word which prevented the provision of the full range selections for all focal areas through a pull-down menu. For convenience, the strategic programs (SP) in each focal area are listed below. Please write exactly as indicated below. For example, fill in **BD-SP1-PA**, not just SP1 or any other combination.

Biodiversity	Climate Change	International Waters	Land Degradation	POPs*	ODS*	SFM*
BD-SP1-PA Financing	CC-SP1- Building EE	IW-SP1- Coastal Marine Fisheries	LD-SP1- Agriculture	POPs-SP1- Capacity Building	ODS- SP1	SFM-SP1- Financing
BD-SP2- Marine PA	CC-SP2- Industrial EE	IW-SP2- Nutrient Reduction	LD-SP2- Forest	POPs-SP2- Investment		SFM-SP2-PA Networks
BD-SP3-PA Networks	CC-SP3- RE	IW-SP3- Freshwater Basins	LD-SP3- Innovation	POPs-SP3- Demonstration		SFM-SP3- LULUCF
BD-SP4- Policy	CC-SP4- Biomass	IW-SP4- Toxics/Ice				SFM-SP4- Policy
BD-SP5- Markets	CC-SP5- Transport					SFM-SP5- Markets
BD-SP6- Biosafety	CC-SP6- LULUCF					SFM-SP6- Biomass
BD-SP7- Invasive Alien Species (IAS)						SFM-SP7- Forest
BD-SP8- ABS- Capacity Building						

* POPs = Persistent Organic Pollutants; ODS = Ozone Depleting Substance; SFM = Sustainable Forest Management

Indicative Calendar: Firstly, it is well understood that the dates are subject to change as new developments unfold. The expected CEO endorsement date for FSPs and MSPs will be included in the PIF clearance letter from CEO to the Agencies. In fixing these milestones, please take into account project cycle paper provisions of not exceeding 22 months from PIF/work program approval by Council to CEO endorsement. For MSPs, the maximum is 12 months from the time the PIF is approved by CEO to its final approval. The GEF Management Information System will be sending alerts to the Agencies about a month prior to the dates indicated in the letter to alert Agencies of these impending deadlines. It is therefore advisable that should there be any anticipated delay in the endorsement/approval date, Agencies should inform GEFSEC immediately and seek GEF CEO’s agreement to the new dates/milestones. For all other dates on the template (i.e. Agency approval, Mid-term review, etc.), Agencies should inform GEFSEC of any deviation from those indicated in the PIF template so that the GEFSEC database could be updated to reflect the changes. Agencies should also indicate any change in the milestone dates in its annual implementation reports submitted to GEFSEC. In order to avoid confusion on the various terms under the Indicative Calendar section, please refer to the definitions below:

GEF Agency Approval - The date on which the GEF Agency Board or Management approves the Grant proposal. This is equivalent to the WB's Board approval date, UNDP's Project Document signature date, or IFAD's approval date.

Implementation Start - The date on which project becomes effective and disbursement can be requested. This is the equivalent to the WB's grant/legal agreement effectiveness date and UNDP's Project Document Signature Date. This is also the trigger date for the Trustee to allow Agencies to apply for disbursement.

Project Closing - This is the date when all project activities are financially committed, but not necessarily all disbursements completed. Generally, Agencies provide a grace period of 6 months, or more, for final disbursement after project closing, but the sums paid may not be increased from the amounts originally committed. Agencies should submit a report to GEFSEC and the Trustee on the financial closure of the project.

A. ***Project Framework***: The main objective of the section is to sketch out the overall design of the project and to provide information about what the GEF grant will finance in relation to other sources of funding.

Since many agencies utilize their own terminology for project design, it is important to clarify what the Secretariat is asking for under each heading. The definitions are based on those developed by OECD/DAC, *Glossary of Key Terms in Evaluation and Results-Based Management* (2002).⁴

Project Objective (refers to OECD/DAC *development objective*): intended impact contributing to global environmental benefits via one or more development interventions.

Outcomes: The likely or achieved short-term and medium-term effects of an intervention's outputs (e.g. energy efficiency of existing heat and hot water supply companies in X city improved, new trust fund for the conservation of the PAs established, laws and bylaws approved to reduce impact of forestry practices on biodiversity)

Outputs: The products, capital goods and services which result from a development intervention, and are relevant to the achievement of outcomes. Outputs should be as concrete as possible at this stage; if it is not possible to give a discrete number for quantitative outputs providing a quantitative range would be helpful (e.g. x-staff trained to operate and maintain an early warning system, data capture in x-regions of coastal lowlands).

The **Project Component** is the division of the project into its major parts; an aggregation of a set of concrete activities (e.g. strengthening regulatory and legal frameworks, introduction of innovative financial mechanisms, investment to overcome financial barriers to energy efficient technologies, institutional capacity building)

The **indicative financing of the project** should be broken down by Project Component. For each component also indicate whether it is of investment in nature, technical assistance, or scientific and technical analysis. Here, A=Indicative GEF Financing; B=Indicative Co-financing.

The percentage under the indicative GEF and co-financing is the percentage of GEF or co-financing of the total amount for the component, i.e. the amount listed under GEF and Co-financing for a particular component should add up to 100% of the component total (add horizontally).

B. ***Indicative Co-financing for the project by source and by name (in parenthesis, if available), (\$)***: Indicate the estimated sources of co-financing by the co-financing source categories listed in the first column. Sources indicated are general categorization of co-financiers at this stage. However, if more specific information on the names of co-financiers is available, please include the names after the category (in parenthesis). In the column on types of co-financing, please pull down menu to select whether the co-financing is a grant, soft loan (or concessional loan according to OECD classification), hard loan, guarantee, in-kind contribution or unknown at this stage. B= Indicative Co-financing.

C. ***Indicative Financing Plan Summary for the Project (\$)***. Provide the total indicative GEF grant and co-financing amounts. Please note that the co-financing amounts do not receive an Agency fee. In the project preparation column (the 2nd), please include preparation funding received previously either through PDF-A or PDF-B and indicate as a footnote on whether the grant is given under GEF-3. This template excludes the reporting of new PPG amount, either submitted together with PIF or to be submitted at a later date. Total amount column is the sum of previously funded project preparation grant and the project grant and does not include Agency fee. The last column on Agency fee is calculated based on the total amount in the previous column. In providing Agency fee amount, especially in Table D where there is split between/among Agencies, the rule is that total amount should not exceed 10% following the Fee Policy provisions. If for whatever reason the amount is less than 10%, please provide explanation since we will

⁴ The full glossary in English, French and Spanish is posted on the following website:
<http://www.oecd.org/dataoecd/29/21/2754804.pdf>

follow whatever amount Agency requested as long as it is within the 10% limit. The explanation should be included in the cover letter that accompanies the submission of PIF to GEFSEC. A=Indicative GEF Financing; B=Indicative Co-financing.

- D. GEF Resources requested by Agency (ies), focal area(s) and country (ies): This table provides the share of the project amount by focal area, Agency and country. No project preparation grant is included in this table as the preparation grant amount is captured separately in the PPG template. For biodiversity and climate change focal areas, this section provides the amount of resources used by the country from its RAF allocation. For non-RAF focal areas, leave 3rd column blank. For single country, single focal area and single Agency implemented projects, this table should be skipped.

PART II: PROJECT JUSTIFICATION

- A. When discussing the issue, state the background and baseline, discuss how the project seeks to address it (GEF alternative), and the expected value added of GEF involvement and global environmental benefits to be delivered (incremental reasoning).
- B. State if the proposed project is consistent with country/regional priorities and how it builds on ongoing programs, policies and political commitments. Responding to this question will also show country ownership of this project.
- C. Describe the project's consistency with the GEF focal area strategies and fit with strategic programs. All projects have to be consistent with the focal area strategies to be eligible for GEF financing.
- D. Justify the type of financing support with resources provided by the GEF. For instance, explain the rationale to provide a loan rather than a grant, or setting up of revolving funds, etc.
- E. Describe the coordination with other GEF agencies, organizations, and stakeholders involved in related initiatives; if similar projects exist in the same country/region, including GEF projects, report on synergies/complementarity with this proposal and demonstrate that there is no duplication.
- F. Refer to the June 2007 Council paper on incremental reasoning which is linked to this section. The objective is to describe the situation that would happen without GEF support and what would be the expected change in global environmental benefits. This differs from Section A in the sense that the former describes what the project will deliver while this section describes the question: what if there is no GEF support?
- G. The objective is to ensure that in designing the project, all risks, including climate change risk have been taken into consideration and that proper measures are in place and that the project is resilient to climate change. Please outline the risk management measures, including improving resilience to climate change, that the project proposes to undertake.
- H. Demonstrate that the selected project design is the best use of the GEF funding for achieving the global environmental benefits described in the project (e.g. \$/ton of CO₂ abated). One way of showing the proposed project is cost-effective is to demonstrate alternatives that may not be as cost effective. If cost-effectiveness is not presented at PIF, outline the steps that project preparation would undertake to present cost-effectiveness at CEO endorsement.
- I. Use the matrix of comparative advantage as a guide (a link to the paper is provided). If the GEF Agency is within the comparative advantage matrix, please provide a short sentence to justify its comparative advantage. However, if the Agency has good reason to implement the project even though it is outside the comparative advantage matrix for the particular type of project that it is proposing, the Agency should provide more detailed justification in this section.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(CIES). (The following sections are signatures of respective authorities and do not count as the four-page limit to the PIF).

- A. Record of endorsement of GEF Operational Focal Point (s) on behalf of the government. Please add fields to this section if more than one country is involved in the project. There are two types of endorsement letters linked to this section: one for regular projects while the other for regional projects, basically to provide a section where detailed information regarding the allocation of the project amount by focal area, by Agency and by country is provided.
- B. GEF Agency(ies) Certification: This section provides Agency's certification to the submission as well as contact information for project.