PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission Date: 05/01/2009

PART I: PROJECT IDENTIFICATION

GEF PROJECT ID[1]: PROJECT DURATION: 60 months
GEF AGENCY PROJECT ID:
COUNTRY: Tunisia
PROJECT TITLE: Tunisia Greater Tunis Treated Wastewater Reuse Project
GEF AGENCY: World Bank
OTHER EXECUTING PARTNER(S): Office National de L'Assainissement (ONAS) in collaboration with Ministère de L'Environnement et du Développement Durable (MEDD) ; Agence National de Protection de l'Environnement; Ministère de l'Agriculture et des Ressources Hydrauliques; Ministère du Domain de l'Etat et des Affaires Foncières
GEF FOCAL AREA (S)[2]: International Waters
GEF-4 STRATEGIC PROGRAM(S): IW-SP2
NAME OF PARENT PROGRAM/UMBRELLA PROJECT (if applicable**): MEDITERRANEAN SUSTAINABLE DEVELOPMENT PROGRAM (SUSTAINABLE MED)**

INDICATIVE CALENDAR*	
Milestones	**Expected Dates mm/dd/yyyy**
Work Program (for FSP)	07/01/2009
CEO Endorsement/Approval	03/01/2010
Agency Approval Date	06/01/2010
Implementation Start	07/01/2010
Mid-term Evaluation (if planned)	03/01/2011
Project Closing Date	12/31/3015

* See guidelines for definition of milestones.

A. PROJECT FRAMEWORK

Project Objective: The objective of the Project – a part of the SUSTAINABLE Med Program - is to reduce treated wastewater discharge from Greater Tunis into the Gulf of Tunis, an environmentally sensitive area of the Mediterranean Sea, and to scale-up the reuse of treated wastewater in agriculture and promoting recharge of over-exploited aquifers. project will thereby contribute directly to reducing pollution and improving water quality in the Mediterranean Sea and to biodiversity conservation in the ecosystems of the Gulf of Tunis It will support key investments, strengthen capacity and monitoring frameworks, and contribute to regional partnerships towards the implementation of the priorities of the National Strategic Action Program.

Project component	Type (Investment, TA, STA)	Expected Outcomes	Expected Outputs	GEF financing		Co-financing		Total
				USD	%	USD	%	USD
1. Transfer of Treated Wastewater from Mediterranean Sea to Inland Areas for Reuse	Investment	Number of m3 not discharged in the Mediterranean Sea; Number of m3 reused in agriculture, number of m3 reused for aquifer recharge.	Transfer Infrastructure in place	**5,600,000**	1	**507,200,000**	99	**512,800,000**
2. Improved quality treated wastewater discharge into the Mediterranean Sea in case of emergency	Investment	1. Safe disposal of treated wastewater, complying with EU standards; 2. Improved health of coastal ecosystems and marine environment in the Gulf of Tunis	Infrastructure in place	**0**	0	**30,000,000**	100	**30,000,000**

[1] Project ID number will be assigned by GEFSEC.
[2] Select only those focal areas from which GEF financing is requested.

Technical Assistance, Capacity-Building and Monitoring Arrangements	TA	Number of farmers trained in safe use of treated wastewater in agriculture. Monitoring of project impacts and improved environmental management.	Training, capacity building, and studies, baseline surveys and impact evaluation of project financed infrastructure; Participation in IW:Learn activities (participation in IWC, IWENs etc, Website consistent with IW:Learn guidance,)	**2,400,000**	20	**9,400,000**	80	**11,800,000**
Feasibility Studies and Project Management	TA	Quality Design of Project Components	Feasibility Studies	**0**	0	**400,000**	100	**400,000**
Total				**8,000,000**	5	**547,000,000**		**555,000,000**

[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	Cash	107,000,000
GEF Agency(ies)	Hard Loan	140,000,000
Others	Unknown at this Stage	300,000,000
Total Co-financing		547,000,000

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	8,000,000	8,000,000	800,000
Co-financing	0	547,000,000	547,000,000	
Total		555,000,000	555,000,000	800,000

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	International Waters	Tunisia	8,000,000	800,000	8,800,000
		Total GEF Resources	8,000,000	800,000	8,800,000

[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:

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

Background and issues:

Tunisia has to manage scarcity and high variability of water supplies. Current availability is only 4.2 billion m3 or 480 m3 per capita, compared to a regional average of 1,100 m3 and a global average of 6,600 m3. Rainfall in Tunisia represents 36 billion m3 per year or a national average of 234 mm. However, rainfall patterns are highly variable across time and across different parts of the country, with some areas receiving four times this national average and some areas only a fourth, based on over a hundred years of rainfall measurements. Groundwater provides two thirds of the water supply but is only 44 percent of the resource. As a result, one third of the country's aquifers are severely over-exploited. . Moreover, Tunisia is one of the few countries in the world where models concur that there will be significant reduction in available water resources under a changed climate. Projections include up to 20% less rainfall; 40% reduction in runoff and severe water stress due to projected 4C temperature increases by the end of the century with a 1C increase already observed since the 1960's. The limited water resources coupled with water stresses, are compounded by the fact that agriculture utilizes 80% of the country's water resources and employs almost a quarter of the workforce, with 90% percent of arable lands located in arid and semi-arid zones.

In parallel, the discharge of treated wastewater contribute to threaten the coastal and marine ecosystems in the Gulf of Tunis, resulting in adverse economic and environmental impacts, including adverse transboundary effects. The Tunisian coast has been identified as a pollution "hot spot" for priority investments under the Strategic Action Program for the Mediterranean basin (SAP MED), the Strategic Action Program of the Mediterranean Action Plan (SAP-MAP) under the Mediterranean Sea Large Marine Ecosystem Strategic Partnership, a joint initiative of the countries of the Mediterranean Sea basin to address shared environmental problems that are transboundary in nature.

About 2.3 million people currently live in the Greater Tunis area. Over 85% of the population has access to piped wastewater collection. Currently, 96 million cubic meters of wastewater are collected and treated annually in one of the existing wastewater treatments plants (WWTPs). These WWTPs are equipped with performant treatment systems, but do not include nutrient (Nitrogen and Phosphorus) removal treatment.

The baseline situation is that currently about 13 million cubic meters of treated wastewater is reused in agriculture and watering of green areas by municipalities. the remaining 83 million cubic meter of treated wastewater are discharged at the shore of the Gulf of Tunis (86% of the volume collected). The National Sanitation Corporation (ONAS) is working to expand its wastewater collection system, in order to minimize the discharge of untreated wastewater in the Bay of Tunis. By 2020, wastewater produced in the Greater Tunis area is expected to reach 200 million cubic meters a year, while the potential for treated wastewater reuse in the Greater Tunis area is estimated at 68 million cubic meters a year. In order to respond to the deficit of infrastructure for wastewater treatment and the fast growing pace of Greater Tunis, ONAS is also expanding its treatment capacity by 58% with the development of two additional WWTPs, one of them currently under construction, with funding from the World Bank support under the on-going Tunis West Sewerage Project, and another is under preparation and is being tendered under a Build-Operate and Transfer contrat.

Because of its morphology, the treated wastewater discharged in the Gulf of Tunis presents limited mixing with sea water, and therefore remains along the sea shore, forming wide areas of nutient richer waters prone to eutrophication. Besides, the accumulation of low salt waters has a negative impact on sea water species in the Gulf of Tunis. These represent an increasing threat to the coastal and marine ecosystems, including the species. As a result, particular attention is required to the diversion of treated effluent from the Gulf of Tunis and other sites on the Mediterranean Sea to more productive uses, including reuse in agriculture and groundwater recharge.

Baseline

Hence, the baseline situation represents a continuation of current arrangements whereby upto 83 million cubic meters of treated wastewater are discharged into the Gulf of Tunis using traditional techniques which lead to a eutrophication of the Mediterranean waters, undermining the ecosystem health of the coastal and marine habitats and species and therby contribution to continue pollution of the Mediterranean Sea. It also represents lost economic opportunities to effectively treat and use the water for reuse and recharge of aquifers; as well as applying enhanced treatment and discharge technologies to depollute the Mediterranean Sea.

Despite the well-established technical, economical and institutional constraints, the transfer and use of treated wastewater in agriculture, notably in Tunisia's water scarce areas, has gained traction in recent years. However, there is still a need for this to be scaled-up and to overcome some of the technical and institutional barriers.

GEF Alternative:

The GEF alternative will be compared to the baseline, which is the current situation, whereby all treated wastewater is discharged in the Gulf of Tunis, where it remains, due to its morphology. The proposed Project aims at transferring up to 100 million cubic meters of treated effluents a year from Greater Tunis to water scarce areas in the South, where it would be reused in agriculture and groundwater recharge.

By diverting the discharge of treated effluents from sensitive environments like the Gulf of Tunis in the Mediterranean Sea to more productive uses such as irrigation, wastewater reuse is a necessity in order to reduce ground and surface water scarcity and contribute to recharge selected aquifers. In addition, wastewater reuse could have other important economic and environmental benefits including reduction of eutrophication in the Gulf of Tunis and its consequences on tourism and water quality, alleviation of drought-related impacts; and the reduction of the quantity of fertilizers used in agriculture.

Under the GEF alternative there will be specific investments at the technical (infrastructure) and institutional (including behavioral changes of farmers') level will be addressed. For example, to ensure more effective depollution of the Mediterranean Sea, the infrastructure for treated wastewater will consist of transfering the treated wastewater to a wastewater to a storage and regulation basin, from which wastewater will be discharged about 5 km in the Mediterranean sea, through a submarine outfall. The basin will act as a decanter, improving the quality of the treated wastewater to be delivered to farmers. The submarine outfall is a precautionary measure to present an alternative discharge in case of force majeure. Nevertheless, it will be designed to maximize dilution and mixing with sea water thereby improving ecosystem health of key habitats and species in the coastal and marine areas of the Gulf of Tunis hence guarding against eutrophication. In addition, from the storage and regulation basin, the treated wastewater will be transferred to irrigation perimeters located in the Greater Tunis, Zaghouan, Nabeul and Kairouan areas, totalling a surface of over 25,000 hectares, where it will be reused in agriculture. About 30 million cubic meters of treated wastewater will also be used to recharge the Mornag and Grombalia aquifers. The project will also entail a substantial program of awareness raising, training and capacity building for the farmers impacted by this project. The Project will also fund technical assistance for monitoring and impact evaluation activities, environmental health in the Mediterranean Sea and strengthen the regulatory and insitutional framework. Consistent with the IW: Learn, learning and information sharing activities will be developped to disseminate the knowledge, experience and lessons learned of this Project to ther countries in the region and beyond. The Project will align the indicators to be used in the log frame for project design with GEF 4 IW indicators.

Global Environmental Benefits:

The Global Environmental Benefits of the proposed Project are: (i) to significantly reduce treated wastewater discharge from Greater Tunis into the Gulf of Tunis and the Mediterranean Sea, thereby contributing to improved water quality and protecting biodiversity of the Mediterranean Sea; and (ii) to reuse this treated wastewater to recharge and reduce pressure on threatened aquifers, thereby contributing to adapt to the effects of Climate Change which particularly affect the Mediterranean Basin.

The Global Environmental Benefits of this Project are fully consistent with the objectives of the Sustainable Mediterranean Program for the protection of the Mediterranean Sea and of the WB-GEF Investment Fund for Mediterranean Sea Partnership, specifically to: "Accelerate the implementation of transboundary pollution reduction and biodiversity conservation measures in priority hotspots and sensitive areas of selected countries of the Mediterranean basin that would help achieve the SAP MED and SAP BIO targets." The Gulf of Tunis is an environmentally sensitive area identifed as a hot-spot of pollution from telluric origin into the Mediterranean Sea.

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

The proposed Program is fully consistent with the priorities set by the Government of Tunisia in its XIth Plan (2007 - 2011) with respect to protection of sensitive ecosystems, reduction of nutrient discharges in the Gulf of Tunis, development of the use of treated wastewater as a non conventional source of water for agriculture and, wherever feasible, groundwater recharge. The proposed Program is directly supporting the integrated program launched by the Ministry of Environment and Sustainable Development for the implementation of the national priorities. It builds on the results of the extensive feasibilty study commissioned by the Tunisian Government in 2007 to examine engineering options and their financial/economic costs for the transfer of treated wastewater from Greater Tunis to southern arid areas.

The proposed Program is submitted to the GEF and the World Bank at the initiative of the Ministry of Environment and Sustainable Development, in collaboration with ONAS. It is therefore fully owned by the Government. It has been adapted to fit into this format and the English language by the Tunisia water team.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:

The proposed project is consistent with the objectives set forth in the fourth GEF strategy. It supports more particularly the Strategic Program 2 for Nutrient Reduction under the International Waters focal area. The project is also expected to have positive externalities with regards to Biodiversity conservation in the Gulf of Tunis.
This project proposes specific in-country investments and technical assistance that will be carried out under the umbrella of the proposed Mediterranean Environmental Sustainable Development Program (SUSTAINABLE MED). SUSTAINABLE MED represents a continuation and further expansion of the Investment Fund of the GEF/IWs Mediterranean Sea Large Marine Ecosystem Strategic Partnership (Mediterranean Strategic Partnership). The project will help the Tunisian Government reach its commitment to reduce pollution originating from hot spots identified in the Tuninsian coastal areas, an objective of the Strategic Program against the Pollution of Telluric Origin.

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

The Government of Tunisia has officially requested a USD40 million Loan from the World Bank and is committing a USD7 million contribution from the Tunisian budget for the proposed Project, to fund a first tranche of infrastructure investments. The prompt availability of GEF funding will contribute to jumpstart these important investments and provide the impetus for responsiveness to the SAP MED priorities.

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The World Bank is very active in the water sector in Tunisia and works in close collaboration with other development partners involved in the sector. The proposed Project is consistent and will complement activities funded under the following operations:

The Second Water Investment Project (PISEAU II), a USD163 m investment program in the water sector prepared by the Government to implement the priorities set forth in the XIth Plan, is financed jointly by the World Bank, the French Development Agency AFD and the African Development Bank (ADB). Activities financed under the PISEAU II include creation of irrigation schemes using treated wastewater; communications to promoting safe re-use of treated wastewater; characterization of risks linked to the re-use of treated wastewater and sludge in agriculture; and developing water resources monitoring networks, and supporting active management of overexploited aquifers. This project will be implemented by the Ministry of Agriculture and the Ministry of Environment and Sustainable Development, and involves ONAS.

The on-going EUR53.9 m Loan from the World Bank for the Tunis West Sewerage project, which assists the Government of Tunisia in (i) improving the quality of sanitation services in Greater Tunis, with the development of a 60,000m3 WWTP ; (ii) promoting the reuse of treated wastewater in irrigation on a sustainable basis and in significant quantities; and (iii) enhancing its performance through financial and operational management capacity building.

The Project also incorporates the lessons learned of the wastewater reuse pilots and studies being developed in Tunisia with support from the GEF and the World Bank through the Community Based Integrated Rural

Development Project (CBIRD) It is also fully consistent with the Integrated NRM in the Middle East and the North Africa Region (MENARID), which aims at promoting Integrated Water Resources Management and associated biodiversity conservation measures and climate responses, supports pilot and demonstration project to adaptation to climate change, and encourages knowledge management, sharing and up-scaling of best practices.

The proposed Project would thus be fully integrated and consistent with other activities funded by the World Bank and other GEF implementing agencies and would build on lessons learned from past and ongoing project activities. Activities under this project will be coordinated by ONAS in close collaboration with the Ministry of Environment and the Ministry of Agriculture, to ensure timely implementation of this project and its coordination with other on-going activities.

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

Without GEF support, the Project may not materialize or may not materialize as quickly, translating into continued discharge of large volumes of treated wastewater in the Gulf of Tunis, an ad-hoc approach to reuse nationwide and significant increased risk to the agricultural sector currently facing imminent water resources shortages. With increased volumes of wastewater discharges into the Gulf of Tunis, nutrient loading will intensify leading to increased eutrophication, with visible increase of alguae during the summer month, the peak tourism season in Tunisia. Morevoer, low salinity water will continue to accumulate in the Gulf, creating an unsuitable environment for the benthos. Fish species may not be as affected as other species as they can easily migrate to further coastal areas. However sessile and crawling organisms will be directly affected, locally disturbing the entire ecosystem. The GEF will provide incremental costs to overcome technical and institutional barriers related to the quality of treated wastewater discharged into the Mediterranean Sea, and the scaling-up and uptake (by farmers') of treated wastewater in agriculture and for recharge of aquifers.

The proposed Project is to be developed at an accelerated pace, given the predicted and highly likely impacts of climate change across Tunisia, the Government's high dependence on the tourism and agriculture sectors and commitment to cooperating in the international community seeking to reduce Mediterranean pollution.

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 risks that may prevent the project objective from being achieved are:
1. Insufficient demand from farmers for treated wastewater. this risk will be mitigated by decreasing the amount of water available to farmers for irrigation, hence creating an incentive for the use of treated wastewater;
2. Exogenous price shocks: this risk will be mitigated by continued price regulation mechanisms that are able to shield farmers;
3. Insufficient quality of the treated wastewater, creating technical and health problems for farmers to use: Tunisia is gaining experience in wastewater reuse, and is developping initiative to guarantee efficient treatment at the wastewater treatment plants, wih Bank support. besides, the storage basin will contribute to increase knowledge
4. In terms of climate change risks, as indicated above, the proposed Project is an integral part of the actions taken by the Tunisian Government to adapt to climate change.

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

Cost effectiveness of both projects proposed under the proposed Project will be determined in detail as part of the studies to be carried out during project preparation and for CEO endorsement. Alternatives to be considered include (i) business as usual, with increasing discharges of treated wastewater combined with increased pressure on water resources to meet growing needs of the city; and (ii) the development of nutrient removal treatments in major WWTP in the Greater Tunis area, combined with either terminal discharge through submarine outfall or transfer to inland areas for reuse; (iii) the development of desalination for irrigation; and (iv) reuse of partially treated wastewater in low-yield restricted irrigation and beautification. Considering the construction and operation costs of developping tertiary treatment for nutrient removal and additional investments for wastewater discharge or reuse, both proposed projects seem more cost effective and complimentary solutions. The cost effectiveness analysis will focus on

quantifying these both individually and in combination.

The project costs are expected to generate the following benefits :
+ Keeping 100 million cubic meters in the fresh water cycle, thereby avoiding the loss associated to discharging it in the Sea;
+ Reuse of this amount of water by farmers in southern arid areas of the country, generating positive benefits through increased security of agricultural production, increase yields and reduced use of fertilizers for irrigating farmers;
+ Reduce the pressure on Mornag and Grombalia aquifers;
+ Reduce the principal source of point pollution of the Gulf of Tunis, therefore improving the water quality and reducing occurences of eutrophic alguae blooms, with positive impacts on tourism and associated economic development;
+ Reduce the threat on the coastal ecosystem in the Gulf of Tunis, caused by accumulated fresh water and limited mixing with sea water, with positive benefits in terms of biodiversity and ecosystem conservation in the sensitive ecosystem in the Gulf of Tunis;
+ The proposed Project will provide required infrastructure and generate knowlegde to help Tunisia and its agriculture sector adapt against the impacts of climate change.

These benefits are expected to outweigh the costs associated to the Project. A cost benefit analysis will be carried out during Project preparation.

I. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY:

As stated in the Council Paper GEF/C.31/5 rev.1 dated June 18, 2007: "the World Bank's comparative advantage for the GEF is as a leading international financial institution at the global scale in a number of sectors, similar to the comparative advantage of the regional development banks. The World Bank has strong experience in investment lending focusing on institution building, infrastructure development and policy reform, across all the focal areas of the GEF."

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 *(Month, day, year)*
Najeh DALI	General Director, Directorate for the Environment and Quality of Life; Focal Point for GEF	MINISTRY OF ENVIRONMENT AND SUSTAINABLE DEVELOPMENT	**04/18/2009**

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		May 1, 2009	Kanta Kumari Rigaud GEF MNA Regional Coordinator	202-473-4269	KKumari@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 costal 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

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

Policy provisions. If for whatever reason the amount is less than 10%, please provide explanation since we will 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 CO_2 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 AGENY(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.