



International Waters: Learning Exchange and Resource Network (IW:LEARN)

A cooperative initiative of the Global Environment Facility (GEF),
United Nations Development Programme (UNDP),
United Nations Environment Programme (UNEP),
and the World Bank

International Waters Managers' Insights Regarding the Global Environment Facility (GEF) International Waters Program Study

Transboundary Analyses, Demonstrations, Sustainability and Lessons Learned

Edited by

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International Waters: LEARN is an innovative inter-institutional partnership to build a Web-based 'knowledge community' among transboundary waters projects. Its purpose is to expand knowledge-sharing so that people who live in and manage transboundary water systems can better learn from and teach each other." See <http://www.iwlearn.org> for details.



Acknowledgements

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Finally, deep gratitude on behalf of the entire GEF IW community to those enlightened GEF IW managers who have taken time from their hectic schedules to contribute to our collective learning and knowledge sharing. May your wisdom bear fruit across our transboundary waters initiatives.

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Preface

This report summarizes the electronic discussion of the outcomes from the 2001 GEF International Waters Program Study (<http://www.iwlearn.net/ftp/iwps.pdf>) that was carried out during the spring of 2002 under the auspices of IW:LEARN. We would like to extend our heartfelt thanks to the GEF International Waters Managers for their active and constructive participation in the virtual discussion.

These contributions have succeeded both in informing one another and the GEF regarding perspectives and insights from the various projects. In addition, this series of discussions has provided input into the planning of future face-to-face meetings and workshops. For example, our TDA/SAP discussion provided valuable material for a new TDA/SAP course under development for you by TRAIN-SEA-COAST and its partners.

The first three discussions on (1) the use of TDA to develop SAPs; (2) demonstration projects and their replicability; and (3) institutional sustainability, including regional and basin-wide organizations, all produced very valuable outcomes through your interventions and insights. These have all been summarized and the reports archived and available via the Publications section of IW:LEARN's website (<http://www.iwlearn.org>).

The fourth and final discussion - on monitoring, evaluation (M&E) and dissemination of lessons learned – may have suffered from our collective e-forum fatigue. We are pleased, therefore, that we will all have the opportunity to focus more on M&E at the Second Biennial GEF International Waters Conference in Dalian, China, 25-29 September 2002. During the conference, there is a special session dedicated to this issue. In addition, IW:LEARN and its UNEP-GEF partners may be following-up with some of you directly in the coming months to facilitate dissemination of your projects' experiences and lessons learned.

Once again, thank you very much for your constructive participation in the discussion. We would very much like to hear from you about your opinions concerning the usefulness of this exercise and how future electronic discussions could be improved. To do so, please email gef-iw-mgrs-owner@yahoogroups.com to communicate specifically with the e-forum's administrative team at IW:LEARN.

Best regards,

Juha I. Uitto & Alfred M. Duda
GEF co-conveners

Invitation and Introduction

To the GEF IW Managers Electronic Discussion of The 2001 GEF International Waters Program Study

Dear GEF International Waters Managers,

On behalf of the GEF, it is our pleasure to invite you to participate in an electronic discussion of the outcomes from the 2001 [GEF International Waters Program Study](#).^{*} From experiences gained across the GEF international waters community, the study draws lessons and recommendations for projects, agencies and the GEF itself. The purpose of this discussion will be threefold:

- 1. To share with you pertinent findings from the International Waters Program Study.*
- 2. To discuss and verify the findings' relevance and applicability to the GEF international waters projects and their managers.*
- 3. To learn from the broader experiences within the GEF international waters community and to identify innovative solutions with potential for replication.*

Insights from people working on and managing projects at the field level are vital. They allow us to convey actual implementation experiences to GEF management, so that these can be better taken into account in further developing the international waters policies, program and procedures.

The remainder of this message presents the four discussion topics and process, as well as the roles of organizers and participants alike.

Amongst the issues raised both in the Program Study and recently via this "GEF IW Managers" electronic list [gef-iw-mgrs@yahoo.com], we propose focusing discussion on the following operational topics:

1. Use of transboundary diagnostic analyses (TDA) to develop strategic action programs (SAP)
2. Demonstration projects and their replicability
3. Institutional sustainability, including regional/basin-wide organizations
4. Monitoring, evaluation and dissemination of lessons learned

The discussion will continue via the GEF IW Managers email list from now through Friday, March 29, 2002, allowing us to spend approximately two weeks on each topic. A

more detailed introduction to on each of these topics will be emailed at the outset of that session of our discussion. At the end of the discussion an overall summary of the main points of the discussion and conclusions will be prepared and disseminated to list members and the GEF.

The co-conveners of the discussion are Al Duda and Juha Uitto. As most of you know, Al is a Senior Advisor to the GEF international waters focal area and also a participant in the study. Juha is a Senior Monitoring and Evaluation Specialist in GEF and was the task manager for the study. Juha and Sulan Chen of the GEF Monitoring and Evaluation Unit will serve as rapporteurs and periodically summarize the ongoing discussion. The Program Study team will also be available as resource persons; while the overall process is facilitated by Dann Sklarew, Chief Technical Advisor of IW:LEARN. Most importantly, we rely on all of you for the success of this important forum.

To contribute to the discussion, simply email your message or response to:

gef-iw-mgrs@yahogroups.com

We look forward to sharing a fruitful discussion with you!

Al Duda and Juha Uitto
GEF Co-conveners

* As a reference for this discussion, please review the International Waters Program Study Final Report, available via the IW:LEARN-managed "International Waters Resource Centre" Web site, <http://www.iwlearn.net/ftp/iwps.pdf>. This and other URLs pertinent to the enclosed discussions are listed in Annex I.

**Introduction to GEF IW Managers Electronic Discussion On
The Use of Transboundary Diagnostic Analyses (TDA)
To Develop Strategic Action Programs (SAP)**

We will start our discussion by focusing on the use of transboundary diagnostic analyses (TDA) to develop strategic action programs (SAP). This topic is, of course, a central one for the international waters portfolio and many of you have experiences with the TDA/SAP approach that will enrich our discussion.

The Program Study findings regarding this topic can be found in the International Waters Program Study Final Report (pages 11-13, paragraphs 53-63), summarized in Annex II.

Some specific issues for your consideration in this discussion:

Comparing Project Experiences with and without TDA/SAPs

- For projects that have employed the TDA approach to preparing a SAP:
 - What have been your experiences in doing so?
 - What are the experiences with completing a TDA as part of project preparation and under what circumstances can this be done?
 - Was the science community involved in formulation or participated in reviews?
- For projects that did not utilize the TDA/SAP approach:
 - Would it have been helpful to address the transboundary environmental issues in a more systematic and scientific manner or would this have unduly delayed the implementation process?
 - Has implementation with the SAP completely solved the transboundary problem?

Applying the TDA to Stakeholder Involvement

- Does the TDA/SAP approach facilitate achievement of a shared vision among countries sharing a water body?
- How did you utilize the draft TDA as a stakeholder involvement tool? Did you involve the public?

Technical Assistance in TDA/SAP Development

- Should the GEF provide specific guidance with respect to how to develop a TDA?
- Would a one or two page short guidance note be helpful to outline the philosophy of the TDA and the SAP processes as participation, engagement, and priority setting processes?
- What more could be done to support the TDA/SAP development process?

**Summary of GEF IW Managers Electronic Discussion On
The Use of Transboundary Diagnostic Analyses (TDA)
To Develop Strategic Action Programs (SAP)**

February 4-25, 2002: TDA/SAP Processes (IW Project Study Discussion, weeks 1-3)
As reported by: Sulan Chen and Juha Uitto, GEF M&E Unit

The following is a summary of insights provided by forum participants over the first three weeks of our discussion of the role of and experiences with the TDA/SAP processes. Please e-mail any additions or corrections to Juha Uitto (juitto@worldbank.org).

TDA/SAP Portfolio Discussion

- There are 10 IW projects that have undergone at least the TDA process and the majority of those completed their SAP: The Bermejo, Lake Tanganyika, and Danube freshwater basins projects, the Red Sea, Benguela, and Black Sea Large Marine Ecosystems, Pacific SIDS project, Mediterranean, South China Sea, and the Nile. The first 6 of these prepared both the TDA and SAP.
- Several projects in Africa that are still under preparation reported on their progress. The Lake Chad project has adopted a TDA/SAP approach, as well as use of pilot project to test approaches to reverse land and water degradation. The Niger River Basin project is working with this framework as well, but adapting it to its own basin circumstances. Similarly, the Southern African Development Committee (SADC) drought and groundwater project focusing on the Limpopo Basin currently under preparation will involve consultations among institutions in the SADC region. The Volta River Basin project is presently carrying out the TDA with inputs from reports on the six riparian countries.
- A TDA and Threats and Root Causes Analysis were also prepared for the Mesoamerican Barrier Reef System project, a biodiversity project with significant IW implications. The TDA was carried out in all four participating countries and resulted in a hierarchy of threats to the barrier reef system, along with a series of policy recommendations.

Project Lessons/Experiences

- The Lake Ohrid project stated that after nearly three years of experience one of the main results is the establishment of an institutional structure for the management of the transboundary lake basin. The project staff has now begun to recognize the value of a clearly articulated “lake vision” to guide the action planning process. It is equally important to produce visible results in the improvement of the lake environment before the project ends.

- An interesting discussion was conducted on the alternatives of TDA to prepare the SAP. The Pacific SIDS Project did not go through a formal TDA. However, the IWP was formulated on the basis of broad consultation in 1997 involving all 13 participating countries. Accordingly, although the SAP would have benefited from the TDA process, the TDA required considerable external resources that these island states relatively lacked. Overall, the SIDS project consultative phase did provide some lessons and experience in the design of similar exercises in the future: the time frame for the consultations should be reasonable; consultations should include rural communities; information missing or the lack of state capacity; the assessment of priority concerns was largely constrained within task force meetings; expectations were unduly high; oceanic issues were paid little attention compared with coastal issues.
- The Bermejo project has concluded the TDA/SAP elaboration process, and is currently in the implementation phase of the SAP. Some lessons and experiences on the Bermejo project were shared as follows: TDA/SAP process is vital; stakeholder participation, public participation and information sharing are critical; a multi-institutional approach and commitment from financial institutions, governments and investors are needed.
- Stakeholder participation is very important for the TDA/SAP success. In the Black Sea project, one of the main problems apart from eutrophication identified during the TDA was that of overfishing and destructive fishing. The project was driven/captured by the environment sector to address eutrophication, and the fisheries stakeholders were not engaged. The Black Sea TDA provided options for resolving the identified problems. More careful reflection by the stakeholders on the fisheries issues and potential solutions could have led to a more comprehensive SAP.
- The Lake Malawi biodiversity project offered lessons: high-level effort and facilitation from the World Bank and other donors; involvement of countries and inter-regional coordination; objective management and technical review; horizontal linkages and knowledge management; partnership with bilateral development agencies.
- GloBallast did not go through a TDA/SAP process, but it offered the lessons as following: the process is just as, or even more important than, the product; completeness and inclusiveness of task force is critical; it is vital to have a lead agency to assume the responsibility of coordination, while being inclusive through the interministerial committees.
- The San Juan River Basin project prepared its TDA during its PDF phase. This project emphasized the importance of participatory methodology and demonstration projects in project implementation.
- The Mediterranean Project TDA was to a large extent constrained to the land-based pollution problem. The Mediterranean approach to TDA focused on the development

of a number of tools including mechanisms for identifying and quantifying “hot-spots” and sensitive areas. The TDA process involved work at both the national and regional levels. Due to the limited time of the TDA work, the regional prioritization exercise was undertaken, but was left to apply regionally in the first year of the full project. The SAP forms the basic framework for collaborative action on a regional basis.

- The South China Sea project, unlike the Mediterranean, has no preconceptions concerning the relative importance of different issues. National assessments and regional assessments were conducted independently to identify the priority issues. Without the two and a half years' intense TDA work and the strong national involvement in its development, it is unlikely that the SAP would have received the degree of political support it initially did.
- PEMSEA (Partnerships in Environmental Management for the Seas of East Asia) did not follow the TDA/SAP process since it began before the GEF Operational Strategy was adopted by the GEF Council and was based on addressing national “hotspots” through integrated coastal management techniques. In the end, this strategy helps to prevent or lessen transboundary pollution. While PEMSEA focuses on building partnerships to implement environmental management projects and programs, it has used processes of involving stakeholders to produce risk assessments and environmental profiles that are analogous to the TDA process and plans or strategies that are analogous to the SAPs. PEMSEA has learned the following lessons: the approach and process encourage greater buy-in of national and local governments; both high-income nations and developing countries are willing to share and pool their resources in undertaking environmental activities; there is an increase in partnership with nongovernmental bodies and private sectors; scientific advice is necessary and important for local management and national policy decisions; a comprehensive communication plan helps bridge a stronger understanding and partnership and promotes buy-in among the stakeholders' participation; risk assessment provided the stakeholders a better understanding of the problems.
- Joint Lessons from MPP-EAS and PEMSEA: The process of problem identification, causative changes, and use of expert systems are necessary at all levels. Practical actions rather than planning and strategy are called for. A functional coordinating mechanism is essential. A challenge is to acquire a national consensus on a lead agency for coordination of interministerial-like committees. Partnership is a good way of cooperation and is essential for involving the private sector to help solve the environmental problems. Linking environment management with economic development makes project more effective. Information communication is essential to the project. Through the incremental efforts of the demonstration sites, environmental issues receive greater government attention and internal resources to resolve them. Caution was noted about oversimplifying the procedures of project preparation.

General Discussion for the TDA/SAP

Stakeholder Participation and Public Involvement

- There was a reminder from the Danube Public Participation medium-sized project to the group that public policy cannot move independently of public will. This lesson should be borne in mind while starting with the scientific/technical approaches. Although the US public participation regime can provide useful insights, different countries may have many different traditions for effectuating public participation. Information is a key ingredient in building genuine public participation.
- A counter-argument on the difference between public involvement and stakeholder participation was made. It was stressed that stakeholder participation is critical to the TDA/SAP process. In the South Pacific SAP, it was found that a communications strategy should go hand in hand with stakeholder participation.
- It was suggested that a stakeholder consultation should be held before the approval of PDF-B grant. This initial stakeholder consultation does not need to be extensive, but is critical for a project not to be “manipulated” by a sector in project implementation later. It was also suggested that this kind of initial stakeholder consultation could be a requirement for applying to PDF-B grant.

TDA/SAP as Procedures

- Much of the difficulty with the process registered in the Program Study is because it is seen as a one-off exercise with only one purpose i.e. a GEF project to implement the SAP.
- More stress should be put on the the TDA/SAP process as a regional management tool rather than a science-driven criticism. More stress should be given to identifying what participating countries can do with their current or marginally enhanced resources and action on these might be used a prerequisite to the GEF involvements.
- The TDA/SAP process should neither be seen as complicated nor complicating.
- The TDA/SAP should ensure high-level commitment and support so that it is given appropriate weight and respect. This high-level commitment to cooperate in the project should precede the TDA process.
- The TDA/SAP is an iterative joint mechanism of which the TDA is an important constituent part. The TDA is a process for identifying the transboundary priorities that would form the basis for formulating the subsequent SAP. It should be prepared and agreed jointly by the stakeholders through a process of *joint fact-finding*.
- The TDA focuses on identifiable transboundary issues. In analyzing these issues it will be necessary to gather objective information on causes of the problems within

national boundaries and on appropriate geographical and temporal scales. A *causal chain analysis* should be an intrinsic part of any TDA.

- There needs to be a process of consultation and brainstorming in the solutions to the identified problems. In the negotiation process of the SAP, political realities often influence the process.
- It was raised that some terminologies should be avoided using such as “permanent funding” and “leverage”. It was suggested that “long term investment strategies” and “co-investment” are more appropriate.
- With regard to funding limitations, it was noted that the GEF is intended to play a catalytic role. The TDA/SAP processes are about country ownership and focus on transboundary and shared issues for the long-term, and hopefully for introduction of adaptive management mechanisms.

General Feedback on TDA/SAP

- The benefits of TDA/SAP:
 - It was noted that the TDA/SAP process was not a requirement of the GEF project cycle nor was it only a process to produce the GEF project. In reality, carrying out a TDA and subsequent adoption of a SAP is itself a major accomplishment by identifying the problems and their causes, evaluating costs and benefits, and eventually agreeing on a common course of action aimed at protecting the shared environment.
 - TDA focuses on two issues/areas which generally are not included in other forms of assessment: transboundary issues and identification of the root causes of problems.
 - SAP differs fundamentally from any other kind of Action Plan. The intent is that it could consist of a program of actions with priority order, which, if undertaken, will enable countries to address the priority transboundary issues within specified time frames.
 - A strong recommendation was made that “a SAP cannot be prepared without a TDA”. A good TDA is a necessary but not sufficient condition for a good SAP.
- Features of TDA/SAP:
 - Networking of collaborating individuals and institutions
 - A common approach can, to varying degrees, bring a consensus of participating countries regarding required actions and priorities
 - The technical/scientific work of the TDA facilitate the development of political consensus regarding the SAP
- Whether the GEF should provide guidelines for developing the TDA/SAP?
 - While many projects had already prepared the TDA/SAP, there was a general feeling that it would be beneficial for the GEF to provide

- guidelines for developing the TDA/SAP. These should be prepared with a “light touch” and enough flexibility to address those issues that were specific to a particular area.
- The guidelines should include: 1) recommendations for addressing issues that were due to poor collaboration among national and international institutions working in transboundary areas; 2) mechanisms to “translate” the technical products into implementable policies.
 - A more moderate view was also noted that the guideline could be done, but might not be needed urgently. It cautioned that a guideline might be perceived as one more GEF-defined hurdle to overcome.
- Challenges/problems of TDA/SAP
 - How to complete a scientifically and technically sound TDA remains challenging. It is suggested that A TDA of less than 18 months cannot possibly be comprehensive and, if it is, it is likely to be superficial if the geographic scope covers more than 5 countries.

Moderators' Note: the full archive of this discussion can be found on-line at:

<http://groups.yahoo.com/group/gef-iw-mgrs/messages>

Messages 50-92 are particularly pertinent to this topic. For assistance with accessing these archives, please contact IW:LEARN (info@iwlearn.org; Tel: +1 (703) 522-2190; Fax: +1 (703) 522-2190). Other pertinent URLs are listed in Annex I.

Introduction to GEF IW Managers Electronic Discussion On Demonstration Projects and Their Replicability

As GloBallast and others recently noted here, a critical issue to many GEF IW projects is how to identify successful demonstration activities, then disseminate that knowledge for replication elsewhere.

The GEF's International Waters Program Study (pp. 14-15 at <http://www.iwlearn.net/ftp/iwps.pdf>) examined the degree to which demonstration projects or projects with demonstration components appropriately demonstrate consultative processes, riparian or regional arrangements for environmental protection, and technology from one project area that can subsequently be applied to advantage in other geographical areas.

The study concluded that the demonstration projects are generally both well conceived and satisfy the criteria for GEF support. However, more needs to be done to promote successful demonstration and replication approaches. The GEF needs to target its dissemination activities in a much clearer manner taking into account the characteristics and needs of different target groups. There is still far too little knowledge about GEF -- especially at the policy-maker level. Similarly, private sector resources remain underutilized.

In seeking to maximize global environmental benefits, replication of successful demonstrations is a key project criterion for GEF co-financing of international waters projects. This replication can be on different levels: within the project area; outside of the project area but within the participating countries; elsewhere in the world.

Specific topics for GEF IW Managers to discuss regarding demonstration and replication include:

Diversity of Demonstration Approaches

- How have [y]our projects or project components included demonstration activities and what have been their impact?

Disseminating Successes to Foster Replication

- What methods have been effective in promoting information dissemination on successful approaches?
- How could we better promote replication of successful approaches beyond the project area?

Replicating and Scaling-up Successful Demonstrations

- How have projects managed to mobilize various resources and stakeholders to promote replication of successful approaches?
- How should future projects mobilize all actors, including the private sector, in replication of successful approaches?

Summary of GEF IW Managers Electronic Discussion On

Demonstration Projects and Their Replicability

February 26-March 22, 2002: Demonstration and Replication (weeks 4-7)
As reported by: Juha Uitto and Sulan Chen, GEF M&E Unit

The following is a summary of views and insights provided by forum participants about the demonstration projects and replication issues, the second topic of GEF IW Electronic Discussion. Four Projects have provided their experience in the demonstrations and replications of projects. Project experience is summarized in the order of the date the related email was posted. Please e-mail any additions or corrections to Juha Uitto (juitto@worldbank.org) or Sulan Chen (schen1@worldbank.org).

Demonstration Approach

Transfer of Environmentally Sound Technologies

This project is building capacity in existing cleaner production institutions in five Danubian countries to apply the Transfer of Environmentally Sound Technology at 20 pilot enterprises (identified industrial hot spots during TDA/SAP).

- The demonstration project is an MSP developed within the framework of the Pollution Reduction Programme for the Danube River Basin.
- The project concentrates on building capacity in industrial service institutions to undertake an innovative integrated approach.
- Companies were identified for assistance in upgrading their technological capacity. They were selected on the basis of enterprise viability.

Bermejo Project

Bermejo is an economically disadvantaged area shared by Argentina and Bolivia. As in other deprived areas, use of forestry resources and pastures have been carried out for immediate economic return, resulting in the elimination of vegetative cover, causing problems of erosion, desertification, and biodiversity loss

- In the Bermejo project, a series of pilot demonstrations were conducted as part of the TDA/SAP process. These included demonstration on erosion control and sediment transport, sustainable management practices in mountainous and piedmont areas, forest management and weed control, and environmental education.
- The pilot project for sediment control was implemented in the upper basin, in Bolivian territory, in an area encompassing a total of 13 Km² (area La Tablada, in the Tolomosa River sub-basin). The project included both structural and nonstructural measures.

- As to the structural, a total of 96 sediment control structures were built. These included earthen banks, gabion dikes, and small wooden barriers.
- Non-structural measures included the introduction of sustainable agroforestry and cattle raising practices, and soil management and conservation techniques.

PEMSEA

- In 1994, two demonstration sites were established in Xiamen (China) and Batangas Bay (Philippines).
- The two projects undertook the following activities: (a) socioeconomic and environmental profiling, (b) identification and prioritization of problems, (c) development and approval of a strategic environmental management plan and issue specific action plans, (d) development of sea use zoning schemes, (e) establishment of a multi-agency coordination mechanism, (f) development and approval of concerned laws and regulation or administrative orders, (g) establishment of environmental monitoring mechanism, (h) creating public awareness and (i) strengthening law enforcement.

Conservation of the Red Sea & Gulf of Aden (PERSGA)

- The project envisaged setting up local demonstration sites for ICZM in Yemen, Sudan, Djibouti and Somalia. The objective is to encourage governments in the region to adopt ICZM approaches for the management of coastal. The following problems faced and measures taken are noted during the implementation of the project:
 - There is confusion as to the role of a regional organization in a local institutional set-up;
 - The time frame to achieve the objective was too ambitious and the project financial resources were too little. The project is now essentially supporting two phases of the ICZM: participatory resources assessment and participatory planning.
 - The project faced limited local, national and regional institutional and technical capacities. Capacity building activities such as complimentary training workshops are organized to enhance understanding of ICZM.

Russian Federation - Support to the National Programme of Action for the Protection of the Arctic Marine Environment

The project has three demonstration projects:

- The first involves the establishment of a demonstration of indigenous peoples community organization on three fronts: enhanced involvement in governance; enhanced public health and sanitary services and the creation of protected buffer zones under native jurisdiction. This will be done in an integrated manner. The benefits of creating special regions will be also demonstrated.
- The second demonstration project involves the use of a novel procedure for the cleanup of contaminated marine areas. This involves the use of brown algae that can

be deployed for decontamination purposes and then processed for use in a number of industrial applications.

- The third demonstration involves the restitution of decommissioned military bases.

Dissemination, Replication and Scaling-up

Transfer of Environmentally Sound Technologies

- The second phase of the project has been launched. The project manager has provided the necessary guidelines to carry on the activities related to the second phase of the project.
- The project's integrated approach brings together different environmental tools to enhance the environmental and economical performance of industries.
- UNIDO is currently planning to replicate the TEST project in other areas, where industrial hot spots have been identified within the TDA/SAP mechanism.

Bermejo Project

- The current SAP implementation phase will seek to repeat and expand the results of the demonstration projects conducted during the previous phase.
- While they will remain in essence pilot projects, they will catalyze implementation of full-scale actions in the future.

PEMSEA

- Based on the success of the two demonstration sites of Batangas and Xiamen, six other Integrated Coastal Management (ICM) demonstration sites were established following the working models of Batangas and Xiamen.
 - The participating local authorities provide co-financing, mostly on the ratio of 1:1.
 - The sites were carefully chosen to represent different socioeconomic and ecological conditions. Each project site follows the same ICM development framework and processes.
- In order to encourage the local governments replicating the ICM working model using their own or other financial resources, they are encouraged to establish ICM parallel sites. Two parallel sites have been established, namely, Bataan in the Philippines and Shihwa Lake in RO Korea. Eight parallel sites will be established over the project period.
 - To be qualified as a PEMSEA parallel site, the national government must apply to the Regional Programme Office (RPO), and the application is reviewed by the RPO.
 - A parallel site receives no financial support from PEMSEA but is able to access PEMSEA's technical expertise or participate in the training courses on a cost recovery basis.

PERSGA

- The project set up a small fund (similar to the GEF Small Grants Programme) to support local and regional initiatives to promote environmental conservation awareness. Proposals that have potentials for demonstration and replicability are more likely to be funded out of this facility.
- A region-wide social marketing assessment study was conducted to report on the current level of environmental awareness (baseline) and on what was needed to do in order to change behaviors and raise awareness (target and impact).

Demonstration Project Impact*Transfer of Environmentally Sound Technologies*

By end of January 2002 the first phase of the TEST project has been completed and the following concrete results have been achieved.

- Increased awareness of top management and of company employees concerning the environmental aspects associated with the production process.
- Identification of pollution sources and their causes at company level, and identification of specific cleaner production measures with economic and environmental benefit.
- Establishment of the environmental function within company organization.
- Design and implementation of integrative CP-EMS in progress in the selected companies.

Bermejo Project

- The demonstration projects carried out in Bermejo, even though at a pilot scale, were a central piece of the TDA/SAP process.
- They helped assess the viability of possible measures and ideas, but also, and perhaps more importantly, provided a mechanism for on-the-ground demonstrations.
- A comprehensive public participation effort mobilized and empowered communities to participate in determining their priorities for action, and it was the basin stakeholders that envisioned the resulting SAP.

PEMSEA

- The ICM framework and processes are effective. During this process, community-based management and flexibility are important.
- Interagency coordination and multi-sector mechanism should be established to facilitate cooperation.
- Local governments' and people's needs and their capacities should be the basis of project activities.
- Involvement of political leadership and local governments should be secured. Local governments' ownerships should be ensured.

Russian Federation - Support to the National Programme of Action for the Protection of the Arctic Marine Environment

- The "indigenous peoples community organization" demonstration would be an important indicator of the social and environmental improvements that can be gained from increased indigenous peoples involvement in resource and environmental management in the Arctic.
- The "cleanup of contaminated marine areas" demonstration would provide a full test of a business plan developed by a Russian agency for the large-scale application of the concept as a commercially viable operation. This is the equivalent of removing barriers by demonstrating the viability of the technology so that others can adopt and exploit it elsewhere in Russia.
- The "restitution of decommissioned military bases" demonstration is conducted to convince local community representatives that certain activities can be taken to improve the environment without incurring undue financial liability on the community. The demonstration project would extend the assessments of the condition of decommissioned military bases carried out in conjunction with the PDF-B activities to the assessment of potential benefits of transfer to civilian responsibility and then demonstrate in practice how this could be achieved without undue financial liability being placed on the community concerned.

The Roles of International Organizations (IOs)

With regard to the confusion of national governments as to the role of a regional organization in a local institutional set-up, discussions were exchanged in the forum about what roles IOs should take.

- In order for ICM to be effective, comprehensive approaches, including top-down, bottom-up as well as off-to-the-sides approaches, should be taken to secure necessary institutional support to help finance and sustain initiatives. In this context, it was noted that the critical role that IOs can play is to get coastal management concerns on the agenda of national governments, to coordinate national responses, and to create a legal framework/international accord.
- It was noted that IOs can play a number of critical roles in addition to the role noted above. While facing environmental problems, communities, local or national governments lack the capacity of action to identify problems and solutions due to financial and technological limitations. IOs can assist them to identify "alternative courses of action" that are most appropriate to the social, economic and cultural setting.
- It was also noted that IOs can play an important role by creating mechanisms to persuade national governments to put environmental issues in the agenda. Accordingly, demonstration activities and facilitation of access to data and

information are critical in persuading governments to change from unsustainable to more sustainable modes of resource use.

- It was also pointed out that in the past knowledge and experience have been shared by either "diffusion" or "institutional memory." It was suggested that regional organizations should take an active role in facilitating the "transfer of experience" regionally, as PEMSEA or the UNEP regional seas do. At the global level, it was noted that IW-LEARN may play an important role in horizontal learning.

IW:LEARN

- IW:LEARN is a global conduit for lateral transfer of experiences between GEF IW projects. Its activities promote lateral transfer at the project manager level as well as at the operational staff level.
- IW:LEARN also promotes regional and local replication of transboundary lateral transfer demonstrations. Given sufficient interest, IW:LEARN demonstrations can be replicated to benefit additional GEF IW projects.

Identification, Characterization and Prioritization of Environmental Hot Spots and Impact Zones of the Russian Arctic

An intervention was made to introduce the experience on the identification of Pollution Hot Spots in the Russian Arctic, which is related to the first topic of the discussion. An expert working group was established to undertake this task. The process has undergone the following stages: identification, initial ranking, characterization, and prioritization of hot spots. The following recommendations were made based on the experience: Purpose of the hot spot analysis should be very clearly defined and agreed upon; End-users of the hot spot analysis should be identified at the initiation of the process and they should take part in the work from the design stage and all throughout the work; It is important to have managers as the part of the multidisciplinary group, not only environmental experts; If hot spots analysis is going to be used for TDA and SAP, their representatives should take part in the work of the group; Every effort should be made to provide specific and local knowledge in the description of hot spots; Use of poorly defined criteria in hot spot description and characterization should be avoided; Prior agreement should be achieved on a mechanism for objective assignment of hot spots in different environmental media; and in the selection of hot spots, primary attention should be given to adverse effects, not simply to the contamination of the environment.

Introduction to GEF IW Managers Electronic Discussion On

Institutional Sustainability, Including Regional/Basin-Wide Organizations

Throughout the International Waters Program Study, it became evident that institutional aspects play a key role in ensuring effective implementation of a project and contributing to sustainability of the activities and results beyond the project period. The Program Study found evidence that weaknesses on the part of GEF executing agencies have, in some instances, resulted in substantial problems during project implementation. Accordingly, the study recommended that GEF should consider including a more rigorous assessment of the suitability of proposed executing agencies to ensure competent project management and the sustainability of activities engendered through GEF international waters projects.

Furthermore, there is a need to ensure, at the project proposal stage, that appropriate measures are incorporated into projects to maintain the viability of any basin or regional organizations used or established for the purposes of executing GEF international waters projects beyond the life of the project.

Specific topics to be discussed concerning institutions and sustainability would include:

- What are the essential features of potential executing agencies for GEF international waters projects that should be ascertained during project preparation?
- What kinds of institutional issues have hampered effective execution of GEF projects and how these have been overcome?
- Experiences with GEF projects executed through existing regional or basin organizations vs. newly established executing agencies?
- How to ensure institutional sustainability after the project is over?

Once again it may be useful to refer to the GEF Operational Strategy for the international waters focal area. GEF seeks to assist countries in establishing needed policy/legal/institutional reforms necessary to address the transboundary priority issues. The reforms may be on all 3 levels of institutions that GEF is involved with in this focal area: the international (sometimes referred to as regional) or multi-country level of institutions, the national level of institutions, and the sub-national level of institutions which might be hydrologically based such as basin or catchment organizations or might be politically based such as municipalities or communities. The international level may not necessarily be a basin agency or a regional seas program but in fact might be a facilitating organization such as SADC for Southern Africa or OAS for Latin America. Regular programs of these organizations and regular sectoral programs of agencies such as UNDP might be able to take on roles of sustainability by "mainstreaming" the sectoral reforms needed into their regular sectoral development programs accomplished without GEF finance following the conclusion of the catalytic GEF intervention.

Summary of GEF IW Managers Electronic Discussion On

Institutional Sustainability, Including Regional/Basin-Wide Organizations

March 23 – May 7, 2002: Institutional Sustainability, including Regional/Basin-wide Organizations

As reported by: Juha Uitto and Sulan Chen, GEF M&E Unit

The following is a summary of views and insights provided by forum participants about institutional sustainability, the third topic of GEF IW Electronic Discussion. Project experience is summarized in the order of the date the related email was posted. Please e-mail any additions or corrections to Juha Uitto (juitto@worldbank.org) or Sulan Chen (schen1@worldbank.org).

UNOPS Perspective from Lake Tanganyika Biodiversity Project

- To address issues of sustainability, all interested parties should understand the complexity of execution so that project can proceed with capacity building. Execution issues must be raised at the initial design phase of a project and/or convention. Early consideration of corporate form, constitution, by-laws, and funding is important.
- Training for individuals can be provided prior to the project starts.
- Modalities of execution provided by executing agencies can consist of an umbrella arrangement with some flexibility. The possibilities of delegating some responsibilities to national or regional entity should be explored at an early stage.

Black Sea Program: Institutional Building and Maintenance

- A regional Secretariat was created together with specialist Regional Activity Centers (RACs) based on existing institutions in each country. These RACs were established to share the technical workload.
- Setting up the network does not automatically ensure sustainability. Government support, entrepreneurial spirit and good business plans can help sustain institutions.
- Money cannot bring sustainability by itself. Successful sustainability can be built only under the following conditions: confidence building among stakeholders and long-term investment in public awareness-raising; consistent and far-sighted commitment from agency partners; and application of appropriate economic instruments to promote environment protection.

General Discussion: Incremental Cost and Institutional Sustainability

- It's noted that GEF investment should play only a catalytic role. Governments' investment is key to institutional sustainability. It is suggested that governments should be expected to finance regional institutions in a defined timeframe. While GEF investment (incremental cost) decreases, governmental commitment increases to

make regional institutions financially sustainable until when governments bear the whole cost after GEF's exit (project completion).

- It was noted that project implementation is not a linear process. That progress first comes in small steps and eventually in large steps.
- A regional Environmental Convention is a political document to bring parties into cooperation process. Financial support from national governments is important and should be negotiated and secured at an early stage.
- Program sustainability should be viewed at national level, rather than just at a regional level. It is important to measure sustainability based on national efforts, financially and politically, that have been made on environmental protection. Regional initiatives should be proposed to build on existing national initiatives.
- The ability secure national governments' investment in environmental protection also depends on domestic economic conditions. Without certain economic development, environmental protection is seldom a national priority for investment.
- The traditional "incremental cost" model may not be appropriate for ensuring the sustainability of IW capacity building projects.

Introduction to GEF IW Managers Electronic Discussion On Monitoring, Evaluation and Dissemination of Lessons Learned

The objectives of monitoring and evaluation (M&E) in GEF are fourfold:

1. To monitor and evaluate results and impacts of GEF activities;
2. To provide a basis for decision-making on amendments and improvements of policies, strategies, program management, procedures, and projects;
3. To promote accountability for resource use against objectives by participating countries, partner agencies, and executing agencies; and,
4. To document, provide feedback on and disseminate results and lessons learned.

The Program Study recognized the need for quantifiable indicators of performance at project level to be identified at project proposal stage and their monitoring throughout the project cycle. There is a need to include comparable information on process, stress reduction and environmental status indicators in project monitoring and terminal evaluations. In fact, the GEF operational program document adopted in 1996 require them for operational programs 8 and 9. Over the past few years, we have worked to further develop the framework of M&E indicators for use in GEF international waters projects (see link to draft in Annex I).

This framework has already been tested in some areas. We would like to use this opportunity to learn from the projects that have applied this or a similar M&E framework what their experiences have been and how the framework might be improved. Similarly, other projects that have not utilized an indicator framework of this type should study the document and give the forum feedback from their perspectives.

The Program Study also documented the lack of increased monitoring of high-risk projects and recommended that all such projects should be subjected to a mid-term review. Most projects, in fact, would benefit from mid-term reviews, but the benefits of such reviews should be assessed against the associated costs.

Furthermore, the Program Study highlighted the difficulty in determining whether lessons learned are being channeled back into ongoing projects or the project development process. It concluded that there is a need to formalize the process of feeding back lessons learned in a transparent and effective manner.

Specific topics for discussion in this section could include:

- To what extent projects utilize process, stress reduction and environmental status indicators in measuring implementation progress and the attainment of project objectives?

- How are M&E systems organized and what are the experiences?
 - How are M&E results reported and utilized, by whom, and to what effect?
 - Which projects have conducted mid-term reviews? What are the experiences with mid-term reviews in providing direction to projects?
 - How are lessons learned collated and disseminated back into project management and design of new projects?
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Summary of GEF IW Managers Electronic Discussion On Monitoring, Evaluation and Dissemination of Lessons Learned

The fourth and final discussion – on monitoring, evaluation (M&E) and dissemination of lessons learned – was not sufficiently addressed in electronic mode. We are pleased, therefore, that we will all have the opportunity to focus more on M&E at the Second GEF International Waters Conference in September 2002. During the third day of the conference, in particular, there is a special session dedicated to this issue. In addition, IW:LEARN and its UNEP-GEF partners may be following-up with some of you directly in the coming months to facilitate dissemination of your projects' experiences lessons learned.

ANNEX I. Internet addresses (URLs) for Web sites and documents related to the GEF IW Managers' International Waters Programme Study discussion

<p><u>Global Environment Facility (GEF)</u></p> <p>Includes documentation on the GEF's International Waters-related Operational Programs</p>	<p>http://www.gefweb.org</p>
<p><u>GEF IW Managers Electronic Forum (managed by IW:LEARN)</u></p> <p>Archives of email discussions summarized here, plus participant list and related files.</p>	<p>http://groups.yahoo.com/group/gef-iw-mgrs</p>
<p><u>GEF IW Program Study</u></p> <p>The framework for this discussion series.</p>	<p>http://www.iwlearn.net/ftp/iwps.pdf</p>
<p><u>Monitoring and Evaluation Indicators for GEF International Waters Projects</u></p> <p>Draft 2002 guidance document on GEF IW process, stress and environmental status indicators.</p>	<p>http://www.iwlearn.net/ftp/indicators-draft.rtf</p>
<p><u>GEF International Waters Resource Centre (managed by IW:LEARN)</u></p> <p>Profiles of all GEF IW projects, as well as monitoring and evaluation documents and other resources to assist with GEF IW project management</p>	<p>http://www.iwlearn.net</p>
<p><u>2nd GEF International Waters Conference</u></p> <p>Where discussions initiated in this electronic forum will be continued face-to-face; GEF M&E issues; TDA, SAP and participatory processes; freshwater basin management; large marine ecosystems and coasts; and building sustainability through partnerships and finance</p>	<p>http://www.iwlearn.org/iwc2002</p>

For more information, please contact IW:LEARN at +1 (703) 522-2190 or info@iwlearn.org.

ANNEX II. Program Study findings related to the use of Transboundary Diagnostic Analyses (TDA) to develop Strategic Action Programs (SAP) and GEF philosophy related to the processes

The Program Study found that the current emphasis on undertaking a science-based TDA prior to the design of a SAP is appropriate for projects in Operational Programs 8 and 9. Such scientific and technical assessments are needed to: (1) identify, quantify, and set priorities for the environmental concerns that are transboundary in nature, and to identify their immediate, intermediate and fundamental causes. The identification of causes specifies practices, sources, locations and human activity sectors from which environmental degradation arises or is threatened. A TDA thus provides the factual basis for the formulation of a SAP embodying specific actions (policy, legal, institutional reforms or investments) that can be adopted nationally, usually within a harmonized multinational context, to at least address the top priority transboundary concern(s) and over the longer term restore or protect a specific body of water or transboundary ecosystem.

The intent of the GEF Operational Strategy in recommending that processes be utilized jointly among collaborating nations to formulate the TDA and then the SAP was to foster: (a) participation, (b) capacity building, (c) confidence-building and (d) use of sound science and actual data upon which to base the identification of country-driven reforms for action on priority transboundary concerns. Interministerial committees were recommended within each collaborating country to build capacity and to ensure that economic sectors that created the stress on the water environment understood their contribution and were harnessed to change their behaviors. The intent was also to involve the science community in the countries to bring their data to the table as well as to produce an instrument (a draft TDA) that could be used as a participation tool to engage not only the science community but other relevant stakeholders in each country as part of the international waters project. Of course, the exchange of data among the nations then can help to break down barriers and lack of trust among the nations so that they may enter the next phases of their "new joint" relations.

Finally and perhaps most importantly, "integrated management" is often an abused term. Such TDA-like analyses are necessary in order for all to understand the environmental degradation in actual terms and then to appreciate the linkages among different sectoral activities or multiple causes of degradation, so that an "integrated" or some use "ecosystem-based" array of actions can then be taken to address the degradation. Once all this has been determined, then a philosophy of "adaptive management" might be appropriate to include in the SAP in order to periodically revisit the environmental status of the transboundary waters and then update the SAP to better address the situation.

The Program Study found that there are a variety of ways in which a TDA is conducted. Some are more resource-intensive than others, but these usually offer advantages in providing greater insight and specificity, thereby providing an improved information base for the formulation of SAPs. The TDA permits the logical development of a strategic action program that is based on a reasoned, holistic and multisectoral consideration of the

problems associated with the state of and threats to international waters. Furthermore, it is a valuable vehicle for multilateral exchanges of perspectives and constraints as a precursor to the eventual formulation of a SAP.

In many cases, the challenge is to achieve a shared vision and commitment among countries regarding actions to address priority transboundary environmental concerns of the shared water body (not all environmental concerns, not simply domestic concerns, and in OP 9 can include multiple focal area concerns, like an important area of biodiversity or its habitat). Therefore, the development and endorsement of a SAP, and hence political commitment to its implementation, is in itself often a major achievement ? and an M & E process indicator ? of an initial GEF international waters project. Nevertheless, the TDA/SAP process has been criticized for unnecessarily delaying action that addresses problems in international waters areas. This has particularly been the case in areas where countries or other concerned bodies have sufficient reason to believe that the environmental threats and priorities are already known. In these cases, the Program Study concluded that it would be desirable for TDA to be part of the Block B preparation process leading to project design since the countries would be ready to make necessary commitments to reforms and investments.