



**GREEN
CLIMATE
FUND**

Meeting of the Board
28 - 30 June 2016
Songdo, Incheon, Republic of Korea
Provisional agenda item 12(e)

GCF/B.13/16/Add.03

8 June 2016

Consideration of funding proposals – Addendum

Funding proposal package for FP011

Summary

This addendum contains the following three parts:

- a) A funding proposal titled “Large-scale Ecosystem-based Adaptation in The Gambia: Developing a Climate-Resilient, Natural Resource-based Economy” submitted by United Nations Environment Programme (UNEP);
- b) A no-objection letter issued by the national designated authority or focal point; and
- c) Environmental and social report(s) disclosure.

The documents are presented as submitted by the accredited entity, and national designated authority or focal point, respectively.



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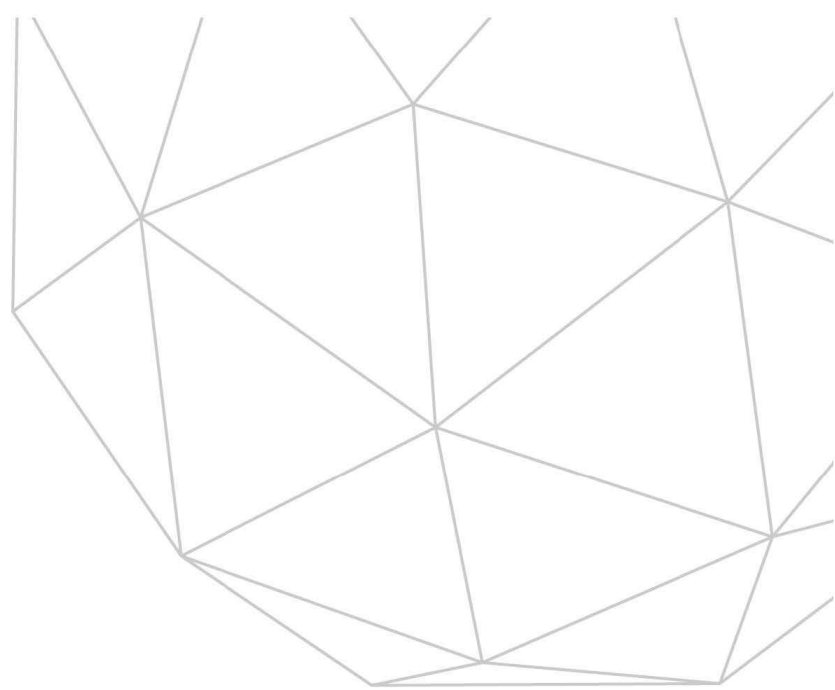
Funding proposal submitted by the accredited entity

No-objection letter issued by the national designated authority or focal point

Environmental and social report(s) disclosure



GREEN
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Funding Proposal

Version 1.1

The Green Climate Fund (GCF) is seeking high-quality funding proposals.

Accredited entities are expected to develop their funding proposals, in close consultation with the relevant national designated authority, with due consideration of the GCF's Investment Framework and Results Management Framework. The funding proposals should demonstrate how the proposed projects or programmes will perform against the investment criteria and achieve part or all of the strategic impact results.

Project Title: Large-scale Ecosystem-based Adaptation in The Gambia:
developing a climate-resilient, natural resource-based
economy.

Country/Region: The Gambia

Accredited Entity: United Nations Environment Programme (UNEP)

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Note to accredited entities on the use of the funding proposal template

- Sections **A, B, D, E** and **H** of the funding proposal require detailed inputs from the accredited entity. For all other sections, including the Appraisal Summary in section F, accredited entities have discretion in how they wish to present the information. Accredited entities can either directly incorporate information into this proposal, or provide summary information in the proposal with cross-reference to other project documents such as project appraisal document.
- The total number of pages for the funding proposal (excluding annexes) is expected not to exceed 50.

Please submit the completed form to:
fundingproposal@gcfund.org

Please use the following name convention for the file name:
“[FP]-[Agency Short Name]-[Date]-[Serial Number]”

LIST OF ACRONYMS

AE	Accredited Entity
AFO	Administration and Financial Officer
ANR	Agriculture and Natural Resources
CBD	Convention on Biological Diversity
CBO	Community-Based Organization
CCSFMA	Community Controlled State Forest Management Areas
CF	Community Forest
CFUG	Community Forestry User Groups
CN	Concept Note
CPA	Community Protected Area
CTA	Chief Technical Advisor
DNA	Designated National Authority
DoCD	Department of Community Development
DoF	Department of Forestry
DoPWMM	Department of Parks and Wildlife Management
DoWR	Department of Water Resources
EbA	Ecosystem-based Adaptation
EBAFOSA	Ecosystem based Adaptation for food security in Africa Assembly
EC	Environmental Conservation
EDP	Enterprise Development Plan
EE	Executing Entity
ESERN	Environmental, Social and Economic Review Note
EWS	Early Warning System
FAO	Food and Agriculture Organization
FFF	Forest Farm Facility
FG	Farmer's Group
FP	Forest Parks
FPIC	Free, Prior and Informed Consent
GCCI	Gambia Chamber of Commerce and Industry
GCF	Green Climate Fund
GoG	Government of Gambia
GPS	Global Positioning System
IE	Implementing Entity
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
INDC	Intended Nationally Determined Contributors
IRR	Internal Rate of Return
IUCN	International Union for the Conservation of Nature
JMFP	Jointly Managed Forest Parks
JMWP	Jointly Manages Wildlife Parks
LDC	Least Developed Country
LTRF	Long-Term Research Framework
M&E	Monitoring and Evaluation
MA&D	Market Analysis and Development
MFI	Micro-Financing Institution
MoA	Ministry of Agriculture



MoE/ MoECCFWW	Ministry of Environment, Climate Change, Forestry, Water, and Wildlife
MoFEA	Ministry of Finance and Economic Affairs
MoJ	Ministry of Justice
MoLG&L	Ministry of Local Government and Lands
MoV	Means of Verification
MPC	Multi-Purpose Centre
NAP	National Adaptation Plan
NBSAP	National Biodiversity Strategy and Action Plan
NEA	National Environmental Agency
NFF	National Forests Fund
NGO	Non-Government Organization
NRM	Natural Resource Management
PA	Protected Areas
PC	Project Coordinator
PCA	Project Cooperation Agreement
PMU	Project Management Unit
PPCR	Pilot Program for Climate Resilience
PSC	Project Steering Committee
RAMPAO	Réseau des Aires Marines Protégées d'Afrique De L'Ouest
REDD+	Reducing Emissions for Deforestation and Forest Degradation
RFO	Regional Forestry Office
SDF	Social Development Fund
TAMD	Tracking Adaptation and Measuring Development
PO	Programme Officer
UNCCD	United Nations Convention to Combat Desertification
UNDAF	United Nations Development Assistance Framework
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Agency for International Development
USD	United States Dollar
VDP	Village Development Plan
WB	World Bank
WBS	Work Breakdown Structure
WBSE	Work Breakdown Structure Element
WG	Women's Group
WP	Wildlife Park

A.1. Project / Programme Summary		
A.1.1. Project / programme title	Large-scale Ecosystem-based Adaptation in The Gambia: developing a climate-resilient, natural resource-based economy.	
A.1.2. Project or programme	Project	
A.1.3. Country (ies) / region	The Gambia	
A.1.4. National designated authority (ies)	Bai Madi Ceesay, Budget Directorate, Ministry of Finance and Economic Affairs.	
A.1.5. Accredited entity	United Nations Environment Program (UNEP)	
A.1.5.a. Access modality	<input type="checkbox"/> Direct <input checked="" type="checkbox"/> International	
A.1.6. Executing entity / beneficiary	<p>Executing Entity – ministerial level: Ministry of Environment, Climate Change, Water, Forests and Wildlife Executing Entity – departmental level: Departments of Forestry and Parks and Wildlife Management</p> <p>Total beneficiaries: Rural Gambian households within and adjacent to community-managed Forest Reserves and Conservation Areas:”</p> <p>11,550 direct beneficiaries (50% women) 46,200 indirect beneficiaries (50% women)</p>	
A.1.7. Project size category (Total investment, million USD)	<input type="checkbox"/> Micro (≤ 10) <input checked="" type="checkbox"/> Small ($10 < x \leq 50$) <input type="checkbox"/> Medium ($50 < x \leq 250$) <input type="checkbox"/> Large (> 250)	
A.1.8. Mitigation / adaptation focus	<input type="checkbox"/> Mitigation <input checked="" type="checkbox"/> Adaptation <input type="checkbox"/> Cross-cutting	
A.1.9. Date of submission	30 November 2015 6 June 2016 (resubmission)	
A.1.10. Project contact details	Contact person, position	Ermira Fida Senior Programme Officer; Coordinator, Climate Change Sub-Programme
	Organization	United Nations Environment Programme (UNEP) Nairobi, Kenya
	Email address	ermira.fida@unep.org
	Telephone number	Office land line: (254-20) 76 23113 Mobile: + 254 714 636329
	Mailing address	United Nations Environment Programme (UNEP) Headquarters Nairobi, Kenya

A.1.11. Results areas *(mark all that apply)*

Reduced emissions from:

- Energy access and power generation
(E.g. on-grid, micro-grid or off-grid solar, wind, geothermal, etc.)

- Low emission transport
(E.g. on-grid, micro-grid or off-grid solar, wind, geothermal, etc.)
- Buildings, cities and industries and appliances
(E.g. new and retrofitted energy-efficient buildings, energy-efficient equipment for companies and supply chain management, etc.)
- Forestry and land use
(E.g. forest conservation and management, agroforestry, agricultural irrigation, water treatment and management, etc.)

Increased resilience of:

- Most vulnerable people and communities
(E.g. mitigation of operational risk associated with climate change – diversification of supply sources and supply chain management, relocation of manufacturing facilities and warehouses, etc.)
- Health and well-being, and food and water security
(E.g. climate-resilient crops, efficient irrigation systems, etc.)
- Infrastructure and built environment
(E.g. sea walls, resilient road networks, etc.)
- Ecosystem and ecosystem services
(E.g. ecosystem conservation and management, ecotourism, etc.)

A.2. Project / Programme Executive Summary (max 300 words)

1. Poverty and environmental degradation are resulting in intensely negative socio-economic effects in The Gambia. Climate variability and change are exacerbating these effects. Droughts and floods are, for example, increasingly severe, resulting in reduced agricultural production and unsustainable extraction of resources from forest ecosystems by rural households. At present there are insufficient financial resources and technical capacity to build the climate-resilience of rural Gambians by adapting agricultural practices and natural resource management to climate change conditions. Although the need to manage Gambian natural resources in a commercial yet sustainable manner is well recognised, a paradigm shift is required to manage these resources in a rigorous, evidence-based manner under climate change conditions. The proposed GCF project will use large-scale Ecosystem-based Adaptation (EbA) – a cost-effective and low-risk approach for building climate resilience over large rural landscapes – to effect this paradigm shift. The objective of the project is consequently to build the climate-resilience of rural Gambian communities and facilitate the development of a sustainable natural resource-based (green) economy by implementing large-scale EbA within and adjacent to agricultural areas, community-managed forest reserves and wildlife conservation areas. This will entail: a) restoring degraded forests and agricultural landscapes with climate-resilient plant species that provide goods for consumption or sale; and b) facilitating the establishment of commercially viable natural resource-based businesses to be managed by community-based organizations. The Gambia's existing policies that promote decentralization of natural resource management (including *inter alia* community forests, forest reserves and conservation areas) to community-based committees will be used as an entry point for integrating EbA into ongoing national-, district- and village-level planning. The project will comprise three components: a) large-scale EbA to build a climate-resilient natural resource base; b) development of markets for natural resource-based businesses; and c) policy support, institutional strengthening and knowledge generation to support large-scale implementation of EbA.

A.3. Project/Programme Milestone

Expected approval from accredited entity's Board (if applicable)	N/A
Expected financial close (if applicable)	N/A
Estimated implementation start and end date	Start: <u>01/01/2017</u> End: <u>31/12/2022</u>
Project/programme lifespan	6 years

B.1. Financing/Cost Information

2. The Government of The Gambia requests that 100% of the proposed GCF project is committed in the form of grant finance. The request for grant finance is based on Gambia's status as an LDC. The country has a low GDP per capita (USD ~488 in 2012), a high ratio of external debt to GDP (~43% in 2012), and does not have the financial capacity to manage loan or reimbursable grant finance. It consequently requires significant grant finance support to adapt to the effects of climate change – a requirement that has been articulated in the National Adaptation Programme of Actions (NAPA), Second National Communication (SNC) and Intended Nationally Determined Contribution (INDC). In addition, as specified in the Governing Instrument of the GCF¹, The Gambia as a developing country party to the UNFCCC is eligible to receive resources from the GCF that will finance agreed full costs for activities to enable and support enhanced action on adaptation. As a result of the limited financial capacity of The Gambia as an LDC to adapt to climate change impacts as articulated in The Gambia's NAPA, SNC and INDC, and drawing on the Fund's governing instrument, The Gambia requests resources in the form of 100% grant finance for this project in order to enable and support enhanced action on adaptation. The requested GCF grant funding will be used to undertake concrete, on-the-ground EbA interventions, procure equipment to promote natural resource-based businesses, and provide technical support to communities undertaking the EbA and managing the businesses. The technical support will include *inter alia*: detailed market assessments, capacity-building and training of government extension officers and community members, and development of EbA restoration protocols. GCF funds will also be used to procure equipment and infrastructure to support the establishment of community-managed businesses based on natural resources in participation with at least 125 communities.

3. The proposed approach to disbursement of funds will address the following project barriers (see section C.2. below): a) insufficient financial resources within The Gambia to implement large-scale EbA and assess the commercial and adaptation benefits of this approach; and b) limited incentives and a small evidence base to motivate for increased investment in large-scale EbA by the government and the private sector. An integrated financial model is presented in Annex B, comprising separate analyses of: a) the economic feasibility of five potential natural resource-based businesses based on the proposed project's investments in EbA; and b) the long-term economic benefits generated over the maturation of the total GCF investment. A summary of the project costs by component is presented below. A summary of costs by individual activities is presented in Annex D.

Budget line	Output 1	Output 2	Output 3	PM	Total
Staff and Other Personnel Costs	2 672 276	863 080	685 000	1 270 000	5 490 356
Contractual Services	7 657 500	355 000	70 000	0	8 082 500
Travel	220 000	580 400	0	90 000	890 400
Equipment Vehicles and Furniture	144 000	5 307 500	0	140 000	5 591 500
Operating and Other Direct Costs	46 667	126 167	96 166	223 000	492 000
Component totals	10 740 443	7 232 147	851 166	1 723 000	20 546 756
Project Total					20 546 756

B.2. Project Financing Information

	Financial Instrument	Amount	Currency	Tenor	Pricing
(a) Total project	(a) = (b) + (c)	25,521,367	million USD (\$)		

¹Governing Instrument for the Green Climate Fund, paragraph 35.
Available at: https://www.greenclimate.fund/documents/20182/56440/Governing_Instrument.pdf/caa6ce45-cd54-4ab0-9e37-fb637a9c6235

financing							
(b) GCF financing to recipient	* (vi) Grants *	20 546 756		million USD (\$)			
	* Please provide economic and financial justification in section F.1 for the concessionality that GCF is expected to provide, particularly in the case of grants. Please specify difference in tenor and price between GCF financing and that of accredited entities. Please note that the level of concessionality should correspond to the level of the project/programme's expected performance against the investment criteria indicated in section E .						
	Total requested (i+ii+iii+iv+v+vi)	20 546 756		million USD (\$)			
(c) Co-financing to recipient	Financial Instrument	Amount	Currency	Name of Institution	Tenor		Seniority
		4,974,611	USD	- Government of The Gambia (Ministry of Environment, Climate Change, Water, Forests and Wildlife)			
	Lead financing institution: N/A						
	* Please provide a confirmation letter or a letter of commitment in section I issued by the co-financing institution.						
(d) Financial terms between GCF and AE	As the Accredited Entity (AE), UNEP, requests an accredited entity fee of 9% of total project costs over the 6-year project implementation period. The AE fee will be used to cover the cost of project supervision (preparation, implementation, completion, evaluation process, reporting), knowledge management, GCF coordination and management to ensure the GCF fiduciary standards are maintained and upgraded accordingly. For the financing of the Project, the Fund will enter into a FAA with UNEP, which will regulate the terms and conditions described in the term sheet and any necessary deviations from the AMA (which still under negotiation). In accordance with the FAA, UNEP shall administer the funds disbursed by the GCF. The GCF funds will be channelled through UNEP, in its capacity as administrator of GCF funds, to the Gambian Ministry of Environment, Climate Change, Water, Forests and Wildlife (the Executing Entity). UNEP shall enter into a Project Cooperation Agreement (PCA) with the EE to provide a grant of US\$20,546,756 for the execution of the project. The PCA will establish clear roles and responsibilities for both parties for the delivery of the proposed activities, the schedule and conditions for instalments, the determination of the prevailing fiduciary standards and terms and conditions for arbitrations and termination of contract..						

B.3. Financial Market Overview (if applicable)

4. As noted in section B.1, the proposed GCF project investment is requested to be provided exclusively as grant finance, totaling USD 20 546 756. Consequently this proposal assumes that the GCF investment will have negligible impact on the country's financial markets. This section is consequently not applicable to this project.

C.1. Detailed Project/Programme Description

5. The proposed GCF project will use large-scale EbA to increase crop and livestock productivity, and increase the supply of resources from forest ecosystems under climate change conditions. The project is consequently aligned with a wide range of Gambian policies, strategies and programmes including:
- a) The Forestry sub-sector policy (2010–2019) which encourages the involvement of the local communities and the private sector in the management and development of forest. Specifically, the Forestry policy aims to: i) reserve, maintain and develop forest resources (at least 30% of total land area) to provide environmental protection through minimizing soil desiccation and erosion, improving and conserving biodiversity, maintaining river bank stability and protecting swamps; ii) ensure that 75% of forest lands are managed and protected according to forest management principles and plans by engaging local communities in forest resource management, strengthening local structures such as community forest committees, devolving authority and management responsibilities to local communities and introducing participatory techniques for local empowerment; and iii) ensure sufficient supply of forest produce necessary to both urban and rural population through the rehabilitation of forest lands and establishment of fast growing plantations and woodlots.
 - b) The Agriculture and Natural Resources (ANR) policy document (2009-2015) which identifies needs such as decentralized management of wildlife resources, developing value chains for natural resource-based products, introducing micro-finance, and establishing REDD+ projects.
 - c) Vision 2020, the Medium Term Development Framework, and the Gambia Environmental Action Plan, all of which highlight the importance of managing environmental problems – including land degradation, loss of forest cover, loss of biodiversity and climate change.
 - d) The Programme for Accelerated Growth and Employment 2012–2015 which focuses on sustainable forest management, increasing agricultural production and achieving food security for the country.
 - e) The Forest Act 1998 which provides for the maintenance and development of the forest resources of The Gambia with a view to enhancing the contribution of forestry to socio-economic development. Of particular relevance to this project, the Forest Act remains the most recent and relevant piece of legislation detailing how community forests are formed and managed (*Part VII: Declaration of reserved forest. Creation of community forest. Designation of community controlled state forest*). This legislation is soon to be supplemented by the Forestry Bill 2016, which is currently in the process of being enacted by the Ministry of Justice.
 - f) The Gambia UNDAF 2012–2016 which has the objective of poverty reduction and social protection by generating sustainable livelihoods while protecting the environment.
 - g) The National Biodiversity Strategy and Action Plan (NBSAP) and the National Action Plan (NAP for UNCCD) which promote activities such as: wetland engineering to ensure food and water security; restoration of degraded ecosystems; designation of more community protected areas and expansion of existing ones; expansion and consolidation of community forestry; and joint forest park management.
 - h) NAPA-identified priorities relating to climate change, including:
 - The Rehabilitation of Early Warning Systems on Climate-Related Natural Hazards;
 - Improvement of Freshwater Availability;
 - Diversification and Intensification of Agricultural Production, Processing and Marketing;
 - Expansion of Community Participation in the Management of Forests and Protected Areas;
 - Expansion and Intensification of Agro-forestry and Re-forestation Activities; and
 - Improved Livestock and Rangeland Management of Food Security and Environmental Sustainability.
 - i) The Gambia's Intended Nationally Determined Contributions (INDC), submitted in October 2015, which puts a strong emphasis on the need to integrate national adaptation priorities into sectoral and cross-sectoral planning and legislation with concomitant investments in building capacity for climate change adaptation within government staff and the general public. The proposed GCF project will contribute towards achieving the adaptation targets proposed in the INDC.
 - j) The Sustainable Development Goals, to which Gambia is a signatory, particularly SDGs on Climate Change Biodiversity, Poverty, Food security, and Gender Equality (SDGs 13, 15, 1, 2 and 5, respectively).

In addition to national policies, strategies and programmes, the project is aligned with local-level planning activities. The proposed GCF project will integrate EbA into 5- and 10-year management plans for community co-managed areas such as Community Forests (CFs), Jointly Managed Forest Parks (JMFPs), Jointly Managed Wildlife Parks (JMWP)

and Community Controlled State Forest Management Areas (CCSFMA). Furthermore, the project will work with existing management structures to develop village-level land use maps, including: i) Village Development Committees; ii) Forest Management Committees (CF areas); and iii) Village Conservation Committees (CPA areas) (for additional information on linkages to sub-national planning activities see section C.3 and E2.4).

At the implementation phase, the project will adopt a strong focus on alignment with emerging national priorities related to climate change. For example, the project's priority activities will be reviewed and, if necessary, updated to align with the future National Climate Change Policy (currently in draft phase, to be finalized in 2016), which is being developed as a framework for mainstreaming climate change into development planning in The Gambia. In addition, the project's activities will also be assessed and reviewed periodically to assess alignment and coherence with the NAP process, which was initiated in The Gambia in June 2015.

C.2. Project / Programme Objective against Baseline

6. **Baseline situation.** The Gambia is a small, narrow, West African state (11,360 km²) situated along the Gambia River. The total population is estimated to be ~2 million², with an annual growth rate of ~2%³. This population growth is attributed to a rapid birth rate and a decline in the infant mortality rate⁴. Approximately 41% of the population live in rural areas⁵. The Gambia is one of the poorest countries in Africa, ranking 165th out of 187 countries in the Human Development Index (HDI) in 2013⁶. The country's per capita Gross Domestic Product (GDP) of ~US\$428 is one of the smallest in Africa⁷, but has increased by an average of 4.5% per year from 2008–2011⁸. In addition, while the national incidence of poverty at 48%⁹ is great, it has decreased by ~10% since 2008¹⁰.

7. As The Gambia's commercial mineral resources are limited, the national economy is mainly reliant on the agricultural sector. Agriculture accounts for ~40% of national exports and contributes ~26% to the country's GDP¹¹. Over 70% of Gambian households rely on subsistence agriculture as a source of food and income¹². However, the majority of rural households do not generate enough produce or income from farming activities to meet annual needs, particularly during the wet season when the previous seasons' produce has been consumed. These rural communities therefore rely heavily on ecosystem goods and services derived from woodlands, savannas, wetlands, mangroves and rivers to supplement their livelihoods. These ecosystem services include water provision, maintenance of soil fertility and erosion control, while ecosystem goods include fuelwood and non-timber forest products (NTFPs).

8. Literature reviews and in-country consultations (see Annex F for summary of in-country missions) clearly demonstrated the importance of natural resource-based products to the livelihoods of rural households, both for home consumption as well as for sale. Natural products for which there is a well-established local demand and familiarity include products such as foods (baobab, *kabba*, *netto*, *Ziziphus* as well as products such as honey), medicines (numerous species), building materials (*Rhun* palm as well as semi-valuable and valuable timbers) and handicrafts (particularly furniture constructed from *Rhun* palm). Detailed descriptions of useful or commercially valuable plant

² Available at: <http://www.encyclopedia.com/topic/Gambia.aspx>. Accessed on 18 September 2015.

³ Available at: http://www.indexmundi.com/the_gambia/population_growth_rate.html. Accessed on 18 September 2015.

⁴ Available at: http://www.columbia.edu/~msj42/pdfs/ClimateChangeDevelopmentGambia_small.pdf. Accessed on 18 September 2015.

⁵ Available at: <http://www.encyclopedia.com/topic/Gambia.aspx>. Accessed on 18 September 2015.

⁶ Available at: <http://www.ifad.org/operations/projects/regions/PA/factsheets/gm.pdf>. Accessed on 18 September 2015.

⁷ Available at: <http://data.worldbank.org/country/gambia>. Accessed on 18 September 2015.

⁸ Available at: http://eeas.europa.eu/delegations/gambia/documents/about_us/page_2012_2015_en.pdf. Accessed on 18 September 2015.

⁹ Available at: http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2014/PDF/CN_Long_EN/Gambie_EN.pdf. Accessed on 18 September 2015.

¹⁰ Available at: http://eeas.europa.eu/delegations/gambia/documents/about_us/page_2012_2015_en.pdf. Accessed on 18 September 2015.

¹¹ Available at: http://www.columbia.edu/~msj42/pdfs/ClimateChangeDevelopmentGambia_small.pdf. Accessed on 18 September 2015.

¹² Available at: http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2014/PDF/CN_Long_EN/Gambie_EN.pdf

species, and examples of natural resource-based livelihoods and business opportunities in The Gambia, are provided in the feasibility assessments in Annex B¹³. All of the above-mentioned products are widely available and are traded within complex informal national and regional value chains. Although there are existing markets for the above-mentioned products, these markets and supporting value chains are currently under-developed and do not make a significant contribution to the formal economy. The limited development of these value chains is not related to supply and demand, but rather is related to the minimal value and returns paid to rural households on the 'supply' side (see Annex B for additional details). As a result of the lack of business and financial management capacity among rural households, the limited skills for marketing, and near-total absence of value addition activities, the returns paid to communities participating in natural resource-based businesses are so small as to undermine the incentives for supply-side stakeholders to participate in or invest in commercial businesses. In the absence of capacity-building activities to support the development of commercially viable natural resource-based businesses, the full commercial potential and socio-economic benefits of the country's valuable natural resources will not be realized by Gambia's rural communities.

9. As a result of the reliance of Gambia's rural communities on natural resources and agriculture, the livelihoods and food security of these households is threatened by activities which degrade the country's ecosystems and natural resource base. At present, widespread environmental degradation and unsustainable land-use practices are reducing the generation of ecosystem goods and services that support both agricultural productivity and rural livelihoods in The Gambia. For example, unsustainable land-use practices such as overstocking of livestock and reliance on slash-and-burn agricultural techniques has resulted in a widespread depletion of soil fertility, thereby reducing agricultural productivity¹⁴. Other sources of degradation, such as over-extraction of woodland trees, uncontrolled bushfires, and production of charcoal results in a considerable loss of vegetation cover¹⁵ which leads to widespread soil erosion and sediment transfer into the Gambia River¹⁶. Overall, the reduction in ecosystem goods and services is leading to negative effects on rural Gambian's food supply, health, nutritional status, income streams and socio-economic well-being.

10. To address some of these challenges, the Government of The Gambia developed policies and established projects to protect the country's environment and increase the effectiveness of natural resource management. The Agriculture and Natural Resources (ANR) policy (2009-2015) identifies several priorities related to management of natural resources and wildlife, as well as the development of: i) value chains for natural resource-based products; ii) opportunities for micro finance; and iii) REDD+ projects. Similarly, the Forest Policy (2010–2019) was formulated with the objective of establishing an institutional framework for the Department of Forestry (DoF) and non-governmental stakeholders to manage and implement natural resources programmes within the country's forests, woodlands and savannas. An important component of The Gambia's existing ANR and Forest policies is the promotion of decentralized natural resource management (including *inter alia* community forests, forest reserves and conservation areas) to community-based committees. The Gambia has recognized the importance of the potential contributions that could be made by community-based management committees towards the country's objectives of sustainable management of the environment and natural resources. The principle of community-based management as a cost-effective approach to support sustainable management of natural resources is widely recognized in The Gambia. The government's decentralization programme is based on the observation that community-managed Forest Reserves have a greater forest canopy cover, biomass content and biodiversity than other land use categories in The Gambia. Community co-managed areas have a lower incidence rate and severity of forest fires, and a lower rate of encroachment, compared to State Forest Parks. (FAO Report 'Community Forestry Enterprises – a case study of The Gambia' states "The condition of the MA&D community forests, with proportionally more than 60% closed and open forests, is better compared to the average condition of the national forest cover where these two forests types just represent some 22% of the total forest area". The reasons cited for the relatively good condition of community co-

¹³ Business types assessed in Annex B include various scenarios for community-managed businesses based on the following: i) firewood collection; ii) *Rhun* palm harvest and handicraft manufacture; iii) beekeeping for production of honey and wax; iv) sustainable harvest of medium- and high-value timber; and v) value-adding/processing of wild-collected fruit products.

¹⁴ Available at: http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2014/PDF/CN_Long_EN/Gambie_EN.pdf

¹⁵ For example, 78% of The Gambia's woodlands – which cover ~46% of the land area – have been degraded; and mangrove cover has decreased by 650 hectares per year since 1980.

¹⁶ On average 12.5 tonnes of soil are lost per hectare per year.

managed areas is that secure and long-term access to land tenure is believed to be the strongest incentive for communities to manage natural resources sustainably. For example, communities are more likely to respond to a forest fire in a co-managed area for the reason that there is a clear incentive to protect the remaining natural resources (such as firewood and grazing land). Conversely, in areas where tenure arrangements are unclear or where communities have no access rights, there are limited incentives for communities to participate in natural resource management or to comply with by-laws and restrictions on natural resource use. In addition, the establishment and annual revision of management plans for CF and CPA areas – which includes delineation of community-managed areas, mapping of vulnerable or degraded areas to be restored, and undertaking inventories of natural resources to be managed – assures the sustainability of forest management by establishing transparent mechanisms for reviewing the status of natural resources in every CF and CPA areas.

11. At present, decentralized forest management rights have been awarded to a total of 458 communities across the country, the majority of which are located in Community Forest reserves. This process of transferring management rights and establishing Community Forest reserves is currently governed by the Forest Act, 1998 (see section C.1 and Annex Q.1), and in future, once enacted, will be governed by the Forestry Bill. Through the establishment of a mechanism for collection of fees from forest user groups, the decentralized forest management programme generates revenue for the National Forest Fund (NFF). This fund contributes significantly (~55%) to the operating budget of the DoF, and in particular is used to fund the ongoing activities of DoF related to forest protection, development and sustainable use of forest resources, promotion of community forestry (community forest management and joint forest park management), training of forestry staff, reforestation, and infrastructural development. However, because of a lack of financial resources and limited technical capacity, many of the environmental management regulations and plans outlined in the above policies are not adequately enforced or implemented. For instance, within the DoF there are less than 170 staff members distributed across five regional and one central office. Within the Department of Park and Wildlife Management (DoPWM), there are less than 95 staff available to manage the country's network of national parks and 13 Community Protected Areas. Consequently, there is an inadequate availability of staff, infrastructure and equipment to implement and enforce forestry regulations, provide extension services or undertake systematic monitoring and evaluation of DoF- and DoPWM-managed areas. An additional consequence of the limited availability of resources and technical staff within these departments is that rural communities do not receive adequate support and training to effectively and sustainably manage their forest resources. In summary: Gambian policies promoting effective and sustainable management of forests and natural resources to provide socio-economic benefits to communities participating in natural resource management do exist, however, at present the capacity of the GoG to implement these policies requires further strengthening.

12. Climate change context: The above-mentioned challenges related to the management of The Gambia's environment and natural resources are further exacerbated by the ongoing effects of climate change – including wind storms, droughts, floods, rainfall variability, coastal erosion and sea-level rise^{17 18 19}.

Observed effects of climate change

13. Long-term meteorological records and observations of climate change in Gambia show: a) decreased average rainfall and duration of the rainy season; and b) increased frequency and length of droughts; c) increased temperatures; and d) increased frequency and severity of flashfloods²⁰ in the period since ~1945. For example, the NAPA notes that the total national area that receives less than 800 mm rain has increased from 36% to 93% of the national territory since the 1940's. The observed reduction in mean annual rainfall is most apparent in the coastal and

¹⁷ The Republic of Gambia. 2003. First National Communication of the Republic of Gambia to the United Nations Framework Convention on Climate Change. Available at: <http://unfccc.int/resource/docs/natc/gamnc1.pdf>

¹⁸ The Republic of Gambia. 2003. Second National Communication of the Republic of Gambia to the United Nations Framework Convention on Climate Change. Available at: <http://unfccc.int/resource/docs/natc/gamnc2.pdf>

¹⁹ The Republic of Gambia. 2003. Gambia National Adaptation Programme of Action on Climate Change. Available at: <http://unfccc.int/resource/docs/napa/gmb01.pdf>

²⁰ Malanding, S.J.; and Sarr, B. 2011. Climate Change and Development in the Gambia: Challenges to Ecosystem Goods and Services. Available at: http://www.columbia.edu/~msj42/pdfs/ClimateChangeDevelopmentGambia_small.pdf. Accessed on 29 May 2015.

lowland regions of the country (west of 15°30'W), where the volume of rainfall received in the July-September 'wet' season has decreased by ~200mm²¹. The Second National Communication (SNC) notes that changes have been observed in average relative humidity (RH), which has decreased from an annual average of over 75% in 1945 dropping to ~55% in 2002. With respect to increased temperatures, the NAPA and the Second National Communication report that the average minimum monthly temperature has increased by ~0.4 °C per decade since the 1940's²². Observations of the current effects of climate change also indicate an increase in the frequency of unusually heavy rainfall events (resulting in intense rainwater runoff and flooding) and an increasingly erratic spatial distribution of rainfall. Notably, groundwater levels have also been declining in the last decade²³, leading to the loss of many shallow wells that had been used for irrigating crops. As a result of these effects, Gambian farmers have reported multiple negative impacts as a result of climate change²⁴ - for example, the NAPA cites rural stakeholders as reporting that effects such as erratic and reduced rainfall, reduced duration of growing season, and increased temperatures, resulted in negative impacts such as: i) reduced crop yield; ii) reduced availability of forest products; and iii) reduced livestock productivity. Recent studies have reported that groundnut yields in The Gambia are likely to decrease by 40% because of increasing temperatures, with rice production also being negatively affected as freshwater resources are depleted²⁵. The negative impacts reported in the NAPA are consistent with the observations and stakeholder comments received during the first of two in-country consultation missions (August 2015, Annex F). During the latter mission, the project development team held interviews with eight agricultural communities in four of the country's six regions. These interviews included questions on observed and perceived climate changes. Trends reported by the farmers included reduced total rainfall, increased average temperatures, an increased number of abnormally hot days, and an increasing duration of the 'hungry', dry season. All respondents reported negative effects on productivity of crop and livestock farming as a result of climate change.

Predicted future impacts of climate change

14. The existing negative socio-economic impacts of climate change in The Gambia are expected to be further exacerbated as a result of further climate change in the future. The modelled projections in the SNC indicate that mean annual temperature will increase by ~1.7 - 2.1°C .by 2050, and ~3.1–3.9°C by 2100, relative to historical mean annual temperature (1941–2005). In comparison with the modelled effect of climate change on temperature, projected changes in mean annual rainfall are more variable between models – however all models predict a reduction in mean annual rainfall, ranging from a decrease of ~1–25% by 2050 and a decrease of ~2–54% by 2100. Irrespective of the projected net decrease in rainfall, all models predict a dramatic increase in evapotranspiration as a result of the combined effects of reduced humidity and increased temperature. Models predict that evapotranspiration will increase by ~9-29% .by 2050, and ~15–45% by 2100, relative to historical means²⁶. The SNC identifies livelihood sectors such as agriculture (including both crop and livestock production), forestry and fisheries as being particularly vulnerable to the predicted effects of climate change. The cumulative impact of climate change effects such as: i) reduced soil water content caused by increased evapotranspiration resulting from warmer air temperature; ii) increased frequency and severity of droughts; iii) reduced availability and quality of fresh ground water; and iv) increased erosion of fertile topsoil during intense rainfall events; are anticipated to result in decreased productivity of the aforementioned sectors,

²¹ The Republic of Gambia. 2003. Gambia National Adaptation Programme of Action on Climate Change. Available at: <http://unfccc.int/resource/docs/napa/gmb01.pdf>

²² The Republic of Gambia. 2003. Second National Communication of the Republic of Gambia to the United Nations Framework Convention on Climate Change. Available at: <http://unfccc.int/resource/docs/natc/gamnc2.pdf>

²³ Further research is required to ascertain the extent to which these declines are as a result of over-extraction versus climate change. It is, however, assumed that greater evapotranspiration as a result of increased air temperatures are a major contributing factor to reduced groundwater recharge.

²⁴ The Republic of Gambia. 2003. Gambia National Adaptation Programme of Action on Climate Change. Available at: <http://unfccc.int/resource/docs/napa/gmb01.pdf>

²⁵ AIACC. 2006. Making economic sense of adaptation in upland cereal production systems in The Gambia. AIACC Working paper No. 37 (August 2006). Available at:

http://www.start.org/Projects/AIACC_Project/working_papers/Working%20Papers/AIACC_WP37_Njie.pdf.

²⁶ The Republic of Gambia. 2003. Second National Communication of the Republic of Gambia to the United Nations Framework Convention on Climate Change. Available at: <http://unfccc.int/resource/docs/natc/gamnc2.pdf>

thereby reducing household income and food security. In the agriculture sector, the potential benefits of elevated CO₂ concentrations on plant growth are expected to be reduced by increased temperatures and crop water deficits²⁷. The productivity of the natural ecosystems which support the forestry and livestock production sectors are also threatened by the predicted climate changes, which are anticipated to result in decreased biomass production, reduced biodiversity and a decline in spatial extent and density of vegetation cover. The IPCC 5th Assessment Report included multiple predictions related to the vulnerability of impoverished countries in Africa (such as The Gambia), noting that poor countries in Africa (such as The Gambia) and Asia are expected to face a reduction in GDP of up to 1.2%²⁸. Assuming a population of ~2,000,000 and a GDP of USD 488, the annual economic cost of climate change is conservatively estimated to be USD~12,8 million²⁹. In West Africa countries, the IPCC 5th AR predicts that temperature increases are likely to result in particularly negative consequences for production of cereals such as sorghum, millet and rice³⁰. In recognition of the strong likelihood of negative impacts on rural households that are dependent on agriculture- and natural resource-based livelihoods, The Gambia's NAP and SNC include recommendations of priority adaptation actions for each of the abovementioned.

National policies and plans related to climate change

15. As described previously, The Gambia recognizes the severity and urgency of the national threats related to climate change, and has engaged actively in international initiatives related to addressing climate change. However, at present, there is a need to revise and strengthen The Gambia's institutional and policy frameworks to include consideration of future climate change risks and to develop sector-specific adaptation plans. In recognition of this need to integrate climate change into the country's policies, strategies and cross-sectoral planning, several ongoing initiatives have been implemented. Firstly, the EU-funded project entitled "*GCCA support project to the Gambia for integrated coastal zone management and the mainstreaming of climate change*" aims to: i) establish processes for participatory and sustainable integrated coastal zone management; ii) strengthen the knowledge base for integrating climate change across multiple economic sectors; and iii) formulate a national climate change policy. Secondly, the UNEP-UNDP GEF-LDCF project entitled "*Strengthening of The Gambia's climate change Early Warning Systems*" aims to strengthen the national hydro-meteorological network and develop institutional capacity of government institutions to better integrate climate change considerations into policies. Finally, the UNDP GEF-LDCF project "*Enhancing the resilience of vulnerable coastal communities to climate change*" aims to *inter alia* establish an institutional coordination mechanism for coastal-development planning and develop a national programme for coastal monitoring. A summary of these ongoing initiatives is presented in Annex G. Despite the efforts of these ongoing initiatives, climate change is yet to be integrated into all sectoral policies. At present, the National Climate Change Policy is in a draft phase and as a result no national climate change strategies and action plans have been developed. Therefore, at present, the vulnerability of The Gambia's population and important economic sectors to climate change is exacerbated by the limited consideration of climate change in the country's institutional framework and policies.

16. The problem that the proposed GCF project will consequently address is that the livelihoods of Gambia's rural communities – particularly those that are dependent on agricultural, natural resources, and the sustained generation of ecosystem goods and services - are threatened by climate change and are anticipated to decline further as a result of future climate change. The root cause of the vulnerability of these communities is that the sustained supply of ecosystem goods and services from agricultural landscapes and natural ecosystems (such as forests, woodlands and mangroves) that underpin the livelihoods of rural households is threatened by the predicted effects of climate change. Agricultural households are particularly vulnerable to climate change as a result of the widespread reliance on the brief rainy season to meet the majority of annual food and income needs, which increases the vulnerability of these

²⁷ The Republic of Gambia. 2003. Second National Communication of the Republic of Gambia to the United Nations Framework Convention on Climate Change. Available at: <http://unfccc.int/resource/docs/natc/gamnc2.pdf>

²⁸ IPCC AR 5. Livelihoods and Poverty in Climate Change 2014: Impacts Adaptation and Vulnerability. Part A. Global and Sectoral Aspects. Available at: http://www.ipcc.ch/pdf/assessment-report/ar5/wg2/WGIIAR5-Chap13_FINAL.pdf

²⁹ Note that this figure is based on coarse regional estimates. Furthermore, this analysis assumes that climate change impacts are evenly distributed between sectors, while in practice it is likely that impacts will be disproportionately distributed between sectors and livelihood types. Sectors such as agriculture, which are particularly exposed to climate change-related risks and vulnerabilities, are likely to be disproportionately impacted by the effects of climate change.

³⁰ IPCC AR 5. Africa in Climate Change 2014: Impacts Adaptation and Vulnerability. Part B. Regional Aspects. Available at: http://www.ipcc.ch/pdf/assessment-report/ar5/wg2/WGIIAR5-Chap22_FINAL.pdf

households to loss of income and food shortages in the event of a poor harvest or a crop failure. The vulnerability of these communities to climate change is further exacerbated by the relative under-development of Gambia's rural economy and the lack of alternative, climate-resilient livelihood options. As a result of the limited availability of technical expertise and financial resources to support the development of alternative livelihoods and adoption of appropriate local adaptation practices, rural households in The Gambia will remain vulnerable to climate-related shocks such as reduced agricultural production and increased incidence of crop failure, which in turn will exacerbate the challenges of rural poverty and food insecurity. In the absence of investments to diversify rural livelihoods away from inefficient agricultural practices and unsustainable use of natural resources, the effects of climate change will exacerbate the ongoing cycle of rural poverty and environmental degradation.

17. Adaptation solution. To resolve the climate change problems facing rural Gambian communities, there is a need for a paradigm shift in the Gambia, from an economy caught in a cycle of unsustainable natural resource management practices and climate-vulnerable subsistence livelihoods; towards a sustainable green economy based on climate-resilient livelihoods and rigorous, evidence-based management of natural resources. The proposed adaptation solution is the largescale implementation of the Ecosystem-based Adaptation (EbA) approach in participation with vulnerable rural communities in Community Forests (CFs) and Community Protected Areas (CPAs). The EbA approach has been defined as the use of ecosystems – and generation of associated goods and services – as part of a strategy to adapt to climate change. Such an approach is increasingly recognized as a highly cost-effective and low-risk approach for adapting to climate change^{31,32,33}. The proposed project will design and implement EbA interventions that will increase the generation of food and/or income during the dry/'hungry' season that will supplement existing income from agriculture and reduce the severity of negative socio-economic impacts associated with climate change (e.g. crop failure). The project's investments in EbA will: i) increase the generation of ecosystem goods and services through establishment of a climate-resilient natural resource base; and ii) identify and promote climate-resilient livelihood options for rural communities to survive the economic hardships caused by climate change, through establishment of natural resource-based businesses (e.g. sustainable production and marketing of natural products such as timber, firewood, honey and fruit). The integration of the EbA approach into The Gambia's planned activities for agriculture, natural resources, climate change adaptation and socio-economic development will respond to multiple national adaptation needs, including inter alia the following:

- a) increase the generation of food and/or income during the dry/'hungry' season to reduce the severity of negative socio-economic impacts of climate change on vulnerable rural households
- b) protect and restore ecosystem goods and services that underpin existing rural livelihoods, including generation of valuable natural products as well as provisioning services such as maintenance of soil fertility, fresh water and pollinators; and
- c) identify and demonstrate sustainable, climate-resilient livelihoods based on the sustainable management and marketing of natural resource-based products as part of The Gambia's long-term strategy to adapt to climate change.

18. The proposed GCF investment in EbA will benefit participating communities by increasing food security and generating new income streams through natural resource-based businesses despite the negative impacts of climate change.

19. Barriers to implementing large-scale EbA.

Barriers to the above solution include:

³¹ Rao et al. 2013. An economic analysis of ecosystem-based adaptation and engineering options for climate change adaptation in Lami Town, Republic of the Fiji Islands. A technical report by the Secretariat of the Pacific Regional Environment Programme. Apia, Samoa .Available at: http://ian.umces.edu/pdfs/ian_report_392.pdf. The highest benefit-cost ratio for the ecosystem-based options in the Lami Town study was FJ\$19.50 benefit for every FJ\$ spent over a 20-year time horizon. In comparison, the benefit-cost ratio for the engineering options scenario was FJ\$9.00.

³² Blignaut et al. 2014. Restoration of natural capital: a key strategy on the path to sustainability. Ecological Engineering. Doi: <http://dx.doi.org/10.1016/j.ecoleng.2013.09.003>

³³ Binney J. Singh R. Anderson P. and Lee Long W. 2015. The cost of protecting our coastline and water supply - Benefit cost analysis of ecosystem-based management and climate change adaptation options in Lami Town, Fiji. Technical Report. UNEP and the Secretariat of the Pacific Regional Environment Programme.

- a) Gambian institutions in both government and the private sector have insufficient technical capacity to implement EbA interventions as well as implement the existing policies promoting community-based management of natural resources;
- b) Private sector investors, credit unions and financial institutions have an insufficient evidence base on the benefits of EbA to assess the commercial viability of natural resource-based businesses that could emerge from investments in EbA;
- c) At present, there is a limited understanding of the monetary and economic value of functional ecosystems and natural resources, and in consequence there are insufficient funds allocated to natural resources in both government budgets and the private sector to enable large-scale investments in EbA across The Gambia;
- d) Rural Gambian smallholders are unwilling to invest in EbA interventions and natural resource-based businesses in the absence of security of land tenure and rights to access the natural resources; and
- e) Gambian government departments and private sector businesses have insufficient knowledge and technical capacity to promote natural resource-based businesses.

20. The overarching objective of the project is to build the climate-resilience of rural Gambian communities and facilitate the development of a sustainable natural resource-based (green) economy by implementing large-scale EbA within and adjacent to agricultural areas, community-managed forest reserves and wildlife conservation areas of The Gambia.

C.3. Project / Programme Description

21. The proposed GCF project will achieve its overarching objective by restoring and building The Gambian natural resource base in transformed agricultural landscapes and degraded ecosystems (including deciduous and semi-deciduous forests, savanna woodlands and mangroves) using climate-resilient tree and shrub species across an area of at least 10,000 hectares. This investment in EbA will be complemented by the establishment of natural resource-based businesses managed by local communities. Such businesses will stimulate economic activity in Gambia's rural areas and facilitate the transition of the country towards a green economy based on sustainable use of natural resources. The Gambian Government is committed to this transition to a green economy and is in the process of increasing the area of forest under community management to at least 200,000 hectares.

22. The project's EbA interventions will take place within and adjacent to at least 125 newly established³⁴ Community Forestry Reserves (CFs) and Community Protected Areas (CPAs), across four regions of The Gambia (Lower River, Central River South, Central River North and Upper River Regions – see maps in Annex H.1 and H.2). These community-managed areas were formally proclaimed in late 2015 as part of the MoE's renewed Participatory Forest Management Programme, which promotes community-based management of natural resources and development of Community Forest Enterprises through the MA&D process. The above proclamations provide the community-managed areas with secure and stable land tenure. Such tenure has been demonstrated in The Gambia to incentivize communities to adopt sustainable practices for natural resource management (described in Section C.2). In addition to implementing EbA interventions, the project will integrate an EbA approach into the management plans of the newly established community-managed areas. The three complementary components and associated Outputs of the project are presented below. A detailed list of activities and sub-activities is presented in Annex J.

23. Component 1: Large-scale Ecosystem-based Adaptation (EbA) to build a climate-resilient natural resource base across The Gambia.

Output 1: EbA interventions implemented in agricultural landscapes and degraded ecosystems to provide adaptation and commercial benefits for local communities, government and the private sector in The Gambia

24. Component 1 will comprise the implementation of large-scale EbA interventions to increase the generation of climate-resilient natural resources and ecosystem services in community-managed forests (CFs) and protected areas (CPAs). The project's activities will build directly on the existing baseline activities within the MoE's three Programmes of Activities (Programme 1: Strategy, Policy and Management; Programme 2: Sound Environmental Management; and Programme 3: Biodiversity Conservation and Management) through which the activities of DoF and DoPWM are

³⁴ The formal management rights to these community managed areas was granted as recently as November 2015.

budgeted (detailed in Section C.4).

25. As stated above, the proposed GCF project will implement EbA interventions in 125 CFs/CPAs across four regions of The Gambia, namely Lower River Region, Upper River Region, Central River South Region and Central River North Region. These four regions comprise ~62% of the land area of the country and include a wide diversity of vegetation types and land use types. The initial stages of project implementation will focus on 68 recently proclaimed CFs and CPAs in four regions (detailed in Annex H.4). By focusing on the participation of these newly established community-managed areas, the project will capitalize on the opportunity to integrate EbA into community-level management plans through the scheduled MA&D consultations that will be held with these communities from 2016 onwards. Table 1 (below) summarises the total spatial extent of the project's EbA interventions, including the 68 priority CFs (which will be included in the initial stages of the project) as well as at least 57 additional CFs/CPAs (which will be selected during the implementation phase following the selection criteria detailed in Annex K). Detailed lists of the specific CFs/CFAs, participating communities and spatial extent of EbA interventions in each region, are presented in tables in Annex H.4.

26. Each of the project's CFs/CPAs will require the development of highly specific **EbA protocols** based on *inter alia* local soil types, soil depths, topography, land use practices, and natural plant communities. Detailed soil mapping, land use mapping, and botanical surveys at the scale of each CF/CPA will consequently be required prior to implementation to develop the CF/CPA-specific EbA protocols. To manage the bio-physical diversity of the 125 CFs/CPAs, the project will use a programmatic approach based on the **replication of region-specific prototypes of EbA practices** (see Prototypes A–D in Annex H.3). These four prototypes will provide blueprints for communities, local authorities and project management staff to develop CF/CPA-specific EbA protocols in a particular region. Each prototype is **representative** of the EbA interventions required in one or two of the predominant vegetation types in a project region. The prototypes will consequently be replicated across the regions for which they have been tailored. Four prototypes have been developed. Prototype A will be replicated across the Lower River Region where CFs/CPAs include predominantly forest vegetation types. Prototype B will be replicated across the Central River Regions (North and South) where CFs/CPAs include predominantly forest and mangrove vegetation types. Prototype C will be replicated across Central River Regions (North and South) where CFs/CPAs include predominantly savannah woodland and mangrove vegetation types. And Prototype D will be replicated across the Central River Regions (North and South) where CFs/CPAs include predominantly savannah woodland vegetation types. Table 1 below provides a regional breakdown of the amount of land to be used for EbA interventions within the proposed GCF project, the predominant vegetation types, and the potentially applicable prototypes. Details on the region-specific EbA prototypes are presented in Annex H.3, with maps of the villages of Tabanane (Lower River Region; Prototype A), Jasobo (Central River Region South; Prototype B), Baro Kunda (Central River Region North; Prototype C), and Belleh Mondeh (Upper River Region; Prototype D) used for illustrative purposes. Each of these prototypes will be validated during the inception stage of the project.

Table 1. An overview of the proposed GCF project showing a regional breakdown of the proposed project's EbA interventions.

Region	Number of Community Forest areas	Total area of EbA in transformed land <i>inter alia</i> agriculture, fallow land, roadside verges (ha)	Total area of EbA in natural ecosystems (ha)	Predominant vegetation type	Applicable EbA prototype (see Annex H.3)
Lower River Region	6	144	458	1. Evergreen & semi-deciduous forest; 2. Mangroves	Prototypes A and B
Central River Region (North)	35	840	1,439	1. Savannah woodland; 2. Mangroves	Prototypes B and C
Central River Region (South)	21	504	1,479	1. Savannah woodland; 2. Mangroves	Prototypes B and C

Upper River Region	6	144	441	1. Savannah woodland	Prototype D
Additional areas to be confirmed during implementation	57	1,512	3,641	All	
Total	125	3,000	7,000		

27. The programmatic roll-out of the region-specific EbA prototypes will include the following steps:

- *Engagement with local-level authorities inter alia Village Development Committees, Forest Management Committees and/or Village Conservation Committees as applicable.*

28. Regional representatives of DoF/DoPWM – including members of the newly established regional EbA Technical Working Groups – will actively engage with participating communities in the development and implementation of the project’s activities. The initial phases of community engagement will include selecting the appropriate EbA prototype for the local village and introductory training on the EbA concept. The training will focus particularly on members of: i) Village Development Committees; ii) Forest Management Committees (CF areas) or Village Conservation Committees (CPA areas). Communities who have been granted formal management rights to CF and CPA areas, and who therefore have pre-existing management committees, by-laws and development plans established at the village level³⁵ will be prioritised. The project will digitize (and make additional soft copies) of the existing village-level bylaws and 5- and 10-year management plans to be referred to during the process of engagement and training of participating communities.

- *Participatory mapping of land use and ecosystems in participation with village committees and trained DoF/DoPWM extension officers*

29. The development of village-level land use maps will be undertaken by DoF/DoPWM extension officers in participation with representatives of the Village Development Committee and Forest Management Committee/Village Conservation Committee. The extension officers will be provided with extensive technical support and training on the application of the EbA prototypes, including by the regional technical working groups established by the project. The application of each EbA prototype will require the identification and mapping of dominant soil types, soil depths, land use types, topography, plant communities and local-level climate change vulnerabilities. GPS measurements will be taken to delineate the boundaries of the community-managed areas (i.e. CF or CPA area), agricultural land, paths/roads, degraded or fallow land and grazing management areas. Village-level maps will be prepared using GIS software (QuantumGIS using Shape file formats) and converted to GoogleEarth imagery (.kmz file format).

- *Participatory mapping of village-level EbA interventions*

30. The village-level land use maps will be used as an interactive planning tool to guide the participatory design and validation of draft village-level EbA protocols by community representatives and regional extension staff. The protocols will include details on plant species to be used in a particular soil type and local plant community, methods of planting, and post-planting management plans.

- *Validation and revision of EbA protocols*

31. Following the participatory mapping, the draft EbA protocols will be reviewed, revised if necessary, and final versions of the protocols validated by the Village Development Committee. This detailed review of the choice of activities, scale of interventions, and variety of plant species, will be undertaken in participation with: i) community representatives; ii) regional DoF/DoPWM extension staff, and iii) the project’s EbA technical working group members. The EbA protocols will consequently be informed by traditional knowledge, local and international best-practices, and ongoing scientific research. The implementation of EbA interventions and post-planting management arrangements will vary between villages and will be defined in the by-laws and annual updates of the CF management plans.

³⁵ Prerequisites for formal recognition of CF/CPA communities include establishment of a Village Development Committee, Forest Management Committee/Village Conservation Committee (as applicable) and development of 5- and 10-year management plans.

Activities such as site preparation, provision of labour, forest patrolling etc. could for example be shared equally between members as unpaid responsibilities or could alternately be assigned to individuals for a wage.

- *Integration of EbA protocols into 5- and 10-year CF/CPA management plans*

32. CF and CPAs are required to establish 5-year and 10-year management plans which are reviewed annually by regional DoF extension staff. The project will use the opportunity of these annual reviews to formally integrate the validated final EbA protocols into mid-term (five years) and long-term (10 years) planning. In addition, the project will digitize those management plans which are currently only available in hard copy. These plans will be stored on the online information platform currently being established by the Department of Water Resources through the ongoing LDCF EWS project.

33. The following activities will be delivered under this component (detailed activities and sub-activities for the development of this Component are presented in Annex J):

34. *1.1 Protocols for large-scale EbA in at least 125 community-managed forest reserves and conservation areas to build climate-resilient natural capital in The Gambia.* Activities within this result will focus on the establishment and training of a technical working group of national experts that will guide the development of the project's activities throughout the implementation period, including the development of village-level EbA protocols and management plans based on the application of regional Prototypes, in participation with beneficiary communities. The technical working group will adopt a multi-disciplinary approach such that social scientists, horticulturalists, wildlife biologists, ecologists, geologists and hydrologists etc. provide regular input into refining of the EbA protocols through time. The technical working group will include representatives of the Gambia's NAP development team, thereby ensuring that the interventions of the GCF project are well-aligned with and integrated into emerging national plans and strategies on climate change. The EbA intervention protocols will be tailored to the site-specific context of each of at least 125 community-managed areas in Lower River, North Bank, Central River and Upper River Regions, including consideration of environmental, including consideration of multiple criteria as outlined in sub-activities (Annex J). Examples of EbA interventions that will be implemented in Component 1 to increase the climate-resilient supply of ecosystem goods and services include: a) restoration, enrichment planting and sustainable management of forest reserves and conservation areas, including ecosystems such as tropical forest, woodland, savanna and mangroves; b) planting a diverse variety of useful and commercially valuable plant species within and adjacent to farmlands and households; and c) restoration of degraded, marginal or eroded land, with a particular emphasis on roadside verges, abandoned agricultural land and degraded riparian areas, using locally adapted and climate-resilient plant species that will generate adaptation benefits and/or commercially useful products (potential EbA approaches are described in the Feasibility Assessment in Annex B and depicted graphically in Annex J). The location of the project's EbA interventions will be carefully selected to maximize the return on investment. For example, priority interventions would include re-vegetation of soil types that are particularly erosive, and restoration of degraded riparian zones that are well positioned for trapping sediment before it enters rivers. Importantly, the restoration of the degraded ecosystems will be carefully tailored – based on rigorous scientific research, local knowledge and lessons learned from other initiatives – to manage the expected climate change conditions.

35. *1.2 Nurseries established/expanded to support investment in a climate-resilient natural resource base across The Gambia.* The increase the availability of planting material to supply the project's EbA interventions as well as for use by communities that are not participating in the project, GCF resources will be invested in the expansion of the national nursery network. This will include the expansion of four Regional Forestry Office nurseries, and the transport and propagation of hardened seedlings of tree and shrub species generated at RFOs to each of the four participating regions. The sustainability of this investment will be supported by the development of detailed training programmes and management protocols for nursery staff, the increased generation of revenue for the National Forest Fund through marketing of tree seedlings, and the development of revenue models to support the sustained operation of each nursery.

36. *1.3 Training and support for regional extension staff, field officers and local communities to implement EbA protocols for establishment of a climate-resilient natural resource base.* The proposed project aims to integrate the EbA approach into the ongoing business-as-usual approach of The Gambian government, particularly with respect to planning activities for climate change adaptation, agriculture and natural resource management. The availability and

level of technical capacity of staff within DoF and DoPWM was assessed during the funding proposal preparation phase and scored using a methodology based on the GEF AMAT system (detailed in Results Framework and Annex L). The preliminary baseline score proposed for the capacity of the Ministry of Environment, Climate Change, Water, Forests, and Wildlife (MoECCWWF, henceforth 'MoE) line departments to design and implement EbA-related initiatives was estimated to be 2/10 i.e. a score of two out of a maximum score of ten. The project will seek to increase this capacity score to at least 6/10 at the end of the project implementation period. In particular, the activities within this result will focus on providing sustained training and capacity-building to increase the capacity of at least 40 regional-level extension staff within DoF, DoPWM and DoCD to implement, replicate and upscale the project's activities. In addition to providing training on the design and implementation of EbA protocols, capacity-building activities will include a strong focus on establishing clear and effective protocols for participatory communication with community representatives who will in turn be able to implement EbA protocols. The increased capacity of regional-level government extension officers will support the identification and continued replication of successful approaches to adaptation promoted by the project.

37. 1.4 *EbA implemented in agricultural landscapes and degraded ecosystems to build a climate-resilient natural resource base.* Using the EbA protocols developed in participation with the technical working group, the project will implement large-scale EbA to build a climate-resilient natural resource base that yields goods for consumption and sale across The Gambia in at least 125 community-managed areas, including the aforementioned 78 CF areas which were proclaimed by MoE during 2015. The intervention sites in Lower River, North Bank, Central River and Upper River Regions (including those sites identified in the map in Annex H) will include forests, savannas and woodlands in Community Forests (CFs), Forest Parks (FPs), Community Controlled State Forest Management Areas (CCSFMAs), Protected Areas (PAs) and Wildlife Parks (WPs) (~7,000 ha), as well as agricultural lands (~3,000 ha). At a landscape scale, the project's EbA interventions will restore priority degraded areas, thereby reducing the rate of soil erosion, increasing the infiltration of rainwater by soils, increasing the recharge of groundwater and reducing the deposition of sediment into the Gambia River. In terms of ecosystem goods, the project's EbA interventions will increase the supply of commercially valuable products such as hardwood and softwood timber, firewood, fruits, honey, medicine, fibre, fodder, and handicrafts. These commercially valuable products will support the development of natural resource-based businesses that will be owned and operated by participating communities (under Component 2). Therefore the project's activities will identify and promote locally appropriate, climate-resilient livelihood options as a supplement or an alternative to climate-vulnerable traditional livelihoods such as rainfed agriculture. By increasing the availability of forage in public and reserved grazing areas, the project will also increase the supply of livestock and venison for rural Gambian communities. In the vicinity of villages and agricultural land, the project's EbA interventions will include adoption of climate-resilient agricultural techniques such as conservation farming, demonstration of improved and locally adapted crop varieties, biodiverse agroforestry and 'home gardens'³⁶ of herbs, shrubs and trees. The diversity of local and exotic plant species in such home gardens ensures that there is consistent agricultural productivity through the year and during extreme climate events, thereby providing an important buffering effect against climate change. The diverse EbA activities implemented by the project will consequently generate multiple direct and indirect adaptation benefits for vulnerable rural households.

38. Component 2: Establishment and strengthening of natural resource-based businesses in The Gambia.

Output 2: Technical support provided and infrastructural investments made to strengthen local and international markets using goods produced from climate-resilient natural resource base.

39. Component 2 will focus on establishing community-managed businesses based on the natural resources generated under Component 1 in participation with ~125 communities through fast-tracking and upscaling of the MoE's MA&D process, while strengthening the value chains and market access for products/services which are

³⁶ Nguyen et al. 2013. Multipurpose agroforestry as a climate change resiliency option for farmers: an example of local adaptation in Vietnam. Climate Change. Doi. Available at: <http://dx.doi.org/10.1007/s10584-012-0550-1>.

identified as being commercially viable (including *inter alia* the products assessed in the Feasibility Assessment, Annex B³⁷). The proposed GCF project will adapt the good practice guidelines established by past initiatives (including the draft social, financial and environmental criteria proposed in Annex K) to identify and provide technical and administrative support to applicable and commercially-viable natural resource-based businesses³⁸. Beneficiaries of the project's investments will receive packages of equipment to support the establishment of community-managed businesses based on sustainable use of natural resources in each of 125 participating communities (described under Activity 2.3). These investments in natural resource-based businesses will be complemented by extensive technical and administrative support for the establishment of local financial management committees, management by-laws and mechanisms for conflict resolution, as well as training on business management and operation & maintenance of procured equipment.

40. The establishment of the project's natural resource-based businesses will be supported with the provision of training and capacity-building activities for communities (including training on the technical aspects of operating each specific business but also including general business management and accounting skills). The provision of training and capacity-building will be delivered *in situ* by extension officers, as well as through the 21 Multi-Purpose Centres operated by the Department of Community Development around the country. The project's activities under Component 2 will have a strong emphasis on promoting increased investment in the country's natural resource base – both by the government as well as the private sector – through strengthening the evidence base for EbA as a commercially viable investment as well as a cost-effective climate change adaptation response. The project will consequently identify natural resource-based products which could potentially be marketed to regional and international investors. Local and regional trade fairs such as those organized by the Ministry of Agriculture (MoA) and the Gambia Chamber of Commerce and Industry (GCCCI)³⁹ will also be used by the project to promote increased local, regional and international investment in the Gambian natural resource base and related products. For example, products which are in demand in regional and international markets include various honey and beeswax derivatives, processed baobab pulp for use as a food supplement, and *Rhun* palm furniture.

41. The following results will be delivered under this component:

42. 2.1 *Technical support for fast-tracking and scaling up the Market Analysis and Development (MA&D) process to develop natural resource-based businesses.* Activities under this result will focus on providing funding, technical support and training to promote the fast-tracking of the emerging Market Analysis & Development process through DoF's participatory forestry program. In each of the four regions, the project's activities will be coordinated by individual regional coordinators who will be responsible for coordination between relevant stakeholders involved in the administration of community-managed areas. These stakeholders will include *inter alia* the Regional Forest Offices (RFOs), DoF, MoE, DoPWW, Ministry of Local Government and Lands (MoLG&L) and Ministry of Justice (MoJ). To increase the availability of extension staff within the DoCD, budgeted activities include the appointment and training of four additional Community Development officers (one in each participating region). Extension staff from the aforementioned departments will be provided with training on the updated implementation manual for the MA&D process, to guide the development of community business plans by the project's beneficiary communities. The outcome of the MA&D process in each participating village will include the identification of priority natural resource-based businesses to be established, as well as quantifying the required investments in training, capacity-building and procurement of equipment and infrastructure. Training programmes for representatives of participating communities will be undertaken through the DoCD Multi-Purpose Centres on topics including entrepreneurship and business management, financial management and record-keeping as well as specific training on operation of the specific equipment procured for each business type. A total of four training sessions will be hosted at each Multi-Purpose Centre per year, training a total of ~5,000 people through ~500 training sessions. Training activities will prioritise the

³⁷ Business types assessed in Annex B include various scenarios for community-managed businesses based on the following: i) firewood collection; ii) *Rhun* palm harvest and handicraft manufacture; iii) beekeeping for production of honey and wax; iv) sustainable harvest of medium- and high-value timber; and v) value-adding/processing of wild-collected fruit products.

³⁸ Eligibility criteria will include *inter alia* considerations of commercial viability, technical feasibility, and potential to cause negative environmental/social consequences

³⁹ The GCCCI is an independent non-governmental organization that focusses on promoting increased private sector investment in The Gambia

inclusion of members of Village Women's Committees, and will support the participation of women by providing allowances for travel, subsistence and child care so that young mothers are not prevented from participating in the project's activities. In line with the project's objectives of gender-equitable benefits, the training provided to participating communities as well as government extension staff will include modules which explicitly focus on raising awareness, and providing practical suggestions on how to include consideration, on issues related to gender equity and sectoral priorities related to women. As noted in the selection criteria proposed in Annex K, the project will prioritise the selection of activities which will support increased livelihood opportunities and access to assets for women. Consequently, at each participating site, the project will include at least one natural resource-based business derived from the project's EbA interventions that will explicitly prioritise the participation of women. For example, the project will prioritise the establishment of natural resource-based enterprises which have been identified as being culturally appropriate and within the accepted norms for women's societal roles which may include *inter alia*: i) collection and processing of wild and cultivated food products; ii) establishment of biodiverse home-gardens and horticultural plots; iii) manufacture of handicrafts e.g. *Rhun* palm furniture and weaving; and iv) various artisanal skills such as oyster farming, fish processing and salt production. In addition to the above activities, female beneficiaries may be encouraged to participate in additional activities which are traditionally within the domain of men's responsibilities, for example collection and marketing of firewood, timber and honey.

43. 2.2 *Business plans, forums and financial analyses to catalyze private and public investment in a climate-resilient natural resource base.* Within this result, the project will engage communities in the identification and development of business plans based on the generation and marketing of natural resources through the project's EbA interventions. Business plans will be developed based on the existing MA&D process to support the establishment of community-managed, natural resource-based businesses. The identification and development of bankable business plans for sustainable use of natural resources by communities, and the attendant protocols and procedures, are an important aspect of the GCF project's exit strategy. Following the identification, establishment and operation of community-managed businesses, the project will engage the Gambian Chamber of Commerce and Industry to organize at least four national and regional trade fairs to showcase and promote investment in the natural resource-based businesses established by the project.

44. 2.3 *Investments in procurement and maintenance of infrastructure to develop natural resource-based businesses.* To support the establishment of sustainable and climate-resilient livelihoods based on the EbA investments under Component 1, the project will procure equipment and infrastructure for the establishment of at least two community-managed, natural resource-based businesses at each of at least 125 villages. It is proposed that the business types to be established at each participating community should include at least two of the following four business types *inter alia* beekeeping, firewood marketing, basic timber collection and handicraft manufacturing and others identified as appropriate during the project implementation phase. All of the aforementioned business types are relatively well-established and widely practiced in The Gambia by informal enterprises within underdeveloped value chains. The community-managed businesses established under this component will include an estimated ~20–50 members per community. As detailed in the table below, the establishment of at least two businesses by each of 125 communities will result in direct benefits from ~10,250 community members.

Business type	Assumed number of communities	Members per business	5-year cost per community (USD)	Total investment cost (USD)	Total number of beneficiaries
Communal firewood marketing	75	50	10,000	750,000	3,750
Rhun palm handicrafts	50	50	12,000	600,000	2,500
Beekeeping	75	20	15,980	1,198,500	1,500
Simple timber collection and marketing	50	50	10,000	500,000	2,500
TOTALS				3,048,500	10,250

In addition to the aforementioned business types, the project will also invest in regional facilities to support the establishment of at least three other types of natural resource-based businesses of comparatively greater complexity and investment size, including *inter alia*: i) food-processing facility established at one DoCD Multi-Purpose Centre in each of four regions (estimated ~200 direct beneficiaries at each); ii) maintenance and expansion of existing timber-processing facilities at each of four DoF Regional Forestry Office (estimated ~100 direct beneficiaries at each);

and iii) establishment and/or expansion of ecotourism facilities at one DoPWM Community Conservation Area in each of four regions (estimated ~25 direct beneficiaries each).

45. The project's investments in equipment for establishment of community-managed businesses will be supported by the provision of training for participating communities through 21 Multi-Purpose Centres managed by DoCD under Activity 2.1. Including those individuals selected for participation in the Multi-Purpose Centre training programmes (Activity 2.1), it is estimated that the project's investments in natural resource-based businesses will directly benefit ~11,550 participating community members (of which at least 50% will be women) as well as their direct dependents.

46. Component 3: Policy support, institutional strengthening and knowledge generation to support large-scale implementation of EbA in The Gambia.

47. Output 3: Institutional capacity of the Government of The Gambia strengthened to support large-scale implementation of EbA in The Gambia

Component 3 will focus on strengthening the institutional framework and supporting base of knowledge and information in The Gambia to ensure the sustained implementation of the project's activities beyond the GCF project implementation period. Activities under Component 3 will include *inter alia* integrating the EbA approach into: i) ongoing national-level policies pertaining to climate change (alignment with NAP process and draft Climate Change Policy), the agricultural sector, natural resource management (ANR 2016–2020), and socio-economic development (Vision2020); and ii) village- and district-level land use planning (through CF and CPA management plans). The project will aim to increase the 'EbA integration score' of policies, strategies, plans and processes related to decentralized management of natural resources to a score of at least 6 (at least), measured using the tracking tool elements of the Tracking Adaptation and Measuring Development (TAMD 2013) and Pilot Program for Climate Resilience (PPCR 2014)⁴⁰ scorecard indicators for the integration of climate change into planning⁴¹ (detailed further in Results Framework). Component 3 will also increase the quality and availability of information to inform policy-makers, researchers, investors and the general public on the relative effectiveness and commercial viability of large-scale EbA. The information generated over the course of the project implementation period – including, for example, EbA protocols, Market Analysis & Development reports, village-level management plans and annual reports generated by DoF extension services under Component 1 – will be publicly available via an Online Information Platform for environmental data that will be hosted by the DoWR, in participation with the LDCF-funded "Climate Information and Early Warning Systems" project. Long-term scientific research will also be undertaken at the GCF project sites, in participation with local as well as international research institutions, to assess the ecological and socio-economic effects of the project's interventions. The experiences and information generated by the project will inform the development of a long-term EbA upscaling strategy, including identification of opportunities for upscaling, knowledge gaps to be addressed, and strategies to increase investments and funding. The EbA upscaling strategy will be developed in close participation with representatives of the Gambia's NAP and INDC development teams as well as the technical working group established in Component 1, to align the project's activities with emerging national priorities and strategies on climate change.

48. The activities of this component will build on the baseline activities of LDCF EWS project implemented through DoWR, which will generate information and research that will inform the development of the project's activities (such as information relating to local climate change observations and predictions). In addition, the GCF project will build on,

⁴⁰ See updated Results-Based Management Framework for Adaptation to Climate Change Under the Least Developed Countries Fund and the Special Climate Change Fund. Available at: https://www.thegef.org/gef/sites/thegef.org/files/GEF-LDCF.SCCF_.17-05.%20Updated%20RBM%20Framework%20for%20Adaptation%20to%20Climate%20Change,%202014-10-08.pdf. Accessed on 8 November 2014.

⁴¹ The indicator is based on five criteria expressed as questions: i) does the policy/plan/process identify climate change risks and appropriate adaptation strategies and measures? ii) is EbA prioritized and specified with budget allocations and targets? iii) does the policy/plan/process assign clear roles and responsibilities for the coordination and implementation of EbA? iv) does the policy/plan/process provide for the continuous monitoring, evaluation, learning and review of EbA? v) is there evidence of the effective implementation of the policy/plan/process? Each question is answered with an assessment and score for the extent to which the associated criterion has been met: not at all (= 0), partially (= 1) or to a large extent/ completely (= 2). An overall score is calculated, with a maximum score of 10 given five criteria.

and be informed by the long term research and data generated and facilitated by the LDCF project. Activities in Component 3 of the proposed GCF project will include the establishment of an information platform to support the development of natural resource-based livelihoods in participation with the LDCF project, and the development of a strategic framework to promote long-term national research on EbA. Data generated through upgraded climate monitoring network established by the LDCF project will feed into the establishment of the GCF project's strategic framework.

49. The following results will be delivered under this component:

50. 3.1 *Strategic recommendations/technical support to: a) strengthen the implementation of existing policies for participatory management and benefit-sharing of a climate-resilient natural resource base; and b) integrate EbA into these policies.* On an annual basis, the Knowledge Management officer will be responsible for compiling summary reports to assess the relative impact of the project's activities and the projected demand for assistance by community-based committees. In addition to summarising the current status of requests by community-based committees to be engaged in participatory or co- management of natural resources, the Knowledge Management officer is also expected to report current capacity strengths and gaps within the participating government departments at a regional level with respect to the existing capacity gaps and logistical challenges to formally integrate EbA into land-use planning, including through decentralized management of natural resources in CFs, JMFPs, JMFPs and CCSFMAs. Based on these annual assessments, the investment needs and shortfalls for promotion of EbA will be estimated annually at a regional level to inform the adaptive management of the project's activities and targets and ultimately to guide the development of the EbA upscaling strategy as part of the policy recommendations under Component 3.

51. 3.2 *Information platform to support the development of natural resource-based livelihoods and sectors.* In association with the LDCF EWS project, the GCF project will develop an online information platform to increase the availability of information to support replication and upscaling of the projects activities, including by collating information generated by the project as well as other initiatives. Information that will be hosted on the online platform will include case studies of successful natural resource-based businesses, including lessons learned on *inter alia* implementation arrangements, return on investment, and best practices. To support the development of a strengthened evidence base and knowledge on EbA, activities under this result will include undertaking short- and long-term research on the socio-economic and environmental impacts of the project's activities, in association with local and international academics and research institutions⁴². The project will actively engage with other related initiatives, for example through registering for accreditation on the EBAFOSA⁴³ pan-African platform on EbA, to identify opportunities for collaboration, technical support and best practice examples. Through engagement with national-level technical stakeholders related to climate change, notably the NAP and INDC development teams, the project's activities will be informed by emerging priorities for research.

52. 3.3 *Policy recommendations to support large-scale implementation of EbA and development of natural resource-based businesses in The Gambia.* As part of the exit strategy of the proposed GCF project, activities under this result will focus on developing a national EbA upscaling strategy and generating policy recommendations to support the sustained replication and upscaling of the project's activities beyond the implementation period. Opportunities for mainstreaming EbA into national development planning will include the upcoming revisions to the Agricultural and Natural Resource policy, Vision 2020 (the next phase of Vision 2016) and the ongoing articulation of The Gambia's

⁴² Opportunities for collaboration with regional and international research institutions will be explored during the project implementation phase. Potential International and regional institutions to support academic research include the Chinese Academy of Sciences, Western African institutions such as Centre Suivre Ecologique in Senegal, regional adaptation networks such as African Adaptation Knowledge Network (AAKNet) and global research institutions such as the World AgroForestry Centre (ICRAF).

⁴³ Opportunities for collaboration with regional and international research institutions will be explored during the project implementation phase. Potential International and regional institutions to support academic research include the Chinese Academy of Sciences, Western African institutions such as Centre Suivre Ecologique in Senegal, regional adaptation networks such as African Adaptation Knowledge Network (AAKNet) and global research institutions such as the World AgroForestry Centre (ICRAF).

national and sectoral responses to climate change (including the development of a National Climate Change Strategy and Plan). Policy recommendations will be informed by lessons learned over the course of the project implementation, and the identification of successful practices and approaches documented through systematic collation of regional reports by the Knowledge Management officer. Policy recommendations will be communicated to national-level stakeholders through workshops undertaken in participation with the Gambia's NAP team. The project's approach to generating policy recommendations will be guided by the iterative National Adaptation Plan (NAP) and Intended Nationally Determined Contributions (INDC) processes in the country. The development of an EbA upscaling strategy, aligned with the project's policy recommendations, will include the identification of potential public, private and bilateral sources of funding to address financing gaps. Potential models and financial instruments that will be investigated and validated during the project implementation period will include: a) increased allocation of municipal and sectoral government budgets such as the NFF to EbA interventions; b) matching grants committed by public-private partnerships as well as private entrepreneurs to EbA investments; c) concessional loans to entrepreneurs investing in EbA; d) risk-sharing facilities (based on models such as USAID's Development Credit Authority) for EbA investments; and e) creating financial value for carbon sequestration based on models such as REDD+ financing⁴⁴. The project will maintain close coordination and cooperation with related initiatives and stakeholders with the objective of identifying emerging opportunities for technical and financial assistance, such as the World Bank-funded Forest Carbon Partnership Facility which supports preparation of REDD+-readiness activities.

53. The development of the Components described above was guided by an overall focus on maximizing the cost-effective and sustainable generation of climate change adaptation benefits from the initial GCF investment, using an approach that can be replicated and upscaled throughout the Gambia. Several over-arching design principles which are fundamental to the sustainability, replicability and upscaling of the proposed project's approach are described in Sections D.1 and D.2.

C.4. Background Information on Project / Programme Sponsor

54. The Executing Entity (EE) of the proposed GCF project is the Ministry of Environment, Climate Change, Water, Forests and Wildlife (henceforth 'MoE'). This ministry has the core mandate to: a) promote sustainable management of the environment and natural resources; and b) conserve biodiversity; and c) lead the national response to climate change⁴⁵. The project's interventions will be coordinated by MoE and implemented at a regional level by representatives of Department of Forestry (DoF) and the Department of Parks and Wildlife Management (DoPWM) with implementation support from the Departments of Water Resources and Community Development, respectively, and the Ministry of Agriculture. For further details on the project's implementation arrangements, see Section C.7 and Annex M.

55. The work activities for MoE and the respective line departments are arranged according to three programmes (Programme 1: Strategy, Policy and Management; Programme 2: Sound Environmental Management; and Programme 3: Biodiversity Conservation and Management) through which the activities of DoF and DoPWM are budgeted. The distribution and technical capacity of staff within these two Departments, in each region of the country, is summarised in Annex L. The implementation of the project's activities in each of the four project regions will be undertaken by the regional representatives of DoF and DoPWM, with the added support of sustained capacity-building, training and equipment. The availability and level of technical capacity of staff within DoF and DoPWM was assessed during the funding proposal preparation phase and scored using a methodology based on the GEF AMAT system (detailed in Annex L). The preliminary baseline score proposed for the capacity of MoE line departments to design and implement EbA-related initiatives was estimated to be 2/10 i.e. a score of two out of a maximum score of ten.

⁴⁴ At present The Gambia is not participating in REDD+ and has not undertaken any REDD+-readiness activities. However the project's activities are strongly aligned with the REDD+ approach and could be eligible for upscaling and replication using financial support from carbon credits generated through improved forest management. The project will coordinate closely with the ongoing NAP development process and elaboration of the country's Climate Change Policy, Strategy and Action Plan to identify opportunities to fund the replication of the project's activities through alignment with emerging priorities related to climate change, natural resource management and socio-economic development.

⁴⁵ Available at: <http://www.moecw.gov.gm/>. Accessed on 14 September 2015.

56. The technical capacity of these Departmental staff within MoE to implement the proposed activities will be dependent on the provision of sustained financial and technical support by the GCF project.

C.5. Market Overview (if applicable)

57. The proposed GCF project will develop an enabling environment for the development of climate-resilient, natural resource-based businesses to supply local, regional and international markets. In addition to promoting existing businesses – known as Community Forest Enterprises (CFEs) within the Department of Forestry – the project will focus on establishing community-based businesses for existing natural resource-based products that are locally available and for which there is an established demand⁴⁶. Natural products for which there is a well-established local demand and familiarity include products such as foods (baobab, kabba, netto, *Ziziphus* as well as honey); medicines (numerous species), building materials (*Rhun* palm as well as semi-valuable and valuable timbers); and handicrafts (particularly furniture constructed from *Rhun* palm). The feasibility and commercial viability of these natural resource-based businesses have previously been assessed on a limited scale by the ongoing MA&D process, which is a stepwise process for determining the practicality of establishing a CFE in the context of specific communities.

58. The primary challenge to developing the various markets and value chains for the above-mentioned products is not related to supply and demand, but rather is related to the minimal value and returns paid to rural households on the 'supply' side. As a result of the lack of business and financial management capacity, the limited skills for marketing, and near total absence of value addition, the returns paid to communities participating in natural resource-based businesses are so small as to undermine the incentives for supply-side stakeholders to participate in or invest in commercial businesses. Furthermore, there is considerable unexploited potential to increase the income generated from natural resource-based products through investments in value addition, processing, packaging and collective marketing. Measures such as collective/communal marketing, improved packaging and addition of value to products (such as drying or juice manufacture) have been identified as potential measures to increase the financial returns paid to rural stakeholders on the 'supply' side.

59. In response to the above-mentioned constraints that prevent the realization of the commercial potential of various natural resource-based products in The Gambia, the project will take a phased approach to the development of markets and value chains for the various natural resource-based products. The initial part of the project will prioritize the development of value chains for locally marketed products, while the latter part of the project will identify opportunities and promote investment in products which can be exported to international markets. Concurrent with the establishment of businesses based on existing natural resources, the project will increase the supply of goods from a climate-resilient natural resource base through large-scale investments in EbA using climate-resilient plant species that generate useful or valuable products. These EbA interventions will increase the supply of valuable forest products for subsistence consumption as well as for sale on local and international markets.

60. Based on the findings of past MA&D reports, as well as information gathered during the project development phase (including through in-country observations), a number of natural resource-based products and business types were identified that could be established based on the project's EbA interventions. The technical feasibility and commercial viability of each of these products and business types was assessed, including the following:

- a) sustainable collection of fuelwood/firewood;
- b) sustainable harvest of medium- and high-value logs/timber for construction; e.g. *Gmelina arborea*, *Khaya senegalensis*, *Pterocarpus erinaceus*, *Daniellia oliveri*; In particular, planting tropical hardwood trees to produce timber for local and export markets is an investment^{47,48} that is likely to provide attractive financial returns in the long-term.
- c) bee-keeping for honey and wax production;
- d) sustainable harvest of *Rhun* palm (*Borassus aethiopium*) splits for sale as a construction material or for production

⁴⁶ Literature reviews and in country observations clearly demonstrated the importance of natural resource based products to the livelihoods of rural households, both for home consumption as well as for sale.

⁴⁷Varmola, M.I. & Carle, J.B. 2002. The importance of hardwood plantations in the tropics and subtropics. *International Forestry Review* 4, 1–20. Available at: <http://www.fao.org/forestry/5016-0a8cfacc097046086cd1147b1fa04924a.pdf>.

⁴⁸ Wenbin, H. & Xiufang, S. 2013. Tropical hardwood flows in China: case studies of rosewood and okoumé. *Forest Trends*, Washington D.C.

of handicrafts and furniture; and
e) sustainable harvesting, processing (e.g. drying, juicing and pulp production) and marketing of wild fruit products such as baobab, netto (African locust bean, *Parkia biglobosa*), kaba and Ziziphus.
Full assessments of the technical and commercial viability of the above-mentioned products and business types are presented in the supporting Feasibility Assessments in Annex B.

C.6. Regulation, Taxation and Insurance (if applicable)

61. The proposed GCF project will adhere to Environmental Impact Assessment (EIA) regulations as defined by Gambian law. The project's activities will only result in positive environmental or social effects and are thus not expected to require an EIA or Environmental Impact Summary (EIS). The project has been classed as 'low risk' category based on an analysis using UNEP's Environmental, Social and Economic Review Note (ESERN) tool (see Section G and ESERN review template in Annex E).

62. With respect to the taxation of the requested project grant, Section 7 of the Convention on the Privileges and Immunities of the United Nations provides *inter alia* that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for utilities services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. For the specific activities promoted by the project, neither permits nor licenses are required but will be subject to the consensus and approval of participating communities. For goods and services procured directly by GoG, the standard national taxation rate of 15% is applied.

63. With respect to the taxation of revenue generated by the project's activities, Gambian law provides for the taxation of revenue from forest areas at the standard national rate of 15%. The tax revenues collected from forest areas (including Community Conservation Areas, Forest Parks and Forest Reserves) are directed to the National Forest Fund which provides ~53% of the operating budget of the Department of Forestry. Consequently the project will emphasise the efficient and transparent collection of forest revenues as a measure to increase the availability of public finance for replication of the project's approach, including as part of the EbA upscaling strategy developed under Component 3.

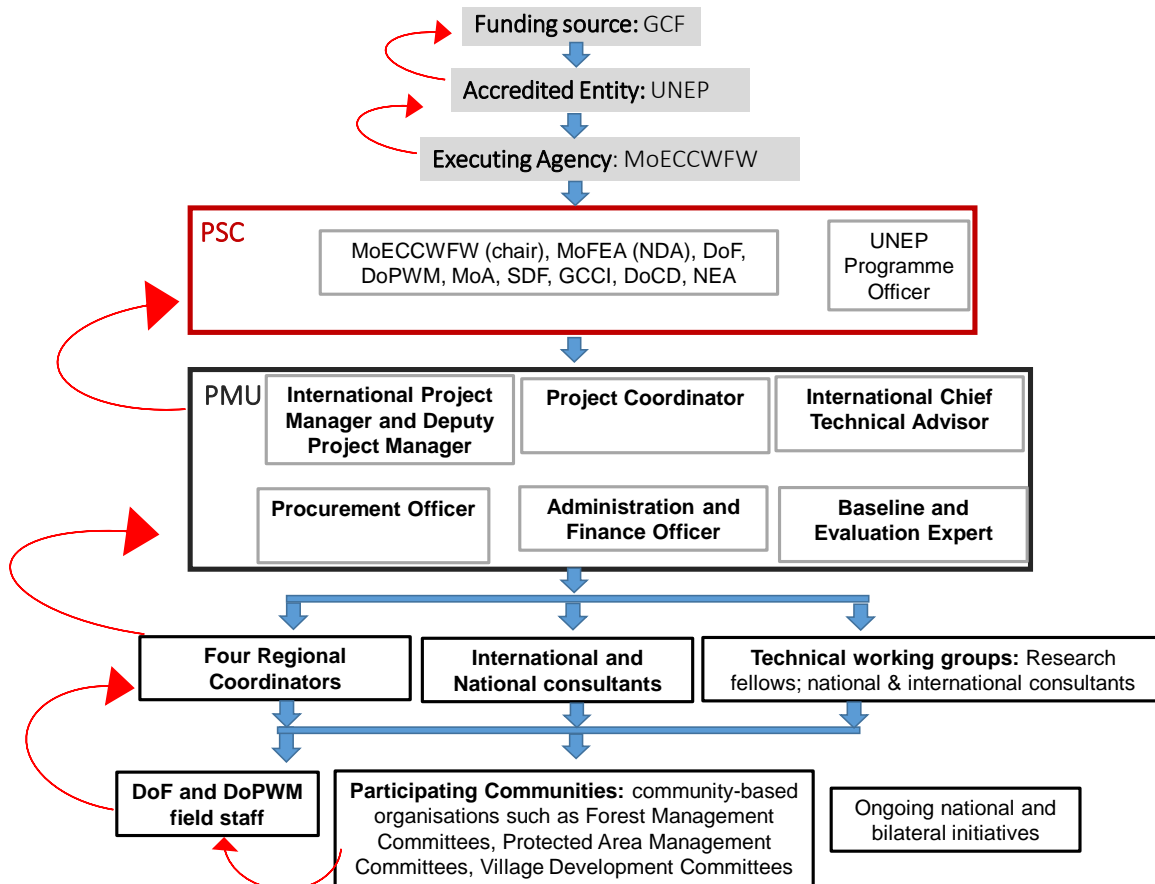
C.7 Institutional / Implementation Arrangements

64. The GCF-financed project will be implemented over a six-year period from 2017 to 2022. The project will be executed by the Ministry of Environment, Climate Change, Water, Forest and Wildlife (MoE) in coordination with UNEP, the GCF Accredited Entity (AE). As the national Executing Entity (EE), MoE will coordinate the implementation of the project primarily through the Departments of Forestry (DoF) and Parks and Wildlife Management (DoPWM) and will be accountable to UNEP (as AE) for project execution and for the effective and efficient use of resources. UNEP's operating policies and procedures will follow the UNEP programme manual including those related to financial management and procurement (please refer to Section F.4 for more details). As the AE, UNEP will be responsible for overseeing the implementation and evaluation of the project in coordination with the Project Steering Committee (PSC) and the Project Management Unit (PMU), including *inter alia* M&E reports, a Mid-term Review and a Terminal Evaluation. A UNEP Programme Officer (PO) will be responsible for project supervision to ensure consistency with GCF and UNEP policies and procedures. The PO will formally participate in the following: a) Annual Project Steering Committee (PSC) meetings; b) the mid-term and final evaluations; c) the clearance of periodic Progress Reports and Project Implementation Reviews; and d) the technical review of project deliverables. UNEP will establish a Project Cooperation Agreement with the Executing Entity (Government of The Gambia – Ministry of Environment, Climate Change, Water, Forests and Wildlife) to establish clear roles and responsibilities for both parties for the delivery of the proposed activities, the schedule and conditions for installments, the determination of the prevailing fiduciary standards and terms and conditions for arbitrations and termination of contract. The Ministry of Finance and Economic Affairs (MoFEA) is the Designated National Authority (NDA). Its role – exercised through the participation on the Project Steering Committee – is to provide oversight to submission of requests for GCF support on behalf of the Government of Gambia, and to ensure that GCF project activities are well-coordinated and in alignment with national priorities.

65. The PSC will comprise representatives of the EE, the AE and the NDA, in addition to representatives of *inter alia*: the Ministry of Agriculture (MoA); Ministry of Local Governance and Lands (MoLGL) through the DoCD; the GCCI and the SDF. The chair of the PSC will be the Secretary of the MoE. The PSC will primarily serve to provide project oversight and advisory support, including: a) overseeing project implementation; and b) reviewing annual workplans and project reports, including approval of any changes to the project's targets, activities or timelines. The PSC will

meet at least twice a year – with *ad hoc* meetings held as and when necessary – to discuss the project's main performance indicators and provide strategic guidance. Any changes made by the PSC to the project's results framework or timeline will be communicated to the PMU by the PC. The PMU will consist of a national Project Coordinator (PC), an international Project Manager (PM), a national Deputy Project Manager (DPM), a Procurement Officer (PO) and an Administration and Finance Officer (AFO). The PMU will coordinate activities between the project's AE, EE and various partners to oversee the implementation of the project's activities.

The project implementation arrangements are summarised in the diagram below.



66. The PC will be a senior representative of MoE seconded to the project on a part-time basis who will: a) lead and direct the PMU; b) oversee the daily responsibilities of the PM and DPM; c) provide administrative and technical expertise; and c) serve as the focal point for interactions between the project stakeholders and partner organizations (e.g. government departments, NGOs, civil society groups). The PM and DPM will be full-time employees of the project and will be responsible for the day-to-day implementation and management of the project. The PM will: a) report to the PC; b) manage the project in line with the budget, work plans, and in accordance with GCF and UNEP guidelines; c) be responsible for in-country financial management and disbursements, with accountability to GoG and UNEP; and d) work closely with national and local authorities, as well as NGOs, to manage the project effectively at a local level. To achieve this, the activities of the PM will be fully supported by the national DPM, whose chief responsibilities will include *inter alia*: a) provide on-the-ground information for UNEP progress reports; b) engage with project stakeholders; c) arrange the PSC, PMU and other meetings; d) provide technical support to the project, including measures to address challenges to project implementation; e) participate in training activities, report-writing and facilitation of expert activities that are relevant to the areas of expertise of the Project Management team. The PM and DPM will serve as a liaison among the members of the PMU and PSC, the technical experts and the government staff involved in project activities. To assist with day-to-day administration tasks, the PMU will include two full-time officers, an Administration and Finance Officer (AFO) and a Procurement Officer (PO), to provide the administrative,

logistical and financial support/expertise to the PMU and under the direct supervision of the PM and DPM. The responsibilities of the AFO and PO will focus on ensuring that all financial and administrative issues, including procurement of non-expendable equipment and infrastructure, are carried out according to UNEP standard procedures. The AFO will be responsible for administering the financial transactions for project outputs and activities to be delivered according to the established work plan, while the primary responsibility of the PO will be to oversee transparent, timeous and cost-effective procurement of consultants, service providers and equipment for the project. The AFO and PO will assist the PC and the UNEP Programme Officer in all project reporting requirements. At a sub-national level, the project will be represented by four Regional Coordinators (RCs) who will be responsible for coordinating the implementation of the project's EbA interventions in each of the four targeted regions. The RCs will act as focal points between the PMU in Banjul and the supporting DoF and DoPWM extension staff assigned to the CFs and CPAs participating in the project.

67. A Baseline and Evaluation Expert will be hired full-time to coordinate the M&E process of the project. The duties of the Baseline and Evaluation expert will include: a) establishing a performance monitoring framework to track the project's progress towards the objective and targets defined in the project document by; b) measuring the indicators to evaluate the progress of the project in meeting the targets; c) reporting to the PMU and PSC on the performance of the project towards targets; and d) supporting the PM and DPM in meeting the project objective. The first task of the Baseline and Evaluation Expert will be to undertake a baseline assessment at the project inception, to validate and update the targets in the project's results framework. As part of his/her responsibilities, the Baseline and Evaluation expert will oversee and monitor the application of gender disaggregated indicators. A team of consultants with skills on *inter alia* ecosystems, adaptation, economics, private sector business development will also be put in place to support the implementation of this project. Technical oversight of the project's delivery of climate change adaptation objectives will be provided by an International Technical Advisor (CTA). The CTA will be employed as a part-time consultant to provide technical guidance on EbA and ensure that project activities result in building climate resilience from local village level to national government level. The CTA will coordinate and supervise the work of specialist technical consultants contributing to specific deliverables within each Component, including in particular: a) a Participatory Forestry Expert and an Adaptation and Restoration Expert, under Component 1; and b) a Business Development Expert and a Finance and Economics Expert under Component 2. In addition, the CTA will be responsible for providing ongoing guidance and training to a Technical Working Group of national experts who will participate in the development of the EbA protocols. For further details on implementation arrangements see the diagram in Annex M. For a proposed timeline of major milestones, please see the detailed activity-based workplan in Annex I.

C.8. Timetable of Project/Programme Implementation

Please see Annex I for the Timetable of the project.

D.1. Rationale for GCF Involvement

This proposed GCF project is fully aligned with the GCF's focus of promoting a paradigm shift in developing countries. The scope and scale of the EbA interventions are, for example, without precedent in The Gambia as previous ecosystem restoration initiatives in The Gambia have been conducted in an ad hoc manner over relatively small areas (a maximum of hundreds of hectares). The proposed GCF project will also make tangible contributions towards all six GCF Investment Criteria (described in Section E). In terms of project beneficiaries: it is estimated that 11,550 participants (of which at least half will be women) will benefit directly from the adoption of diversified, climate resilient livelihood options. In addition approximately ~46,200 individuals will benefit indirectly from the proposed EbA interventions, conservatively assuming a household size of four people, of which at least half of participating beneficiaries will be women.

68. The cumulative value of the GCF project's investments will be the delivery of climate-resilient livelihood benefits through large-scale implementation of EbA that will supplement the income and increase the food security of climate-vulnerable rural households in The Gambia. By delivering a tangible economic benefit to participants (of which at least 50% should be women) that adopt climate-resilient land management practices, the project will stimulate economic activity in Gambia's rural areas even under conditions of climate change. The project will catalyze increased investments in a climate-resilient natural resource base and facilitate the development of a green Gambian economy. Existing policies and ongoing government initiatives within The Gambia are supportive of the objectives of socio-economic and rural development, climate change adaptation, and improved management of natural resources. However, these policies and initiatives are limited in scope and impact as a result of the limited availability of financial resources and technical capacity to support their implementation. At present, the GoG does not have the financial resources or technical capacity to fully address the multiple socio-economic and environmental impacts of climate change on vulnerable sectors such as agriculture and natural resources. For example, as described in Section B.1 and Section C.2, The Gambia currently does not have the technical capacity, human resources or adequate funding to implement existing national objectives related to climate change adaptation, natural resource management and socio-economic development. In particular, the government's objectives of increasing the size of the country's community-managed areas to at least 200,000 hectares by 2020 are unlikely to be achieved without significant technical and financial support. Furthermore, there is inadequate technical capacity, knowledge and expertise in the country – including within staff of MoE and other government agencies, as well within rural communities – to design, implement and manage EbA interventions. As described in Section C.2, analysis of the Fifth IPCC Assessment Report indicates that the economic impacts of climate change could result in an annual reduction of gross national GP of at least ~USD 12.8 million. Consequently, in the absence of significant financial and technical support, the predicted effects of climate change are likely to exacerbate the existing negative cycle of rural poverty, food insecurity and ecosystem degradation in the Gambia.

69. The design of the proposed GCF project includes multiple considerations to increase the cost-effectiveness, efficiency and sustainability of the requested GCF grant to address the socio-economic, environmental and climate change-related challenges and overcome the barriers to implementing large-scale EbA as described in Section C.

70. Building on a well-established baseline of past and ongoing initiatives. As described in Sections C.2 and C.3, the proposed GCF project will be supported by the investments of multiple relevant past and ongoing initiatives. These include initiatives focused on climate change adaptation and mitigation (for example, past and ongoing GEF-financed projects implemented by UNEP and UNDP) as well as national initiatives such as the ongoing implementation of the MA&D process through the DoF. For instance, the UNEP-UNDP LDCF project 'Strengthening climate services and Early Warning Systems in The Gambia for climate resilient development and adaptation to climate change' will strengthen the climate monitoring capabilities, early warning systems, and available information for responding to climate shocks and planning adaptation to climate change in The Gambia. It will achieve this through: a) improving national capabilities to generate and use climate information in the planning for and management of climate induced risks; b) developing core skills and competencies; c) acquiring relevant technologies; d) improving early warning dissemination and advisory communications; and e) promoting uptake of the climate information at the local level.

71. In addition to the above-mentioned baseline initiatives, the GCF project is designed to be integrated into the baseline activities of the MoE, including Ministerial Work Programmes 1, 2 and 3 (described in Section C.4). In particular, the project will be implemented by DoF and DoPWM through MoE's existing mechanisms for providing regional extension services and undertaking natural resource management activities. The project's approach to engaging communities in the design and implementation of the project's EbA activities, and establishment of associated natural resource-based businesses, will be based on the existing MA&D approach practiced by the Participatory Forest Management Unit (PFMU) in DoF. The baseline co-financing leveraged by the GCF project consequently includes both the annual operating budget of MoE as well as the National Forest Fund (NFF), which is financed by forest user revenues and funds the activities of the PFMU. As described in Sections C.2 and C.3, the environmental sustainability of the project's investments in EbA will be supported by the existing mechanisms for community management of natural resources in CF and CPA areas, which includes: i) establishment of sustainable management plans at the village level, based on periodic inventories of resources, updated on an annual basis; ii) establishment of local by-laws and conflict resolution mechanisms to support enforcement of management plans; and iii) emphasizing the importance of secure tenure and clear rights of access to natural resources for communities, as an incentive for sustainable long-term management of natural resources (in line with experience of The Gambia and other developing countries in decentralized natural resource management).

72. The total value of investments contributed by these baseline initiatives that this project will build on is estimated to be ~USD 27,851,000, including investments made before the proposed GCF project's implementation period. The total value of co-financing investments that will be made during the proposed project implementation period (2016 – 2021) is estimated to be USD 4,974,611. A summary table which describes the linkages between the GCF project and these baseline initiatives including a table outlining the relevance of the co-finance from MoECCFWW to distinct project components and activities is attached to this document as Annex G. A letter of co-financing from the MOECCFWW is provided in Annex C. The project's investments in building technical capacity and expertise on EbA in particular and climate change in general will be additional and complementary to the ongoing investments in capacity, expertise and experience generated by the abovementioned baseline projects, thereby responding to Barrier a) identified in Section C.2 ("Gambian institutions in both government and the private sector have insufficient technical capacity to implement EbA interventions as well as implement the existing policies promoting community-based management of natural resources").

73. Integration of project activities into existing short- and long-term national priorities and plans. The ongoing process of decentralisation of natural resource management (including *inter alia* community forests, forest reserves and conservation areas) to community-based committees will provide a particularly important entry point for integrating EbA into land-use planning during and beyond the project implementation period. This will take place through the existing processes for establishment of 5- and 10-year management plans for community co-managed areas. Of great relevance for the project is the precedent within The Gambia for promoting decentralized community-based management of forests. At present, and in-line with the objectives of the Forestry sub-sector policy (see section C1 and Annex Q.2), MoE is committed to transferring management rights of at least 200,000 hectares of forests to decentralised Community Forest Committees by 2020^{49,50}, thereby providing a potential mechanism to integrate EbA into mid- and long-term planning at a landscape scale.

74. The project will prioritise the inclusion of at least 125 sites at which local communities have been granted formal management rights to Community Forests, Community Protected Areas and Joint Management Forest Parks, where ongoing government activities to decentralize natural resource management provide an ideal entry point to integrate EbA into land use planning at the landscape scale. As a result of recent initiatives within MoE, a total of 78 new CF areas have been proclaimed in 2015 and will be a major focus of the DoF's planned activities in 2016, including development of CF management plans, establishment of community by-laws, providing training and capacity-building to members of the Forest Management and Village Development Committees at each CF. The GCF project will

⁴⁹ FAO. 2005. Empowering communities through forestry: community-based enterprise development. FAO, Rome. Available at : <ftp://ftp.fao.org/docrep/fao/008/j6209e/j6209e00.pdf>

⁵⁰ Gambian Forest Management Concept 2001. Available at : <http://wrm.org.uy/oldsite/countries/Gambia/GambiaGFMC.pdf>.

consequently prioritize the latter CF areas for inclusion in the project's activities, to capitalize on the current momentum within the DoF's activities related to participatory forest management. Maps of all confirmed forest reserves – including the 78 which have recently been transferred to community management – and lists of adjacent communities, are presented in Annex H. In addition, the project will prioritise the inclusion of at least eight (8) of the 13 Community Protected Areas within DoPWM's mandate, while it is anticipated that additional CPAs will be identified during the project implementation period. The project's approach to integration of EbA into long-term planning in community co-managed areas addresses the challenge of ensuring security of land tenure and rights of access to natural resources, thereby responding to barrier d) identified in Section C.2, namely "Rural Gambian smallholders are unwilling to invest in EbA interventions and natural resource-based businesses in the absence of security of land tenure and rights to access the natural resources".

75. Development of credible financial models and strengthened evidence base on EbA: A cross-cutting focus of the GCF project that informs all of three Components will be the building of an evidence base of credible data to show the return on investment for large scale EbA interventions. The project's EbA interventions will be specifically tailored to increase existing income streams for local communities and government revenue, and to create opportunities for the establishment of new natural resource-based businesses. Importantly, the return on investment on EbA interventions will be rigorously analysed for each proposed project site (at the village level) using the MA&D process⁵¹ currently applied by the GoG, which includes analyses of: a) market sustainability; b) resource sustainability; c) social/institutional sustainability; and d) technical sustainability. This will include analysing the long-term returns and commercial viability of the natural resource-based businesses established by the project at the village level through rigorous scientific monitoring and periodic evaluation over the course of the project implementation period. Precedents for such analyses include: market studies by the IFC within the Pilot Program for Climate Resilience⁵², cost-benefit analyses of EbA in Lami Town, Fiji project⁵³, and IRR calculations for restoration of degraded subtropical thicket⁵⁴, grasslands, wetlands, shrubland and forests⁵⁵. The evidence base that emerges from these analyses will be used to leverage additional funds from public budget allocations such as the NFF as well as from private sector investors. It will also be used to develop bankable business plans for large-scale EbA within The Gambia. The establishment of a strengthened evidence base for the effectiveness of EbA as an adaptation strategy responds to two barriers identified in Section C.2, namely "b) Private sector investors, credit unions and financial institutions have an insufficient evidence base on the benefits of EbA to assess the commercial viability of natural resource-based businesses that could emerge from investments in EbA" and "c) Limited understanding of the monetary and economic

⁵¹ The Market Analysis & Development (MA&D) process is a tool that was developed by FAO to assist communities in planning small-scale forest-based enterprises. The MA&D is carried out in three consecutive stages: i) assessment of existing situation (i.e. evaluation of forest resources and commercial capabilities); ii) identification of products, markets and means of marketing; and iii) enterprise planning. Through this process, four pillars of sustainability are assessed: i) market sustainability; ii) resource sustainability; iii) social/institutional sustainability; and iv) technical sustainability. This tool has been implemented in The Gambia since 2005.

⁵² Access Pilot Program for Climate Resilience market studies through the following links: i) Mozambique - <http://www-cif.climateinvestmentfunds.org/country/mozambique>; ii) Niger - <http://www-cif.climateinvestmentfunds.org/country/niger>; Zambia - <http://www-cif.climateinvestmentfunds.org/country/zambia>

⁵³ Rao et al. 2013. An economic analysis of ecosystem-based adaptation and engineering options for climate change adaptation in Lami Town, Republic of the Fiji Islands. A technical report by the Secretariat of the Pacific Regional Environment Programme. Apia, Samoa. Available at: http://ian.umces.edu/pdfs/ian_report_392.pdf

⁵⁴ Mills AJ, Turpie J, Cowling RM, Marais C, Kerley GIH, Lechmere-Oertel RG, Sigwela AM, Powell M. 2007. Assessing costs, benefits and feasibility of subtropical thicket restoration in the Eastern Cape, South Africa. Pages 179-187 In: Aronson J, Milton SJ, Blignaut J (eds) Restoring natural capital. Science, business and practice. Island Press, Washington D.C.

⁵⁵ Blignaut et al. 2014. Restoration of natural capital: a key strategy on the path to sustainability. *Ecological Engineering*. Doi: <http://dx.doi.org/10.1016/j.ecoleng.2013.09.003>.

value of functional ecosystems and natural resources, and in consequence there are insufficient funds allocated to natural resources in both government budgets and the private sector to enable large-scale investments in EbA across The Gambia”.

76. At a regional and international scale, the project’s investments in the development of an evidence base for EbA will generate data, information and knowledge that will benefit other countries and related initiatives. By coordinating and maintaining close collaborative relationships with stakeholders from related networks (e.g. regional networks related to adaptation such as AAKNet as well as thematic platforms focused on EbA such as the EBAFOSA platform), the best practices and lessons learned by the GCF project will be communicated to other LDCs. The innovative approaches proposed by the GCF project will add to the existing information generated by case studies on The Gambia reputation as a global good practice example for participatory management of natural resources.

77. Leveraging of domestic and international funds for upscaling of EbA: Several complementary financial instruments will be used to promote the upscaling of the project’s approach to EbA across The Gambia. These will be based on approaches demonstrated by other past and ongoing initiatives (including national, regional and international examples). Potential models and financial instruments that will be investigated and validated during the project implementation period will include: a) an increased allocation of municipal and sectoral government budgets such as the NFF to EbA interventions; b) matching grants committed by public-private partnerships as well as private entrepreneurs to EbA investments; c) concessional loans to entrepreneurs investing in EbA; d) micro-finance facilities for EbA investments; e) risk-sharing facilities provided to micro-finance institutions and credit unions (based on models such as USAID’s Development Credit Authority) for EbA investments; and f) creating financial value for carbon sequestration based on models such as REDD+ financing⁵⁶. The project will maintain close coordination and cooperation with related initiatives and stakeholders with the objective of identifying emerging opportunities for technical and financial assistance, such as the World Bank-funded Forest Carbon Partnership Facility which supports preparation of REDD+-readiness activities. The identification and development of appropriate financing mechanisms will be strongly dependent on accurate assessments of the rate of return of investments. The project will consequently focus on providing representatives of participating rural communities with technical support on business record-keeping, profit and loss statements, cash flow analyses, market research, development of contracts and company structuring.

78. In terms of allocation of government budget, the National Forest Fund will be an important source of public finance to sustain, replicate and upscale the project’s investments in EbA therefore demonstrating the catalytic effect of the GCF funding to initiate and demonstrate such interventions that can be later replicated through the NFF. The project’s EbA interventions will directly increase the generation of revenue for the NFF by: a) promoting the establishment of community-managed natural resource-based businesses in community co-management forest and conservation areas (of which 15% of all revenue is paid to the NFF); b) upscaling the production and sale of commercially valuable tree species at Regional Forestry Office (RFO) nurseries; and c) re-establishing revenue-generating activities from state-managed Forest Parks such as issuance of licenses for firewood collection by accredited collectors

79. In addition to promoting increased allocation of public budget to upscaling of EbA, the development of viable natural resource-based businesses through GCF investment will provide a strengthened evidence base for promoting national and international private sector investments in EbA. The GCCI will play a leading role in promoting such investments via regional trade fairs and investment forums to facilitate demonstration of successes and lessons learned, and in providing guidance to emerging natural resource-based businesses. This facilitating role that the GCCI will play between the businesses promoted by the project and potential investors from the domestic and international

⁵⁶ At present The Gambia is not participating in REDD+ and has not undertaken any REDD+-readiness activities. However the project’s activities are strongly aligned with the REDD+ approach and could be eligible for upscaling and replication using financial support from carbon credits generated through improved forest management. The project will coordinate closely with the ongoing NAP development process and elaboration of the country’s Climate Change Policy, Strategy and Action Plan to identify opportunities to fund the replication of the project’s activities through alignment with emerging priorities related to climate change, natural resource management and socio-economic development.

private sector will be supported by the advisory role played by the Social Development Fund (SDF), which has a strong track record and extensive experience in building the capacity of communities to participate in the formal economy (including increasing access of rural smallholders and emerging businesses to access financial services).

80. As described in Sections E and F, the proposed GCF project investment of USD 20.5 million is expected to generate tangible economic benefits totalling at least USD 87 million over a 20-year project lifetime, indicating a cost-effective return on investment of at least 4:1 for this GCF investment.

D.2. Exit Strategy

81. The project's exiting and upscaling strategy is based on the integration of the EbA approach and natural resource-based businesses into existing government plans and activities beyond the project implementation period through integration of the EbA approach into ongoing planning at the local, regional and national levels. At a local level, the implementation and management arrangements of village-level plans, including maintenance of EbA sites, will be updated annually as part of ongoing scheduled extension services beyond the project implementation period. The upscaling potential of the project's activities is the implementation of EbA over hundreds of thousands of hectares. The project will capitalize on the existing initiatives within MoE to decentralize the management of at least 200,000 hectares of land to community-based organizations by 2020. Considering that the proposed GCF project will be implemented across an area of at least 10,000 ha, there is the potential to upscale the project by a factor of at least 20 (as described in Section E.2).

82. By providing capacity-building to facilitate this process, and by integrating the concept of EbA into decentralized land use planning at the village level, the most successful EbA activities identified by the project will be integrated into the existing government services for public outreach and extension, thereby ensuring that the project's activities will be replicated beyond the project implementation period. Furthermore, by establishing an evidence base for the effectiveness of EbA and the commercial viability of natural resource-based investments, the project will promote a paradigm shift across Gambian society such that decision-makers in government and the private sector invest in the natural resource base to address the challenges of climate change, rural poverty and ecosystem degradation.

83. Several features of the proposed GCF project approach are focused on promoting the sustained replication and upscaling of the project's activities beyond the GCF project implementation as part of the GCF project's exit strategy, including the measures described below:

- *Securing an enabling environment and building capacity for rural households to participate in sustainable natural resource management.* As described in Sections C.2 and C.3, the experience of The Gambia and other developing countries has demonstrated the importance of secure land tenure and rights of access (for example, through establishment of CF and CPA areas) as an incentive for rural communities to participate in the sustainable management of natural resources. This approach is strongly aligned with existing national policy priorities which promote decentralized community-based management of forest reserves and community conservation areas and aim to increase the total area of Gambian forests under community management by at least 200,000 hectares by 2020.
- *Establishment of an evidence base for EbA and sustainable natural resource management as an effective approach to climate change adaptation and development of rural livelihoods.* As described in Section C.2, the barriers addressed by the proposed project include the limited awareness of the cost-effectiveness and potential benefits generated by the EbA approach. The project's systematic approach to monitoring and evaluation of the impacts of project activities will generate information on the socio-economic and environmental benefits of the EbA approach that will guide the development of the project's policy recommendations and EbA upscaling strategy. This will include the establishment of a framework for long-term research on EbA (under Component 3) and a publicly-available online information portal to increase the local availability of information on EbA. In addition to assessing and quantifying the climate change adaptation benefits of the EbA approach, Component 2 of the project will include a focus on demonstrating and rigorously quantifying the commercial viability of natural resource-based businesses to promote further investment by government and the private sector beyond the project implementation period. The project will use forums such as regional trade fairs, facilitated by the GCCI, to promote increased private sector investment in the market chains for natural resource-based products and businesses developed by the project. The GCF project will be strengthening the private sector in The Gambia to

the extent that Gambian companies and entrepreneurs will – during the course of the GCF project – be developing bankable business plans for natural resource-based businesses that will potentially be eligible for financing from local banks and microfinance institutions.

- *Increased generation and collection of tax revenue to support increased public investment in EbA and sustainable natural resource management.* The project's activities have been designed to address the identified barriers related to limited availability of public funds by increasing the generation of revenue for the National Forest Fund (NFF). The NFF, which funds the operating expenses of the DoF's participatory forest management programme and is therefore fundamental to the project's upscaling and exit strategy, is supported by forest user fees paid by Community Forest Enterprises (set at 15% of the Enterprise's gross revenue). It is estimated that the project's activities will increase the generation of revenue for the NFF by USD~11 million over a 20-year investment lifetime, thereby supporting sustained replication of the project's activities.
- *Developing and implementing a national EbA strategy.* The GCF project will develop an EbA upscaling strategy – to be implemented across the country – supported by the generation of adaptation benefits including the establishment of natural resource-based businesses. The EbA upscaling strategy will be informed by the data, experience and knowledge products generated by the GCF project. Importantly, this strategy will be strongly aligned with and integrated into the ongoing NAP process, INDC (Intended National Determined Contributions) implementation process as well as existing national policies and priorities related to climate change and natural resource management. The project will host two workshops in participation with the INDC and NAP development teams to: i) identify potential synergies and harmonies between the proposed national EbA strategy and related national policies and commitments on climate change such as the INDC; ii) propose concrete policy recommendations for the integration of EbA into emerging national policies and priorities; and iii) integrate the activities and targets of the GCF project into The Gambia's updated INDC. This commitment will result in the maintenance and/or growth of the businesses developed by the GCF project after the closure of the project. The inclusion of members of the national climate change coordination committee on the project's steering committee will ensure that the project's EbA upscaling strategy is well-aligned with other ongoing initiatives and is effectively integrated into The Gambia's national response to climate change. An important element of the national EbA strategy will be the identification of additional sources of financing to support the implementation of a national EbA strategy, including public, private and bilateral sources.

E.1. Expected Performance Against Investment Criteria

Potential of the project/programme to contribute to the achievement of the Fund's objectives and result areas

E.1.1. Mitigation / adaptation impact potential

84. The targeted beneficiaries of the proposed GCF project are rural Gambian households within and adjacent to community-managed Forest Reserves and Conservation Areas. The primary adaptation impacts of the project will be to reduce the socio-economic impacts of increasing variability of rainfall on rural households who are reliant on livelihoods such as farming, fishing and livestock production. In particular, the project's EbA interventions will increase the generation of goods and services from degraded natural ecosystems – including forests, savannas and woodlands in Community Forests, Forest Parks, Community Controlled State Forest Management Areas, Protected Areas and Wildlife Parks – and agricultural landscapes surrounding villages in The Gambia. The primary adaptation benefits of the project will be derived from an increased availability of ecosystem goods and services – under the current and future scenarios of climate change – delivered through targeted restoration of degraded ecosystems.

85. The selection of appropriate EbA interventions – and selection of plant species to be used – will focus on plant species which generate useful or commercially valuable products that can be marketed by community-managed businesses. Potential EbA approaches and natural resource products that will be promoted by the project are described in detail in the annexes to the proposal, particularly the Feasibility Assessment in Annex B⁵⁷. The goods generated from the natural resource base established by the project will be harvested, packaged and marketed for sale by community-based businesses, thereby diversifying and increasing the income of participating households. Furthermore, goods generated by the project – such as fruits, firewood and building materials – will also be directly consumed by households, thereby improving household nutrition and food security while reducing household expenditure of cash.

86. The direct adaptation benefits of the project will include increased availability of ecosystems goods for household consumption, as well as the increased generation of cash income through the development of businesses based on natural resources. These benefits will increase the resilience of rural Gambian households to the negative effects of climate change, particularly with respect to the effects of rainfall variability and drought on agricultural households. The direct beneficiaries of the project's activities related to establishment of natural resource-based businesses will be communities from at least 125 community-managed CFs and CPAs. To calculate the likely total investment required for the establishment of community-managed, natural resource-based businesses, the feasibility assessment (Annex B) estimated the costs for establishment of multiple natural resource-based businesses. At least four businesses were identified which could be established with an investment of USD 10,000–16,000 over a five-year period which will be prioritized for establishment in participation with at least 125 beneficiary communities. As detailed in the table below, the project's proposed investment of USD 3,048,550 will support the establishment of at least two community-managed forest enterprises (CFEs) by at least 125 communities. Assuming that the number of beneficiaries participating in each business may vary from ~20 to ~50 participants, the project's investments will directly benefit ~10,250 community members.

Enterprise type established by CFEs	Assumed number of CFEs	Members per CFE	5-year cost per CFE (USD)	Total investment cost (USD)	Total number of beneficiaries
Communal firewood marketing	75	50	10,000	750,000	3,750
Rhun palm handicrafts	50	50	12,000	600,000	2,500
Beekeeping	75	20	15,980	1,198,500	1,500
Simple timber collection and marketing	50	50	10,000	500,000	2,500
TOTALS				3,048,500	10,250

87. In addition to the above-mentioned investments in equipment and infrastructure for distribution to participating communities, the project will also invest in the establishment of infrastructure and equipment to be installed at

⁵⁷ Business types assessed in Annex B include various scenarios for community-managed businesses based on the following: i) firewood collection; ii) *Rhun* palm harvest and handicraft manufacture; iii) beekeeping for production of honey and wax; iv) sustainable harvest of medium- and high-value timber; and v) value-adding/processing of wild-collected fruit products.

government-managed facilities (including DoF Regional Forestry Offices, DoCD Multi-Purpose Centres and DoPWM Community Conservation Areas). These government-managed facilities will support the establishment and demonstration of additional natural resource-based business types which will be available for the use of participating beneficiary communities with the support and management of government extension staff. Proposed investments in infrastructure and equipment will include: i) establishment of food processing facilities at one Multi-Purpose Centre in each of four regions (4 x ~200 beneficiaries); ii) upgrades of existing timber-processing facilities at each of four Regional Forestry Offices (4 x ~100 beneficiaries); and iii) establishment and/or upgrades of ecotourism facilities at four DoPWM-managed Community Conservation Areas (4 x ~25 beneficiaries). Therefore, it is estimated that these investments in government-managed facilities will directly benefit an additional 1,300 people. Consequently the total number of direct beneficiaries that will participate in the project's activities is estimated to be ~11,550 community members.

88. The primary quantifiable adaptation benefits of the project to these CFE members will be to increase the annual household income and food security by USD ~330 – 770, equivalent to an increase in GDP per capita of ~70%⁵⁸. The climate-resilient natural resource-based businesses are intended to be complementary, rather than additional to, existing agricultural livelihoods, and will provide a safety net of food security and income to households that are particularly vulnerable to crop failure or reduced crop productivity. Importantly, the food and marketable products generated within the project's EbA investments will be available at various times of year, which will increase the resilience of impoverished farming households to the dry 'hungry' season which is anticipated to increase in duration and severity as a result of climate change.

89. An additional indirect impact of the project's EbA investments which is difficult to quantify but which will contribute to the climate-resilience of project beneficiaries will be the increased physical protection against the negative impacts of climate change – including floods and storms surges, salt water intrusion, landslides, and soil erosion – through restoration of degraded and vulnerable areas. The increased physical protection against these impacts will reduce losses and damages to infrastructure, crops and livestock and decrease the risk of loss of human life caused by climate-related disasters such as floods. Additional indirect benefits which will accrue at the end of the project will include: a) increased economic growth catalyzed by new businesses based on the increased supply of the above-mentioned products; b) increased productivity of agriculture through adoption of EbA practices that increase topsoil retention and nitrogen fixation within and adjacent to agricultural land; c) improved management of water resources in the Gambia River; and d) increased ecotourism potential as a result of enhanced biodiversity and aesthetics of the landscape.

90. It is estimated that ~11,550 individuals will benefit directly, and 46,200 individuals will benefit indirectly from the proposed EbA interventions over 10,000 hectares (see list of villages and map in Annex H). Women in The Gambia generally experience a greater incidence of poverty relative to men and are consequently particularly vulnerable to the effects of climate change. The livelihoods of most Gambian women are dependent on natural resources from agricultural landscapes (e.g. crops) or ecosystems (e.g. fish). These natural resources provide income or supplement household food security. Large-scale EbA interventions that increase the supply of these natural resources will consequently generate considerable direct benefits for women. In line with the objectives of Gambia's Gender Policy as well as Gambia's commitments to the Sustainable Development Goals (which includes gender equality), that project will aim to ensure that at least 50% of beneficiaries of the proposed GCF project will be women (i.e. ~5,775 direct beneficiaries and 23,100 indirect beneficiaries are women).

Provide specific numerical values for the indicators below.

GCF core indicators	Expected total number of direct and indirect beneficiaries (reduced vulnerability or increased resilience); number of beneficiaries relative to total population (adaptation only)	Total	11,550 direct beneficiaries, supporting ~46,200 dependent household members (indirect beneficiaries)
		Percentage (%)	~0.063 % (direct); ~0.25% (indirect)

⁵⁸ Per capita GDP is estimated to be US\$ 488 per year.

Other relevant indicators	Average increase in annual cash income among target beneficiaries	At least USD 330 per beneficiary household per year, assuming 11,550 beneficiary households.
	Total area of degraded ecosystems restored by the project's EbA interventions	7,000 hectares of degraded forest, woodland, savanna and mangrove; 3,000 hectares of agricultural land.
	Expected increase in generation and use of climate information in decision-making	Identification and integration of climate change adaptation priorities into village / community management plans for at least 125 Community Forestry (CF) and Community Protected (CPA) areas; and Integration of EbA, including priority actions and strategic options, into at least three national-level policies and strategies included the updated ANR policy, Vision 2020 and proposed national Climate Change Strategy and Action Plan.
	Increased capacity of MoE staff, including regional-level DoF and DoPWM extension staff, to identify, priorities, design and implement an EbA project. The project will aim to increase the technical capacity of these stakeholders to design, implement and monitor large-scale EbA projects relative to a baseline score measured using capacity assessment questionnaires.	Capacity of at least 40 regional-level extension staff in DoF and DoPWM increased to at least 8/12, relative to a baseline score of 4/12, measured using Capacity Assessment scorecards (described further in Section H.1: Logic Framework).
	Degree to which national policies, plans and processes are strengthened to identify, prioritize and integrate adaptation strategies and measures for the integration of climate change into planning.	Sectoral policies, plans and processes for decentralized management of natural resources and community development that are in process of being modified through the GCF project have an EbA integration score of at least 6 (described further in Section H.1 : Logic Framework).

91. As described above, the approach to calculating the number of project beneficiaries and quantifying the adaptation benefits that will be generated by the project is based on the financial and economic analyses undertaken as part of the economic feasibility assessment in Annex B. Based on this approach, the number of direct project beneficiaries are defined as those households which benefit directly from increased household income and food security generated by the project's EbA interventions and associated natural resource-based businesses. The number of Community Forestry Enterprise (CFE) members that will participate directly in the project is estimated to be ~11,550 people. Conservatively assuming that each beneficiary supports a household of four people, the number of indirect beneficiaries will be ~46,200 people.

92. The economic analyses in Annex B also calculated the potential increase in cash income generated by the project's EbA interventions and associated natural resource-based businesses, which is assumed to accrue directly to the project's beneficiaries. The adaptation benefits for direct beneficiaries generated by the project's investments are quantified accordingly as potential annual cash returns per capita per year, assuming an investment lifetime of

20 years.

93. The indicators relating to the degree to which national policies, plans and processes are strengthened to identify, prioritize and integrate adaptation strategies and measures are based on the TAMD (2013) and PPCR (2014) scorecard indicators for the integration of climate change into planning, as is used commonly in other adaptation projects such as under the Global Environment Facility (GEF)⁵⁹.

E.2. Paradigm Shift Potential

Degree to which the proposed activity can catalyze impact beyond a one-off project/programme investment

E.2.1. Potential for scaling up and replication (Provide a numerical multiple and supporting rationale)

94. The proposed paradigm shift in this GCF project is to change the behaviour and mindset of Gambian society such that Gambian decision-makers in government and the private sector invest intensively in growing their natural resource base to build resilience to climate change and to strengthen economic sectors based on natural resources such as indigenous fruits/fibres/medicines, timber and other wild-collected products such as honey (described further under E.2.3). The change in perceptions will result in a paradigm shift whereby local municipal budgets, national budget allocations (such as through the NFF) and private sector funds will be invested in the restoration of degraded ecosystems in a climate-smart manner to increase the supplies of commercially valuable ecosystem goods and services. Rigorous modelling using data from large-scale EbA interventions will be undertaken to generate credible cash flow analyses of the overall investment. These analyses will be used to inform decision-makers and private sector investors of the potential returns on future EbA investments. The information and knowledge generated by the project will provide an improved evidence base to support further investment in, and promotion of, EbA as part of The Gambia's response to climate change. The upscaling of EbA by other initiatives will be supported through the integration of EbA and related approaches into various sectoral and cross-sectoral strategies and plans – including the Agricultural and Natural Resources Strategy (to be developed in 2016), the National Climate Change Strategy (under development) and the NAP (under development). In consideration of the complexities of customary land tenure systems in The Gambia, the project's approach to prioritizing communities with formal access rights to CF and CPA areas will minimize the risks related to uncertainties or conflicts over land tenure.

95. The large-scale nature of this proposed GCF project distinguishes it from all other ecosystem restoration projects undertaken to date in The Gambia – all of which have been conducted over relatively small areas (a maximum of hundreds of hectares). Furthermore, the project's proposed approach to integrating the adoption of EbA into ongoing initiatives and development planning is inherently scalable. For example, the selection of intervention sites and participating communities will focus on villages within and adjacent to community-managed forest reserves and conservation areas, particularly those 78 Community Forest (CF) areas which were proclaimed in September 2015 (Annex H). During the project preparation phase, over 400 CFs totaling an area of ~40,000 hectares were identified. Given that each CF has several villages in close proximity, it is evident that EbA could be upscaled to include hundreds of such villages across The Gambia (see maps in Annex H). The EbA interventions within the proposed project will cover approximately 10,000 hectares. By the end of the project there will be a greatly increased supply of products/benefits from natural ecosystems, as well as from agricultural landscapes, across the project implementation area. Additional benefits from the project's EbA interventions will include improved quality and quantity of fresh water supplies and reduced rates of soil erosion. The upscaling potential, once the paradigm shift is achieved across Gambian society, is the implementation of EbA over hundreds of thousands of hectares.

⁵⁹ The indicator is based on five criteria expressed as questions: a) does the policy/plan/process identify climate change risks and appropriate adaptation strategies and measures? b) is EbA prioritized and specified with budget allocations and targets? c) does the policy/plan/process assign clear roles and responsibilities for the coordination and implementation of EbA? d) does the policy/plan/process provide for the continuous monitoring, evaluation, learning and review of EbA? e) is there evidence of the effective implementation of the policy/plan/process? Each question is answered with an assessment and score for the extent to which the associated criterion has been met: not at all (= 0), partially (= 1) or to a large extent/ completely (= 2). An overall score is calculated, with a maximum score of 10 given five criteria.

96. Lastly, and most importantly with regards to upscaling and replication, the project's approach is in strong alignment with ongoing initiatives and priorities in the country such as the renewed policy for decentralization of forest management to community-managed enterprises. The implementation of this policy will aim to transfer at least 200,000 ha of forest reserves to community management by 2020. Considering that the proposed GCF project will be implemented across an area of at least 10,000 ha, there is the potential to upscale the project by a factor of at least 20.

E. 2.2. Potential for knowledge and learning

97. The GCF project will establish a knowledge base to support large-scale implementation of EbA (see Component 3 in section C.3). Activity 3.2 of the project will, for example, collect, analyses and package information to promote the establishment of natural resource-based businesses. This information will be made publicly available through an online information platform hosted by the Department of Water Resources (DoWR) and will include *inter alia*: a) market analyses and recommendations generated by past initiatives (such as the MA&D process) on natural resource-based businesses; b) maps of existing and proposed community co-managed areas; c) case studies of successful natural resource-based businesses, including lessons learned on implementation arrangements, return on investment, and best practices; and d) a 'state of the art' publication on how to conduct large-scale EbA in different ecosystem types across The Gambia.

98. Importantly, the potential return on investment of the project's EbA interventions will be rigorously analysed for each proposed project site – at the village level – using the MA&D process. This process includes analyses of: a) markets; b) resource sustainability; c) institutional capacity; and d) technical knowledge. In addition to the MA&D process, the commercial viability of natural resource-based businesses selling goods generated from EbA investments will be assessed through intensive monitoring and evaluation (M&E). The evidence base that emerges from the MA&D and M&E will be used to leverage additional funds from Gambian public budget allocations such as the NFF as well as from private sector investors. The increased capacity of government stakeholders (e.g. DoF and DoPWM) to integrate EbA principles into ongoing departmental activities will further contribute to upscaling the proposed GCF project's activities.

99. In addition to knowledge and information generated through the MA&D process and M&E of the project's activities, respectively, the project will develop a strategic framework to promote long-term national research on EbA, including the large-scale EbA interventions implemented by the GCF project. This applied research will focus on assessing and refining the efficacy of a wide range of EbA protocols. The proposed long-term research framework (LTRF) will also address identified information gaps and needs pertaining to EbA – particularly those identified through the NAP process. Importantly, this research will include a wide range of national, regional and international institutions and experts. Opportunities to collaborate with other developing countries in the context of South-South Cooperation will also be explored. Additionally, regional adaptation networks such as African Adaptation Knowledge Network (AAKNet) and the Global Adaptation Network (GAN) will assist in using and sharing project results.

E.2.3. Contribution to the creation of an enabling environment

100. The proposed project focuses explicitly on creating an enabling environment that will build the climate-resilience of rural Gambian communities and facilitate the development of a sustainable natural resource-based (green) economy. The cumulative effect of the project's three complementary outcomes will be to transform the present negative spiral of poverty, environmental degradation and climate change impacts into a virtuous cycle – based on well-managed natural resources – that builds climate resilience for rural Gambians. This virtuous cycle will be underpinned by EbA interventions that generate goods for consumption and for the establishment of commercially viable businesses that will continue to run after the project has ended. The project will also build a knowledge base and raise public awareness on EbA to promote a paradigm shift in mindset across The Gambia such that society seeks to maximize long-term rather than short-term adaptation benefits from natural resources.

101. This change in behaviour and mindset will be undertaken by: a) demonstrating to the government and the private sector the value of public goods generated by large-scale EbA as well as the commercial viability of large-scale EbA interventions; b) working with GCCI, SDF, DoCD and other relevant stakeholders in country to create an enabling environment for natural resource-based businesses to establish and expand (using products derived from existing ecosystems and the large-scale EbA interventions); c) strengthening institutional capacity to plan and

implement large-scale EbA interventions; and d) strengthening policies, business models, governance mechanisms and funding instruments for promoting further large-scale EbA investment by government and the private sector. At present in The Gambia, investing in natural resources is not perceived by government or the private sector as viable economically (for society as a whole) or commercially (for private sector businesses). The proposed GCF project aims to change these perceptions across Gambian society, from village-level through to national government. The change in perceptions will result in a paradigm shift whereby local municipal budgets, national budget allocations (such as through the NFF) and private sector funds will be invested in the restoration of degraded ecosystems in a climate-smart manner such that supplies of commercially valuable ecosystem goods and services are increased.

102. An important aspect of the project's emphasis on developing an evidence base to support investments in EbA will be the rigorous quantification of the commercial viability of large-scale EbA interventions. In terms of innovation, the proposed GCF project approach is unique and without precedent in The Gambia. The EbA approach has not been adopted and promoted by past initiatives and is an emerging field of climate change adaptation. Another innovative aspect of the GCF project is the investigation of several different financial mechanisms to catalyze additional private sector investments in natural resource-based businesses across The Gambia. Potential mechanisms for increasing the domestic, international and multilateral investments in EbA and natural resource-based businesses that will be assessed in Component 3 will include: a) matching grants committed by public-private partnerships as well as private entrepreneurs; b) concessional loans to entrepreneurs; c) micro-finance (building on research undertaken through the Microfinance for Ecosystem-based Adaptation to Climate Change project in Latin America and Caribbean)⁶⁰; d) risk-sharing facilities provided to micro-finance institutions and credit unions (based on models such as USAID's Development Credit Authority); and e) REDD+ financing.

103. The project's approach to promoting equitable representation of women in the project's activities will contribute towards an enabling environment for increased economic empowerment and participation of women in decision-making. Although Gambia's existing policies on Gender Empowerment, as well as sectoral policies related to Forestry, Agriculture and Fisheries, promote the equal participation of women in decision-making and the formal economy, in practice the traditional governance systems remain largely patriarchal and do not meaningfully include women in decision-making. Therefore the project's activities include multiple measures that will guarantee that women will have an opportunity to participate in, and benefit from, the project's activities (see Section F.3 and Gender Analysis in Annex O). In line with Government policies to increase the economic empowerment and participation of women in decision-making, at least 50% of the project's ~11,550 direct and 46,200 indirect beneficiaries will be women. The selection of natural resource-based businesses to be established at each participating village will prioritise those business types which are likely to generate direct benefits for women, or which are traditionally within the accepted cultural norms of women's roles in the community. This will be supported by the strengthening or establishment of representative Kafos (representative local committees) for women at each participating village, thereby ensuring the participation and ownership of women beneficiaries throughout the implementation phase. By ensuring that the participation of individual communities in the project's activities is conditional on the establishment of appropriate village-level structures to represent the interests of women, the project will ensure that the design of the project's activities includes the inputs of both men and women throughout the implementation period.

E.2.4. Contribution to regulatory framework and policies

104. Component 3 of the proposed project includes a strong focus on strengthening national policies and strategies related to climate change, natural resource management and sub-national governance to support the sustained replication and upscaling of the project's activities. To integrate the concepts of climate change and EbA into national policies and priorities, the proposed GCF project will build on existing synergies and momentum created through other ongoing and planned initiatives, rather than establishing new efforts and initiatives in parallel. The project will also develop a national strategy on EbA in consultation with a wide range of economic sectors and stakeholders.

⁶⁰ UNEP-ROLAC & Frankfurt School of Finance & Management (2012–2017). Available at: <http://fs-unep-centre.org/projects/microfinance-ecosystem-based-adaptation-climate-change>. Accessed on 2 October 2015.

105. The proposed EbA strategy will be developed with the eventual objective of integrating specific national targets for EbA into the ongoing National Adaptation Plan (NAP) process in The Gambia. As a result, the project will support the adoption of EbA as part of the national approach to the combined challenges of climate change, rural poverty and environmental degradation. The integration of the project's approach to EbA and promotion of sustainable natural resource-based businesses will be further supported by the project's activities in Component 2. In Activity 2.2, for example, the project will develop bankable business plans and financial mechanisms to promote increased investment in natural resources. These plans and mechanisms will be developed with explicit consideration of government priorities and targets related to *inter alia* climate change adaptation (including the ongoing NAP process and drafting of a National Climate Change Strategy), natural resource management, agricultural development and economic growth. The aforementioned plans and mechanisms will be reviewed, and if necessary revised, on an annual basis in response to information generated through monitoring and evaluation of EbA project sites, as well as in response to emerging national policies (including *inter alia* National Policies on Climate Change, Agriculture and Natural Resources). This process of periodic reviews will provide a mechanism for adaptive management that will ensure that the approach promoted by the GCF project is relevant and responds to emerging national priorities.

106. In-line with the objectives of the Forestry sub-sector policy (see section C1 and Annex Q.2), the Ministry of Environment, Climate Change, Water, Forests and Wildlife (MoE) is committed to transferring management rights to at least 200,000 hectares of forest to decentralized Community Forest Committees^{61,62}. At a sub-national level, the proposed GCF project will use this ongoing process of decentralization of natural resource management (including *inter alia* community forests, forest reserves and conservation areas) to community-based committees as an entry point for integrating EbA into village- and district-level planning. In particular, the project will provide technical and administrative support to fast-track the existing process for decentralization of management rights to community structures, which includes the establishment of 5- and 10-year management plans for community co-managed areas such as CFs, Jointly Managed Forest Parks (JMFPs), Jointly Managed Wildlife Parks (JMWP) and Community Controlled State Forest Management Areas (CCSFMA). In Component 1 of the proposed project, the existing process for drafting and annual review of the above-mentioned management plans will be revised to include the integration of priority activities and targets for EbA interventions. These activities and targets will be selected by participating community members with the technical support of regional-level forestry and agricultural extension staff. The development and adoption of these priority EbA interventions into community management plans will be supported by extensive investments by the proposed GCF project in training, awareness-raising and capacity-building on EbA for government extension staff as well community members. At the village level, detailed land use plans will be developed for inclusion in the 5- and 10-year management plans, including details such as where: a) intensive agriculture should take place; b) ecosystems should be restored; c) community forests should be expanded; and d) land should be set aside for future infrastructural developments.

E.3. Sustainable Development Potential

Wider benefits and priorities

E.3.1. Environmental, social and economic co-benefits, including gender-sensitive development impact

107. The economic co-benefits generated by the project will mainly be quantified in terms of real cash income generated by the project's investments in EbA using commercially valuable or useful plant species. Detailed calculations to quantify the economic impacts of the project are presented in the Feasibility Assessment (Annex B). The potential cash returns generated will be dependent on the types of businesses selected by participating communities. It is estimated that the total GCF investment of USD 20.5 million will generate real cash returns of USD 2.5 – 11 million within the project lifetime. Over the total investment lifetime (assumed to be 20 years), the real cash returns generated for the project's beneficiaries range from USD 75 – 175 million. Assuming the most conservative scenario, the project will aim to generate cash returns of USD 2.5 million during the project lifetime and at least USD

⁶¹ FAO. 2005. Empowering communities through forestry: community-based enterprise development. FAO, Rome. Available at : <http://www.fao.org/docrep/008/j6209e/j6209e00.HTM>

⁶² Gambian Forest Management Concept 2001. Available at: <http://wrm.org.uy/oldsite/countries/Gambia/GambiaGFMC.pdf>

75 million over the investment lifetime. In addition, the total contributions to the NFF generated by taxes and licensing fees will be proportional to the total cash returns generated (taxation rate of 15%). This will increase the contribution of NFF to the operating budget of the DoF, particularly for activities that include forest protection, development and sustainable use of forest resources, promotion of community forestry (community forest management and joint forest park management), training of forestry staff, reforestation, and infrastructural development. The increased contributions to the NFF budget are conservatively estimated to be USD 380,000 during the project lifetime and USD 11.3 million over the 20-year investment lifetime. The project will generate short-term work opportunities for project beneficiaries who will contribute labour to the establishment and maintenance of the project's EbA intervention sites. Furthermore, the establishment of community-managed, natural resource-based businesses will employ an estimated 11,550 project beneficiaries on a part-time or seasonal basis.

Economic co-benefits	
Total number of jobs created	11,550
Amount of foreign currency generated	USD 2.5 million (Year 6), USD 75 million (Year 20)
Amount of government's budget deficits reduced	USD 11.3 million (Year 20)
Environmental co-benefits	
Enhanced biodiversity in natural ecosystems	Enhanced conservation and management of biodiversity across at least 7,000 hectares of forest, savanna and woodland and at least 3,000 hectares of agricultural land.
Gender-sensitive development impact	
Proportion of men and women in jobs created	At least 1/2 direct (5,775) and indirect beneficiaries (23,100) are women

E.4. Needs of the Recipient

Vulnerability and financing needs of the beneficiary country and population

E.4.1. Vulnerability of country and beneficiary groups (Adaptation only)

108. The Gambia is ranked 168 out of 187 countries in the 2011 UN Human Development Index, with more than half of the population living below the USD 2 per day poverty threshold. Most Gambians rely strongly on livelihoods from natural resources and rain-fed, subsistence farming. Every year, most households in rural areas of The Gambia experience a "hunger season" between July and September, during which food stocks are low or depleted. To compensate for income and food losses, these households usually depend on consuming and selling cash crops. Such hardships have been exacerbated by the global economic downturn and the drought of 2011 in The Gambia. Rural communities throughout The Gambia are therefore extremely vulnerable to climate change effects that impact negatively on the production of food in agricultural landscapes and natural ecosystems. In particular, expected increases in air temperature and rainfall variability across The Gambia will result in more frequent and severe droughts, floods^{63,64} and windstorms^{65,66}. Addressing the effects of these climate change-related events have been prioritised in The Gambia's NAPA and Second National Communication under the United Nations Framework Convention on Climate Change.

109. The above-mentioned climate change effects will greatly exacerbate existing environmental and economic problems experienced by rural Gambians. Agricultural productivity is, for example, expected to decline because of: a) reduced soil water content with increasing temperatures; b) more frequent droughts; and c) greater erosion from

⁶³ Gambia: Floods – Sep 2012. Available online at: <http://reliefweb.int/disaster/fl-2012-000175-gmb>. Accessed on 25 November 2015.

⁶⁴ Flash floods wreak havoc in rural Gambia. Available online at: <http://kibaaro.com/flash-floods-wreck-havoc-in-rural-gambia>. Accessed on 25 November 2015.

⁶⁵ Jaiteh, M.S. 2011. Climate change and development in The Gambia: challenges to ecosystem goods and service. Available online at: http://www.columbia.edu/~msj42/pdfs/ClimateChangeDevelopmentGambia_small.pdf. Accessed on 5 June 2015.

⁶⁶ The Republic of Gambia. 2003. First National Communication of the Republic of Gambia to the United Nations Framework Convention on Climate Change. Available at: <http://unfccc.int/resource/docs/natc/gamnc1.pdf>

intense rain events. The supply of ecosystem goods and services from natural ecosystems (e.g. venison, fruits, fibre, medicines and fish) will also be reduced by expected climate change effects on the distribution and growth rates of indigenous plants in Gambian woodlands, savannas, wetlands and mangroves. Recent studies, for example, show that ground nut yields in The Gambia are likely to decrease by 40% because of increasing temperatures⁶⁷, with rice production also being negatively affected as freshwater resources are depleted. The production of fisheries in the Gambia River is also expected to be reduced because of a reduced flow of fresh water into the river, and concomitant increases in salinity. These decreases in productivity of agricultural landscapes and natural ecosystems will increase food insecurity and malnutrition, which is already widespread across the country⁶⁸.

E.4.2. Financial, economic, social and institutional needs

110. As an LDC, The Gambia has limited financial resources without donor support to: a) implement large-scale EbA; b) transform markets to sustain climate-related, natural resource-based livelihoods; and c) strengthen policies, institutions and knowledge sharing for large-scale EbA. At a local level, rural Gambian communities do not have the financial resources, knowledge base, or technical capacity to: a) develop, implement, and maintain large-scale EbA across The Gambia; b) co-ordinate the regular, cross-sectoral, multi-stakeholder engagement that is necessary for EbA interventions; and c) capitalize on the EbA interventions by generating new private sector income streams from the sale of ecosystem goods and services produced by restored ecosystems. As detailed in Section E.4.1 and in the description of the GCF project context above, the proposed project has been formulated to respond to urgent financial, economic, social and institutional needs identified by the GoG. The Gambia's constrained macro-economic environment is characterized by one of the world's lowest GDPs per capita (USD ~488 in 2012) and a high ratio of external debt to GDP (~43% in 2012). Government's budget deficit was ~68 million in 2013⁶⁹. Therefore the country requires significant external financial support to adapt to the effects of climate change. The economy-wide challenge of rural poverty and vulnerability to the impacts of climate change is likely to undermine past and ongoing investments in the socio-economic development of The Gambia.

E.5. Country Ownership

Beneficiary country (ies) ownership of, and capacity to implement, a funded project or programme

E.5.1. Existence of a national climate strategy and coherence with existing plans and policies, including NAMAs, NAPAs and NAPs

111. The project is well-aligned with national priorities related to climate change adaptation (such as those NAPA-identified priorities described in Section C.1). Furthermore, although the GCF project will not explicitly target climate change mitigation benefits, it is anticipated that the project's emphasis on improved management of natural resources is likely to result in a net reduction of greenhouse gas emissions from land use and land use change (LULUCF). By promoting improved management of agricultural land and natural ecosystems, the project will reduce net GHG emissions by: a) increasing the sequestration of soil carbon through enhancement of vegetation cover in degraded areas and through reducing the rate of clearance of natural vegetation for conversion to agriculture; b) increasing the sequestration of GHGs by increasing the total woody biomass in natural ecosystems such as forests and woodlands; and c) reducing the loss of topsoil as a result of erosion in degraded areas. Therefore the project will contribute towards the national mitigation priorities established in Gambia's INDC submitted in October 2015.

112. During the implementation phase, the proposed project will maintain a strong focus on alignment with emerging national priorities and other ongoing initiatives related to climate change. The contribution of the GCF project, through engagement with the national climate change coordination committee and related stakeholders such as the INDC and NAP development teams, will be to provide information and guidance to promote the integration of EbA into national

⁶⁷ AIACC. 2006. Making economic sense of adaptation in upland cereal production systems in The Gambia. AIACC Working paper No. 37 (August 2006). Available at:

http://www.start.org/Projects/AIACC_Project/working_papers/Working%20Papers/AIACC_WP37_Njie.pdf.

⁶⁸ IFAD. 2014. Investing in rural people in The Gambia: rural poverty in The Gambia. Operation Fact Sheet. Available online at: <http://www.ifad.org/operations/projects/regions/PA/factsheets/gm.pdf>. Accessed on 5 June 2015.

⁶⁹ Central Bank of The Gambia. 2014. Monetary Policy Committee: press release. Available online at: <http://www.cbg.gm/research/pdf/Press%20Release/PRESS%20RELEASE%20%20January%2031,2014.pdf>. Accessed 25 November 2015.

adaptation and mitigation plans. The GCF project's activities contribute towards the adaptation priorities noted in Gambia's Intended Nationally Determined Contributions (INDC). For example, the INDC strongly emphasizes the need to integrate national adaptation priorities into sectoral and cross-sectoral planning and legislation, which is supported by the project's focus on integrating EbA into land use planning at the village level and into sectoral and cross-sectoral policies at the national level. In particular, the project will be closely coordinated with the development of mid- and long-term priorities related to climate change such as those priority activities and approaches promoted by relevant national strategies and action plans on climate change, including the draft National Climate Change Strategy and the NAP process (both ongoing as of November 2015). In addition to The Gambia's priorities related to climate change adaptation, the GCF project will contribute to other national priorities related to socio-economic development, biodiversity conservation, commitments to UN Convention to Combat Desertification (UNCCD) (described in Section C.1). Similarly, the GCF project will align with the global priorities outlined by the Sustainable Development Goals (SDGs, to which The Gambia is a signatory), such as SDGs on Climate Action, Life on Land, No Poverty, Zero Hunger and Gender Equality (SDGs 13, 15, 1, 2 and 5, respectively).

E.5.2. Capacity of accredited entities and executing entities to deliver

Please describe experience and track record of the accredited entity and executing entities with respect to the activities that they are expected to undertake in the proposed project/programme.

113. The executing entity (EE), MoE, is described in Section C.3. This Ministry will be responsible for the implementation of the project's activities in each of the four project regions through the regional representatives of DoF and DoPWM. The capacity of MoE to undertake the proposed project is dependent on the provision of added support in the form of sustained capacity-building, training and equipment. The availability and level of technical capacity of staff within DoF and DoPWM was assessed during the funding proposal preparation phase and scored using a methodology based on the GEF AMAT system (detailed in Annex L). The preliminary baseline score proposed for the capacity of MoE line departments to design and implement EbA-related initiatives was estimated to be 2/10 i.e. a score of two out of a maximum score of ten. The project will seek to increase this capacity score to at least 6/10 at the end of the project implementation period.

114. As the accredited entity (AE), UNEP will be responsible for: overseeing the project formulation, start up, implementation, evaluations (including M&E reports, MTR and TE) and closure. UNEP is the UN agency mandated to set the global environmental agenda, promote the integration of environmental concerns into sustainable development within the UN system and serve as an authoritative advocate for the global environment. To this end, UNEP's work focusses on: a) assessing global, regional and national environmental conditions and trends; b) developing international and national environmental instruments; and c) strengthening institutions for the wise management of the environment. Climate change is expected to be the overriding environmental issue of our time and will lead to large-scale changes in global ecosystems. This threatens the livelihoods of local communities who largely depend on ecosystem goods and services for their subsistence, with impacts on inter alia health, food production, water security and economic welfare. UNEP's role as a global normative organization for environmental concerns includes a strong mandate to monitor the impacts of climate change and provide technical support and advisory services on best practices for adaptation. UNEP fulfills this role by: a) supporting environmental monitoring, assessments and information for science-based policy- and decision-making; b) facilitating policy debate, negotiations and decision-making at the international level; c) supporting the strengthening of national, sub-regional and regional policies, laws and institutions; and d) promoting international collaboration to address global environmental.

115. The comparative advantage of UNEP vis-à-vis other accredited entities lies in UNEP's focus on providing technical advice – based on robust scientific evidence – related to planning and implementing measures for managing environments in a sustainable manner to support national development processes. UNEP can provide the requisite scientific expertise and technical support needed to manage the complexities of the multiple socio-economic and environmental factors affecting ecosystems. UNEP has a significant global portfolio of adaptation projects on climate change funded through the Least Developed Countries Fund, Special Climate Change Fund, Adaptation Fund and bilateral funds such as BMU, IKI, European Commission, Norway, etc. Through these projects, UNEP supports national governments and local communities to adapt to climate change in an ecologically sound manner. All such projects comply with the mandate from the UNEP Governing Council, as detailed in the Bali Strategic Plan for Technology Support and Capacity-building. UNEP's knowledge base derived from previous and ongoing projects

includes support on: a) methods and tools for decision-making; b) prioritizing, designing and implementing adaptation interventions; c) enhancing climate resilience by restoring vulnerable ecosystems that underpin community livelihoods; and d) monitoring the socio-economic and environmental benefits of adaptation interventions. The agency will draw upon this experience during the implementation of the project.

116. UNEP also has strong technical and scientific capacity in the field of climate change. Its Climate Change Adaptation Unit – within the Division of Environmental Policy Implementation – comprises 15 technical specialists with expert knowledge on the agency’s three main areas of expertise, namely: a) Science and Assessments; b) Knowledge and Policy Support; and c) Building the Resilience of Ecosystems for Adaptation. These specialists are thus well placed to provide technical backstopping and support during project implementation. UNEP is experienced in the implementation of projects that promote adaptation to climate change at global, regional and national levels. Through its EbA Flagship Programme⁷⁰, UNEP has undertaken numerous projects that demonstrate innovative solutions for climate change adaptation. This includes past and ongoing initiatives in The Gambia as well as elsewhere in West Africa. UNEP has a well-established relationship with the GoG and has previously supported the implementation of national projects related to climate change adaptation. For example, UNEP recently implemented the GEF-LDCF project entitled “Strengthening of The Gambia’s climate change Early Warning Systems” in cooperation with MoE through the Department of Water Resources (2011–2015). At the present moment UNEP is implementing a second phase of this project, to build on the results of this LDCF project. The project is being implemented jointly with UNDP and is worth 8M USD entitled ‘Strengthening Climate Services and Early Warning Systems in The Gambia for Climate Resilient Development and Adaptation to Climate Change’. As a result of the experience of these past projects, UNEP has established ongoing relationships within the national Executing Entity (EE) MoE and other ministries and departments within GoG. Consequently, UNEP is well-placed as the GCF Accredited Entity (AE) to oversee the efficient and effective delivery of the project’s objectives through the EE.

E.5.3. Engagement with NDAs, civil society organizations and other relevant stakeholders

117. The development of this GCF funding proposal was undertaken in close collaboration with multiple representatives of government, non-governmental organizations and bilateral development agencies. The consultations undertaken during the course of project preparation included two in-country missions in August-September and November 2015 during which multiple national, regional and local stakeholders were consulted. These stakeholders included representatives from relevant ministries, departments, Community-Based Organisations (CBOs) and NGOs (e.g. GCCI, SDF, FAO). Importantly, the stakeholder engagement process included close coordination with the NDA (Ministry of Finance and Economic Affairs) and the EE (Ministry of Environment, Climate Change, Water, Forests and Wildlife). In Banjul (the capital city), representatives from ministries, departments and NGOs were consulted to gather information on *inter alia* the baseline, potential project interventions and sites, implementation arrangements for the project, sustainability, financing and potential risks. The in-country missions of the project development phase also included consultations with representatives of rural community-based organizations (CBOs) that are engaged or are interested in participating in community-based management of natural resources. Working group meetings were undertaken with CBOs and community members in four regions (Western, Lower River, Central River and Upper River). During these meetings, community representatives provided information on: a) current livelihood activities; b) climate change effects on livelihoods; c) local business and governance structures; and d) interests in alternative/additional livelihoods. CBOs consulted during these working group meetings included Community Forestry Committees, Community Protected Area Committees, Village Development Committees; and Women’s Village Development Groups (three in total, two of which were mainly focused on vegetable gardening and one of which was focused on salt production). Validation meetings were held at the end of these missions, during which time the proposed project structure was presented to central (i.e. national-level) representatives from the relevant ministries and departments.

⁷⁰ Participants at COP 16 as well as the IUCN have noted that UNEP is an appropriate implementing agency in developing countries and for further developing the EbA concept. At the 2010 United Nations Climate Change Conference (COP 16) the EbA approach adopted by UNEP was noted as vital in playing a role in integrating EBA into the adaptation and development strategies of developing countries. It was also noted at this COP that investing in EbA was one of the most effective ways to address the multiple challenges of vulnerability and poverty. (As reported in the article ‘Inspiring action towards a low carbon, climate resilient future’). Available at: http://www.cc2010.mx/en/press-center/press-resources/news_2010112340160.htm.

118. As a result of the extensive stakeholder consultations undertaken during the project development phase, the project activities are strongly aligned with national priorities, policies and ongoing initiatives. The project Concept Note and the Full Project Proposal were presented to national stakeholders at dedicated validation meetings, both of which resulted in unanimous decisions to validate the GCF project approach. The GCF project has been endorsed by the National Designated Authority of the Gambia, as evidenced by the No-objection letter dated November 18, 2015, and signed by Mr. Bai Madi Ceesay, Budget Directorate, Ministry of Finance and Economic Affairs (Annex A). A letter of co-finance from the MoECCFWW is provided in Annex C. The stakeholder engagement process, including summaries of in-country missions and a list of stakeholders that were engaged, is presented in Annex F. The proposed approach for engagement and coordination of the project's multiple stakeholders during the implementation phase is summarized in the implementation arrangements section, including in the organogram presented in Annex M.

E.6. Efficiency and Effectiveness

Economic and, if appropriate, financial soundness of the project/programme

E.6.1. Cost-effectiveness and efficiency

119. The proposed GCF project will primarily achieve cost-effectiveness by using an EbA approach. A growing body of scientific research demonstrates that past initiatives which included EbA measures resulted in a greater ratio of benefits to costs compared with the use of infrastructural measures for adaptation^{71,72}. Similarly, in a recent in-depth review of strategies for sustainability, restoration of natural capital was deemed the most cost-effective approach when compared with both technology change and social behavioral change⁷³. An analysis of the commercial viability and likely rates of return on the GCF project investments indicates a net positive return on investment which will generate approximately USD 4 in net benefits for every USD 1 of GCF project investment (described further in Section F, and Annex B).

120. The proposed GCF project will maximise the cost-effectiveness of the EbA interventions as follows. Firstly, during the implementation phase of the project, analyses of the potential EbA interventions to be undertaken at each site will include consideration of cost-effectiveness and potential return on investment. Secondly, a dedicated project management unit will be established to ensure that all EbA interventions are implemented in a rigorous and timeous manner according to detailed protocols for different landscapes. Thirdly, local communities and regional extension officers will be intensively trained in the implementation of EbA. And fourthly, the project will identify opportunities to increase cost-effectiveness by building on the capacities, information and infrastructure established by past and ongoing initiatives. For example: a) the identification of viable natural resource-based businesses will be informed by economic data generated by the MA&D process; and b) the ongoing implementation of existing policies to decentralize management of natural resources across an area of at least 200,000 hectares to community-based committees will provide a rapid and cost-effective means of integrating EbA into land use planning at the village level.

121. The sustained cost-effectiveness of the GCF's investments will be assured by the project's management structure and implementation arrangements, which will ensure that the proposed project is implemented in an efficient and timeous fashion with a strong focus on identifying and prioritising the most cost-effective approaches to delivering the project's objectives. During the implementation phase of the project, detailed analyses of the potential EbA interventions to be undertaken at each site will include consideration of cost-effectiveness and potential return on investment in the site-specific context. Only those interventions and activities which are assessed to be cost-effective and commercially viable will be considered eligible for inclusion in the project's activities.

122. An important design principle of the proposed project is the emphasis on building on other past and ongoing

⁷¹ De Groot et al. 2013. Benefits of investing in ecosystem restoration. *Conservation Biology* 27: 1286-1293.

⁷² Rao et al. 2013. An economic analysis of ecosystem-based adaptation and engineering options for climate change adaptation in Lami Town, Republic of the Fiji Islands. A technical report by the Secretariat of the Pacific Regional Environment Programme. Apia, Samoa. Available at: http://ian.umces.edu/pdfs/ian_report_392.pdf

⁷³ Blignaut et al. 2014. Restoration of natural capital: a key strategy on the path to sustainability. *Ecological Engineering*. Doi: <http://dx.doi.org/10.1016/j.ecoleng.2013.09.003>

initiatives related to climate change adaptation, natural resource management and socio-economic development. The project will consequently identify opportunities to increase cost-effectiveness by building on the capacities, information and infrastructure established by past and ongoing initiatives. For example, the identification of viable natural resource-based businesses will be informed by economic data generated by the MA&D process. Lessons learned through the GEF/UNDP-funded project “Enhancing Resilience of Vulnerable Coastal Areas and Communities to Climate Change”⁷⁴ will also inform the project’s approach to engagement of participating communities in the planning and implementation of EbA interventions. In addition, the interventions of the proposed project that are focused on strengthening institutional capacity and establishment of an enabling policy environment for EbA in The Gambia will build upon and upscale the work of projects such as Phase 1 and 2 of the GEF/UNEP-funded project “Strengthening of The Gambia’s Climate Change Early Warning Systems”.

E.6.2. Co-financing, leveraging and mobilized long-term investments (mitigation only)

N/A

E.6.3. Financial viability

123. The economic analyses undertaken during the project development phase (see Annex B and Section F, below) quantified potential income streams for rural communities from project investments. This informed the selection of activities for the project. As described in Section E.3.1, it is conservatively estimated that the project will generate revenues of at least USD 75 million that will accrue directly to the project’s direct beneficiaries over a 20-year investment lifespan. Furthermore it is estimated that the project will generate at least USD 11 million in revenue for the national fiscus which will be directed to the National Forest Fund. Consequently, the GCF investment of USD 20.5 million will result in a net return of at least USD 86 million over the total investment lifespan, resulting in a return on investment (ROI) of 4:1. Therefore the proposed investment of GCF resources can be seen to be a cost-effective investment which will create net economic benefits that are several times greater than the initial GCF investment.

E.6.4. Application of best practices

124. The project’s activities have been developed with consideration of best practices and lessons learned from past and ongoing initiatives. Importantly, the MA&D process will inform the project’s engagement of communities in planning and designing activities for sustainable management of natural resources. This process will result in a methodical analysis of the constraints, opportunities and commercial viability of all community-based businesses to be supported by the GCF project. Furthermore, the development of the EbA protocols during the project implementation phase will include a strong emphasis on integrating knowledge – including scientific and traditional knowledge – generated by past initiatives at the project sites. The design of the project’s EbA interventions will be led by technical task teams of experts who will review and analyses information generated by: a) the MA&D process; b) decentralized management of natural ecosystems; c) rural enterprise and business development; d) climate-resilient agricultural practices, livelihood substitution and strengthening; e) public-private partnerships; and vi) the Forest Farm Facility (FFF)⁷⁵. The project will identify those extension officers and government officials who have participated and/or benefited from training and capacity-building through the above-mentioned initiatives to capitalize on the existing capacity within these individuals.

125. The comparative advantage of UNEP in the fields of climate change adaptation in general, and EbA in particular, will support the identification and adoption of emerging best practices throughout the project implementation period. The experience gathered by UNEP in the field of EbA is growing constantly as a result of the findings and outcomes of multiple UNEP EbA projects funded by GEF, Adaptation Fund and other bilateral funds.

E.6.5. Key efficiency and effectiveness indicators

⁷⁴ Activities in this project included community-based restoration and conservation of ecosystems.

⁷⁵ The Forest & Farm Facility (FFF) is a multi-donor programme that is housed within FAO. It was launched in 2012 with the objective to promote sustainable forest and farm management by supporting local, regional and international organisations and platforms for effective engagement in policies and investments that meet the needs of local people.

<i>GCF core indicators</i>	Estimated cost per t CO ₂ eq, defined as total investment cost / expected lifetime emission reductions (mitigation only)
	N/A
	Expected volume of finance to be leveraged by the proposed project/programme and as a result of the Fund's financing, disaggregated by public and private sources (mitigation only)
	N/A
Other relevant indicators (e.g. estimated cost per co-benefit generated as a result of the project/programme)	As described in E.6.3, the return on investment (ROI) for the GCF investment is estimated to be 4 (i.e. net benefits of USD 4 for every USD 1 of GCF investment).

F.1. Economic and Financial Analysis

126. An analysis of the economic feasibility of the proposed GCF project investment was undertaken and is presented in Annex B. This analysis focused on the likely financial returns that could be generated from the GCF project investments under conservative, moderate and optimistic scenarios. The primary distinction between the three investment scenarios is the assumed market price on products generated from the natural resource-based businesses. In addition, the three scenarios differ in their relative exposure to 'high risk' investments (such as fruit processing), 'medium risk' investments (such as timber harvest) and 'low risk' investments (such as beekeeping for honey production).

127. The conservative scenario (Scenario 3 of the Feasibility Assessment) assumes a low market price on products generated from the natural resource-based businesses and that the GCF project investments are used only for 'medium-risk' and 'low-risk' investments. The moderate scenario (Scenario 2) assumes a low market price on products generated from the natural resource-based businesses, but that GCF project investments are used for 'high-risk', 'medium-risk' and 'low-risk' investments in a single geographic area. Finally, the optimistic scenario (Scenario 1) assumes a high price on products generated from the natural resource-based businesses, and that GCF project investments are used for 'high-risk', 'medium-risk' and 'low-risk' investments in a several separate locations.

128. The outcomes of this analysis were used to estimate likely revenues that would be generated for: a) direct project beneficiaries; and b) the national fiscus; within the project implementation period and also over an assumed 20-year investment lifetime. The steps of this analysis can be summarized as follows.

- a) Identification of potential EbA interventions that will reduce climate change vulnerability and which will support the establishment of natural resource-based businesses (detailed in Feasibility Assessment, Annex B).
- b) Estimation of costs for several hypothetical investment scenarios (see above description of Scenarios 1, 2, and 3) to establish various kinds of community-based businesses. This included estimates of initial capital investments as well as ongoing operation and maintenance costs. These costings were based on a hypothetical scenario in which the number and scale of proposed community-based businesses is defined.
- c) Estimation of likely rates of return for hypothetical investment scenarios over the project lifetime and an assumed 20-year investment lifetime.
- d) Calculation of potential ranges of revenues generated by hypothetical investment scenarios.

129. The latter step of the economic feasibility assessment was used to derive the total project lifetime and investment lifetime returns on the total GCF project investment of USD 20.5 million. Based on these analyses, it is conservatively estimated that the GCF investment will generate a real return on investment of at least USD 86 million⁷⁶ over an assumed 20-year investment lifetime. This is equivalent to a return on investment of at least 4:1.

F.2. Technical Evaluation

130. The project development phase included the identification of multiple potential approaches to EbA. The Feasibility Assessment (Annex B) included assessments of those approaches to EbA which would be compatible with the project's dual objectives of reducing climate change vulnerability while supporting a paradigm shift that would promote the establishment and upscaling of community-based businesses based on the sustainable management, harvesting and marketing of commercially valuable natural resources.

131. The proposed interventions of the project, including both those activities focused on EbA in natural ecosystems (such as climate-resilient restoration of forest, savanna, woodland, and mangroves to increase the generation of commercially valuable products and ecosystem services) as well as agricultural landscapes (such as establishment of homegardens and enrichment planting of within and adjacent to agricultural plots) were all determined to be cost-effective, technically feasible and aligned with the project's stated objectives.

⁷⁶ As described in Section E.3.1, it is conservatively estimated that the project will generate revenues of at least USD 75 million that will accrue directly to the project's direct beneficiaries over a 20-year investment lifespan. Furthermore it is estimated that the project will generate at least USD 11 million in revenue for the national fiscus which will be directed to the National Forest Fund. Consequently, the GCF investment of USD 20.5 million will result in a net return of at least USD 86 million.

F.3. Environmental, Social Assessment, including Gender Considerations

132. The project design has explicitly included consideration of potential environmental and social impacts of the project's activities, as well as mitigating measures to reduce the likelihood and severity of any unforeseen negative impacts. The project's activities were evaluated against UNEP's Environmental, Social and Economic Safeguards (ESES) Framework using the Environmental, Social and Economic Review Note (ESERN) as a screening tool to identify potential negative impacts. This process indicated that the potential social and environmental risks of the project are low enough to be considered negligible. Furthermore the ESERN tool provides explanatory notes to describe the elements of the project's design which will mitigate against any potential negative environmental or social impacts. This tool will be used throughout the project to guide discussions amongst project stakeholders and to ensure that environmental and social safeguards are adhered to throughout the project. For example, to mitigate the risk that the project will negatively affect land tenure arrangements, including communal and/or customary/traditional land tenure patterns, the project's approach is to prioritise those areas which have clear and transparent tenure arrangements, as well as explicitly described local measures for conflict resolution. Another example is the project's approach to minimizing the risk that the proposed project will negatively affect livelihoods of indigenous peoples by influencing the rights, lands and territories claimed by these people. In response to this risk, the project will actively promote increased access to land and security of tenure for vulnerable indigenous rural communities by building on existing processes for decentralization of natural resource management to designated community-level authorities. The project will make use of existing social and environmental safeguards that are applied in terms of national policies on decentralized NRM and forest management to ensure that no negative unintended consequences occur as a result of the project's activities. The results of the ESERN tool are included as Annex E.

133. With regards to the project's contributions towards generating gender-equitable benefits, the project will emphasize a gender-sensitive approach which considers the differential roles and responsibilities of men and women in Gambian society. This approach is in alignment with national policies such as the Agriculture and Natural Resources Policy (ANR, 2006–2015), the National Agriculture Investment Plan (NAIP, 2010–2015), National Forest Policy (2009) and National Fisheries Policy (draft), all of which promote the increased participation of women in the economy, from promoting increased representation of women in decision-making at the village level, access to education, access to finance and participation in the formal economy. Therefore, the project has adopted gender-disaggregated targets for beneficiaries and will aim to ensure that at least half of the project's direct participants will be women. The project's approach towards integration of gender considerations is informed by the Gender Analysis in Annex O.

134. In most traditional Gambian communities, there are clearly defined divisions of labour between men and women. For example, in terms of the natural resource-based products and services that will be promoted by the proposed project, women tend to play a prominent role in the value chains of products such as fruit, fibre, firewood and medicines, whereas men are traditionally more likely to participate in timber harvest/logging and beekeeping. Therefore, the project will include consideration of traditional roles and responsibilities of both men and women in the selection and prioritisation of activities at each site. In particular, the project approach will rely on community-driven identification of priority natural resource-based businesses to be established in participation with communities. The selection criteria (Annex K) for natural resource-based businesses to be established at each participating village will prioritise those business types which are likely to generate direct benefits for women, or which are traditionally within the accepted cultural norms of women's roles in the community. The project's efforts to identify potential activities which are appropriate as livelihood options for women will be supported by the strengthening or establishment of representative *Kafos* (local committees) for women at each participating village, thereby ensuring the equitable participation and ownership of women beneficiaries throughout the implementation phase.

135. Several elements of the project's design have included consideration of the achievement of these gender-equitable targets through the design of activities that would benefit men and women equally. Firstly, the project has provided proposed selection criteria (to be validated at the implementation stage) for prioritisation of project participants. Several selection criteria have been included to promote the prioritisation of women as project beneficiaries – for example, the project will prioritise the establishment of natural resource-based enterprises which have been identified as being culturally appropriate and within the accepted norms for women's societal roles. Furthermore, the project will prioritise those communities who have already established a representative committee or association for village women – for example, a Village Women's Farmer's Association or a Women's Community

Forest Enterprise. Additional criteria can be added in the inception phase as seen useful. Secondly, where a representative *Kafo* (community association or community) has not been established for women, the project will include measures to assist village women to establish a representative association prior to participation in the project's activities. Thirdly, the training activities provided to government extension officers under Components 1 and 2 will include modules which explicitly focus on raising awareness, and providing practical suggestions on how to include consideration, on issues related to gender equity and sectoral priorities related to women. Fourthly, the activities will include budgetary allowance to support payment for childcare facilities and after-school support for young children, thereby enabling mothers with dependent children to participate in training and skills development activities (including those women selected for training courses at the DoCD's Multi-Purpose Centre training facilities). This measure will reduce the inherent bias towards men in terms of benefits generated by the project and will ensure that women are able to participate equally in the decision-making and implementation of the project's activities.

F.4. Financial Management and Procurement

The financial management and procurement of this project will be guided by UN financial rules and regulations and UNEP's programme manual⁷⁷. UNEP is a Programme of the UN Secretariat and is governed by UN regulations, rules and associated policies and procedures⁷⁸. Furthermore the financial rules of UNEP are promulgated pursuant to the Financial Regulations and Rules of the United Nations. Within this context, funding allocation mechanisms are managed as per UN rules and procedures, including eligibility criteria, proposal evaluation processes, quality assurance and control, project monitoring and supervision. UNEP is annually audited by the UN Board of Auditors. UNEP will set up a dedicated trust fund similar to other funds for which it is implementing agency. The funding of a project will be established through a distinct grant within the Trust Fund, with the project itself being set up in the UNEP Enterprise Resource Planning (ERP) as a "Work Breakdown Structure" (WBS), which is itself further broken down into "Work Breakdown Structure Elements" (WBSEs) organized by output and outcome. The grant of the project will be linked to the WBSEs to fund the activities contributing to the delivery of specific outcome (as per disbursement schedule detailed in the term sheet). The fee income will be managed through a dedicated Fund and grant independently and separately of the GCF project grants themselves. In line with common practice applied in ongoing UNEP projects funded by other global funds such as the GEF, LDCF, SCCF and Adaptation Fund etc., the project will appoint a Financial Officer within the PMU who will be responsible for monitoring, reporting on and approving requests for finance on at least a quarterly basis. Reports to summarize the disbursement and projected demands for project funding will be prepared and submitted to a UNEP Programme Officer who will be in charge of project supervision, in line with reporting standards and methodologies applied in past projects such as those implemented using GEF modalities. The UNEP accountability framework includes details on the segregation of duties, and safeguards to ensure compliance with UN financial rules and regulations⁷⁹. In addition, an appointed Fund Management Officer will be appointed to assist the UNEP's Programme Officer with all financial arrangements. The approach to procurement of expendable and non-expendable items such as stationery, office equipment and furniture, computers, printed signs, consultancy support etc. will be based on the national conventional modalities used by the MoE in similar donor-funded projects. UNEP's modalities for project implementation, in the case of a national project, means that funds are transferred in tranches to the EE under the conditions that are defined under the legal instrument (Project Cooperation Agreement) to be signed between UNEP and the EE, following the projects' approval by the GCF Board and signature of the. The project's investments in equipment for the establishment of natural resource-based businesses will be undertaken through a transparent and best practices procedure applying to procurement (for example, including considerations of availability and cost of replacement parts, ease of maintenance, and opportunities to increase cost-effectiveness through bulk procurements or cost-sharing with other initiatives). Finally, in line with the UNEP Programme Manual, the EE will be requested to provide an annual compliance audit covering all aspects of the project execution including review of all expenditures incurred during the financial year.

⁷⁷ UNEP Programme Manual is available from:

http://www.unep.org/QAS/Documents/UNEP_Programme_Manual_May_2013.pdf

⁷⁸ UN financial Rules and Regulations:

<http://www.unep.org/10yfp/Portals/50150/UN%20financial%20rules%202013.pdf>

⁷⁹ UNEP accountability framework is available from:

<http://www.unep.org/QAS/Documents/UNEPProgrammeAccountabilityFramework.pdf>

G.1. Risk Assessment Summary

Please provide a summary of main risk factors. Detailed description of risk factors and mitigation measures can be elaborated in G.2.

136. A summary of the identified risks to the project implementation and sustainability, associated impacts and mitigation measures is described in G.2 below. The main risk that has been identified through the assessment – with a high level of risk and probability of occurring – is related to turnover of staff in implementing institutions and frequent organizational changes in government bodies, which would result in loss of institutional memory and built capacity. This operational risk would result in a disruption of and/or delay to project implementation, and may jeopardize the sustainability of the project. Other risk factors that have been identified as posing a ‘high’ level of risk to the project are: i) limited information sharing between stakeholders (Risk 1); ii) disasters undermine the implementation of large-scale EbA (Risk 2); and iii) unwillingness of local communities to invest in EbA interventions (Risk 4). However, these risk factors are considered to be improbable.

G.2. Risk Factors and Mitigation Measures

Selected Risk Factor 1

Description	Risk category	Level of risk	Probability of risk occurring
Limited information sharing or collaboration between government departments, research institutions and the private sector reduces the timely delivery and effectiveness of the project.	Technical and operational	High (>20% of project value)	Medium

Mitigation Measure(s)

137. Government departments, research institutions and the private sector will be encouraged to share information through a number of technologies and systems that will be strengthened or established by the project. The most appropriate technologies and systems will be selected based on the most appropriate approaches to sharing information in the local context. Examples include:

- technical working groups for the development of EbA protocols, comprised of local scientists, extension officers, engineers, planners and village leaders (i.e. El Kalos);
- protocols to ensure effective communication between staff from the DoF, DoPWW, DoCD and CBOs;
- forums that will link private sector to other stakeholders (e.g. CBOs) involved in natural resource-based businesses;
- strengthening of synergies between relevant sectoral priorities and ongoing public investments; and
- an information platform through which stakeholders involved in natural resource-based businesses can communicate and EbA knowledge can be shared.

Communication and information sharing between stakeholders to support project activities will be promoted throughout the project by the PC (see Section C.7).

Selected Risk Factor 2

Description	Risk category	Level of risk	Probability of risk occurring
Natural disasters undermine the implementation of large-scale EbA interventions and result in economic loss and/or damage	Social and environmental	High (>20% of project value)	Low

to the interventions.			
Mitigation Measure(s)			
The project's EbA interventions will target areas that have been identified as being vulnerable to climate change impacts. For example, EbA will be implemented in sites that are prone to flooding as a measure to reduce the risk or physical impact of this type of climate-related natural disaster. Furthermore, the project will integrate information on local climate change vulnerabilities through maintaining a close collaborative relationship with the 'Strengthening Climate Early Warnings Systems' project (Phase II) – implemented through DoWR – to integrate up-to-date meteorological predictions into the design of EbA protocols and processes for updating these protocols.			
Selected Risk Factor 3			
Description	Risk category	Level of risk	Probability of risk occurring
High turnover of staff in implementing institutions, frequent changes in government bodies and limited institutional memory results in a disruption and/or delays in the project implementation and may jeopardize the sustainability of the project.	Technical and operational	High (>20% of project value)	High
Mitigation Measure(s)			
138. Decisions, best practices and lessons learned will be documented throughout the project to support institutional memory that will sustain project activities. This memory will also be strengthened through the online platform that will be developed under Outcome 3. Protocols for EbA will be developed in both English and the main local languages to guide new staff who become involved in EbA implementation during and after the project. Furthermore, technical working groups will be trained on updating these protocols using an adaptive management approach. These technical working groups will include non-government stakeholders – such as scientists, engineers, planners and village leaders – thereby strengthening the institutional capacity to plan and implement EbA within and outside of implementing institutions and government bodies.			
Where possible, the PSC will make use of established government structures to capitalize on well-established practices and systems that are familiar to government staff. Importantly, the project's investments in infrastructure at regional forestry offices and regional forestry nurseries will improve the working conditions and job satisfaction for regional forestry officers, thereby encouraging these stakeholders to remain involved in EbA implementation and/or coordination.			
Selected Risk Factor 4			
Description	Risk category	Level of risk	Probability of risk occurring
Rural communities at the selected intervention sites are unwilling to invest in EbA interventions because of insecure land tenure, which will result in continued ecosystem degradation and failure of the project activities.	Social and environmental	High (>20% of project value)	Low
Mitigation Measure(s)			
139. The project is designed to be integrated with existing land tenure arrangements and will not attempt to contradict or otherwise influence existing			

land tenure. The targeted communities were selected for participation in the project by Gambian stakeholders, for the reason that successful implementation of EbA, as well as establishment of natural resource-based businesses, will require the security of land tenure, legal access to forest ecosystems, and local governance structures that are established to manage CFs. The project will actively promote increased access to land and security of tenure for vulnerable indigenous rural communities by building on existing processes for decentralization of natural resource management to designated community-level authorities. Importantly, existing social and environmental safeguards related to policies on decentralized Natural Resource Management (NRM) and forest management will be considered to ensure that no negative consequences occur. In addition, the selected communities will be actively engaged during implementation and monitoring of large-scale EbA interventions. In particular, these communities will receive training to raise awareness and build their capacity on the benefits of EbA in activities they are undertaking. As a result, the probability of risk will be reduced from medium to low.

Selected Risk Factor 5

Description	Risk category	Level of risk	Probability of risk occurring
Social tensions may arise as existing power relations within the community might disrupt equal opportunities to develop a nature-based business.	Social and environmental	Medium (5.1-20% of project value)	Low

Mitigation Measure(s)

140. The project's activities have been designed to be transparent and will maintain a broadly consultative approach throughout the implementation period. The proposed approach to identifying communities to participate in the project's activities will borrow from the ongoing approach used by Department of Forestry to identify potential Community Forestry Committees. This includes provisions such as minimum standards for establishing mechanisms for conflict resolution, registry of disputes and complaints, and other measures to ensure that the project's activities are transparent and adhere to the principles of FPIC (Free, Prior and Informed Consent).

Selected Risk Factor 6

Description	Risk category	Level of risk	Probability of risk occurring
Limited technical capacity among government authorities and local communities to implement the EbA interventions.	Technical and operational	Medium (5.1-20% of project value)	Medium

Mitigation Measure(s)

141. Training will be provided for government authorities and local communities that will be involved in project activities. In particular, topics will include: i) implementing EbA protocols in a scientifically rigorous manner, with a strong emphasis on ongoing monitoring and evaluation; and ii) implementing communication protocols. The technical capacity of these stakeholders to implement, monitor and maintain interventions will also be strengthened through developing participatory methods for local communities to evaluate the effectiveness of the EbA interventions in collaboration with extension staff from DoF, DoPWW and the Department of Community Development (DoCD).

Selected Risk Factor 7

Description	Risk category	Level of risk	Probability of risk occurring
Infrastructure and equipment procured by the project is not maintained or operated effectively.	Technical and operational	Medium (5.1-20% of project value)	Medium

Mitigation Measure(s)			
142. Long-term plans will be established for the monitoring and maintenance of equipment procured to support natural resource-based businesses. GCF resources will be used for: i) training extension staff from DoCD, DoF and DoPWM on utilizing and maintaining the procured equipment; and ii) maintenance of machinery and equipment, and replacement of parts if necessary. Allocated budget for maintenance is ~10% of cost of investment.			
Selected Risk Factor 8			
Description	Risk category	Level of risk	Probability of risk occurring
Unsustainability of rural business models and management capacities	Technical and operational	Medium (5.1-20% of project value)	Medium
Mitigation Measure(s)			
143. The project will approach the identification, establishment and operation of the community-managed businesses in a phased approach that will identify successful practices, provide training to address capacity gaps, and apply strict selection criteria to minimize exposure to unsustainable business models and unintended negative socio-economic impacts. The provision of sustained training and access to extension services through DoF, DoPWM and DoCD will focus on increasing the capacity of beneficiaries to manage the project's investments beyond the project implementation period.			
Selected Risk Factor 9			
Description	Risk category	Level of risk	Probability of risk occurring
Behavioral change does not occur or existing threats and unsustainable practices continue – for example, practices such as overstocking of livestock, slash and burn agricultural techniques	Technical and operational	Medium (5.1-20% of project value)	Medium
Mitigation Measure(s)			
144. The project's EbA interventions will not be sustained in the long term in the absence of community support and 'buy-in'. Consequently, the project will maintain the principles of FPIC (Free Prior Informed Consent) with respect to the engagement of communities in the design of the EbA activities, to ensure that participants fully understand and are in agreement with the land use plans proposed. In the mid- and long-term, the project's approach to addressing the ongoing degradation of natural ecosystems will be to generate clear and measurable economic benefits from the sustainable management and marketing of natural resources, thereby providing an incentive for rural households to protect and restore valuable ecosystems. The project's emphasis on prioritizing formally designated CFs and CPAs will reduce the impact of this risk, for the reason that all participating communities are required to have developed local by-laws and conflict resolution mechanisms.			
Other Potential Risks in the Horizon			
145. Currency fluctuations could influence factors such as the commercial viability of natural resource-based businesses that are exporting products, as well as the costs of input and imported equipment. Businesses face risks like these on an ongoing basis and need to mitigate them by using			

adaptive management. This will entail continual assessment of projected cash flows of the businesses, and taking decisions according to the results of these assessments. Such decisions could include for example adjusting the operations of the business to reduce costs or create economies of scale.

146. Another risk to be managed by the project is that newly established commercially viable businesses will potentially over-exploit the natural resource base. This risk will be managed through Forest Management and Village Development Committees which will oversee all business activities and will ensure that the businesses strictly adhere to the approved district- and village-level land use plans.

H.1. Results Monitoring and Reporting

Please specify the logic framework in accordance with the GCF's [Performance Measurement Framework](#) under the [Results Management Framework](#).

H.1.1. Paradigm Shift Objectives and Impacts at the Fund level ⁸⁰						
Paradigm shift objectives						
<i>Increased climate-resilient sustainable development</i>	The proposed GCF project will use large-scale Ecosystem-based Adaptation (EbA) – a cost-effective and low-risk approach for building climate resilience over large areas – to promote climate-resilient sustainable development. This will be achieved firstly by restoring degraded forests and agricultural landscapes with climate-resilient plant species that provide goods for consumption or sale; and secondly, by facilitating the establishment of natural resource-based businesses and management committees to manage The Gambian natural resource base in a sustainable manner. The considerable economic value of the natural capital created by the GCF project's EbA investments will be the main incentive for communities to continue investing in The Gambia's natural resource base, rather than reverting to over-extraction of natural resources after the project has ended. Knowledge on implementing and monitoring large-scale EbA to support natural resource-based businesses will be generated and disseminated throughout the country. Additionally, the capacity of the Government of The Gambia will be increased to support large-scale implementation of this approach, and to mainstream EbA into policies, plans and processes.					
Expected Result	Indicator	Means of Verification (MoV)	Baseline	Target		Assumptions
				Mid-term (if applicable)	Final	
Fund-level impacts						
<i>A1.0 Increased resilience and enhanced livelihoods of the most vulnerable people, communities and regions</i>	Number of males and females benefiting from the adoption of diversified, climate resilient	Household surveys and reports Capacity assessment and climate change vulnerability	Baseline status of participating communities, including quantitative scores, will be assessed by the baseline study.		11,550 direct beneficiaries (50% women) 46,200 indirect beneficiaries (50% women)	Enhanced livelihoods and income do not act as a perverse incentive for local communities to continue encroachment on fragile forest

⁸⁰ Information on the Fund's expected results and indicators can be found in its Performance Measurement Frameworks available at the following link (Please note that [some indicators are under refinement](#)): http://www.gcfund.org/fileadmin/00_customer/documents/Operations/5.3_Initial_PMF.pdf

	livelihood options (including fisheries, agriculture, natural resource-based businesses etc.)	scorecards				ecosystems.
A.4.1 Coverage/ scale of ecosystems protected and strengthened in response to climate variability and change.	Total area of degraded ecosystems restored by the project's EbA interventions	Capturing GPS points and mapping EbA areas Aerial imagery	N/A		7,000 hectares of degraded forest, woodland, savanna and mangrove; 3,000 hectares of transformed land (including cultivated areas, fallow land and roadside verges).	The ecosystems are not in a state that is beyond restoration and will be managed sustainably during and after project implementation.

H.1.2. Outcomes, Outputs, Activities and Inputs at Project/Programme level

Expected Result	Indicator	Means of Verification (MoV)	Baseline	Target		Assumptions
				Mid-term (if applicable)	Final	
Project/ programme outcomes	Outcomes that contribute to Fund-level impacts					
A.7.1 Strengthened adaptive capacity and reduced exposure to climate risks	Extent to which vulnerable households, communities, businesses and public-sector services of Fund-supported tools, instruments, strategies and activities to	- To capture evidence of the degree to which policies, plans and processes are strengthened and/or developed to identify, prioritize and integrate adaptation strategies and measures (EbA); the tracking tool adapts elements of the	- Protocols for EbA planning and implementation in The Gambia do not currently exist as a means to respond to climate change and variability.		- EbA protocols integrated into at least 125 local management plans of targeted communities including <i>inter alia</i> Community Forestry plans and Village Development Plans. - Establishment and training of at least 125 <i>kafos</i> (i.e.	- The tools, instruments, strategies and activities will be sufficient to respond to climate change. - Local communities will be willing to take part in developing new CFEs from climate-resilient, natural

	respond to climate change and variability.	Tracking Adaptation and Measuring Development (TAMD 2013) and Pilot Program for Climate Resilience (PPCR 2014) ⁸¹ scorecard indicators for the integration of climate change into planning ⁸² .	- Although the M&AD process has been ongoing for more than a decade, markets for products from the natural resource base are weak. - Policies, strategies, plans and processes related to decentralized management of natural resources and community development in The Gambia do not currently integrate EbA		village-level committees) for Women's Enterprises in targeted communities. - Business plans, forums and financial mechanisms based on climate-resilient, natural resource-based products used to strengthen/establish at least 125 CFEs. - Policies, strategies, plans and processes related to decentralized management of natural resources and community development that are in process of being modified through the GCF project have an EbA integration score of 6 (at least).	resource-based products
Project/programme outputs	Outputs that contribute to outcomes					
EbA interventions implemented in agricultural landscapes and degraded	Number of ha (and type) of EbA implemented	Capturing GPS points and mapping EbA areas	N/A		At least: • 7,000 ha in forests, mangroves, savannahs and woodlands	Government representatives and communities are willing to engage with EbA

⁸¹ See updated Results-Based Management Framework for Adaptation to Climate Change Under the Least Developed Countries Fund and the Special Climate Change Fund. Available at: https://www.thegef.org/gef/sites/thegef.org/files/GEF-LDCF.SCCF_.17-05.%20Updated%20RBM%20Framework%20for%20Adaptation%20to%20Climate%20Change.%202014-10-08.pdf. Accessed on 8 November 2014.

⁸² The indicator is based on five criteria expressed as questions: i) does the policy/plan/process identify climate change risks and appropriate adaptation strategies and measures? ii) is EbA prioritized and specified with budget allocations and targets? iii) does the policy/plan/process assign clear roles and responsibilities for the coordination and implementation of EbA? iv) does the policy/plan/process provide for the continuous monitoring, evaluation, learning and review of EbA? v) is there evidence of the effective implementation of the policy/plan/process? Each question is answered with an assessment and score for the extent to which the associated criterion has been met: not at all (= 0), partially (= 1) or to a large extent/ completely (= 2). An overall score is calculated, with a maximum score of 10 given five criteria.

ecosystems to provide adaptation and commercial benefits for local communities, government and the private sector in The Gambia		Aerial imagery			<ul style="list-style-type: none"> • 3,000 ha in agricultural landscapes surrounding villages 	and implement this approach in degraded ecosystems and agricultural lands
Technical support provided and infrastructural investments made to strengthen local and international markets using goods produced from climate-resilient natural resource base	Number of enterprises based on a climate-resilient natural resource base developed through provision of technical support, development of business plans and procurement of infrastructure	Summary case studies of successful natural resource-based businesses	Summary reports on the results of the MA&D process, including case studies of successful enterprises, are available from 2005 and 2007.		At least 5 enterprises based on a climate-resilient natural resource base, including at least 3 enterprise types to be managed by Village Women's Committees, identified and developed.	Community-Based Organizations (CBOs) and other local community members are willing to participate in activities related to strengthening of markets based on goods produced from a climate-resilient natural resource base.
<i>A.5.1 Institutional and regulatory systems that improve incentives for climate resilience and their effective implementation</i>	Number of assessments and strategic/policy recommendations developed to support integration of large-scale EbA into sectoral policies, plans and processes for decentralized management of natural resources and community development	Review of strategic and policy recommendations	At present the EbA concept is not explicitly promoted by The Gambia's policies and strategies.		By project end point, at least 7 assessments and strategic/policy recommendations including: <ul style="list-style-type: none"> • capacity gap assessment • investment needs assessment • recommendations for funding implementation of region-specific objectives for decentralized management of natural resources and implementation of EbA • state of the art' publication on how to conduct large-scale EbA in different ecosystem types across The Gambia 	The institutional context is conducive to the learning and application of new skills There is willingness and an opportunity to modify legal and regulatory texts

					<ul style="list-style-type: none"> • strategic framework to promote long-term national research on EbA • policy options for promoting large-scale EbA as a means of managing natural resources in The Gambia • national EbA upscaling strategy 	
Activities	Description	Inputs	Description			
1.1 Protocols developed for large-scale EbA to build climate-resilient natural capital in The Gambia.	<ul style="list-style-type: none"> - Two updated stocktake reports (in Years 1 and 6) to identify current resources, best practices and technical extension staff to guide development and implementation of protocols. - Establishment and training of four regional technical working groups comprised of local scientists, extension officers, engineers, planners and village leaders (i.e. <i>alkalos</i>) – to design ecosystem-specific protocols for EbA in agricultural landscapes and forest ecosystems. - Four regional prototypes validated and updated (as necessary) for EbA interventions that will enhance goods and services from ecosystems under conditions of climate change across Lower River, North Bank, Central River and Upper River Regions in agricultural landscapes and degraded ecosystems. - Site-specific protocols for long-term EbA activities integrated into at least 125 CF and CPA management plans. - Three summary reports packaged for presentation to decision-makers – including relevant ministries and departments – to promote an integrated approach to EbA and climate change adaptation (in line with the NAP process). - Appointment and training of eight additional 	<ul style="list-style-type: none"> - Technical consultancy (including training) - Consultation meetings/workshops with local scientists, extension officers, engineers, planners and village leaders (i.e. <i>alkalos</i>) 	<ul style="list-style-type: none"> - Consultancy to conduct scientific research - Consultation with – and training – working groups on developing and updating EbA protocols and package protocols into effective knowledge-sharing tools to be used to integrate EbA into planning. 			

	<p>extension staff, including eight Conservation Officers, 8 Forest Officers, and eight Forest Rangers.</p> <ul style="list-style-type: none"> - Five annual training workshops (one central workshop and one in each of four regions) for DoF, DoPWM and DoCD - Detailed satellite-based maps of forest regions across 125 sites in four regions 		
<p>1.2 Nurseries established/expanded to support investment in a climate-resilient natural resource base across The Gambia.</p>	<ul style="list-style-type: none"> - Expansion of nurseries at four regional forestry offices. - Two updated propagation guideline for prioritized tree and plant species (to be updated in Year 5/6). - Four long-term business plans and revenue models to support sustained operation of expanded nursery facilities, including through increased public budget allocation and increased generation of revenue by NFF. 	<ul style="list-style-type: none"> - Technical consultancy - Equipment procurement - Transport - Consultation process 	<ul style="list-style-type: none"> - Consultancy to develop: a) effective nursery design (including establishment/construction and management); and b) sustainable nursery systems - Equipment for nursery expansion/establishment - Consultation with Regional Forest Officer and local communities to assist effective: a) design of nurseries; b) collection of seedlings. - Transportation to all nurseries for consultation and delivery of equipment - Consultation with FD and NFF to develop sustainability plans for nurseries
<p>1.3 Training and support provided to regional extension staff, field officers and local communities on implementing EbA protocols for establishment of a climate-resilient natural resource base.</p>	<ul style="list-style-type: none"> - At least 40 extension staff from DoF, DoPWM, DoCD trained annually to support development and implementation of protocols through five annual training workshops (one central workshop and one in each of four regions). - One communication protocol to ensure effective coordination/communication between DoF, DoPWM, DoCD and CBOs – including CFUGs, WGs and FGs. - Trained extension staff provide annual training for 125 communities to implement, and assess the effectiveness of, the project's EbA interventions (including income streams, supply of ecosystem goods and services, and resilience of rural communities to climate change). 	<ul style="list-style-type: none"> - Training - Technical consultancy - Consultation process 	<ul style="list-style-type: none"> - Training of government and local communities on EbA - Consultancy to develop communication protocols - Consultation process to develop participatory methods for involved CBOs to evaluate the effectiveness of the EbA
<p>1.4. EbA implemented in agricultural landscapes and degraded ecosystems to build a climate-resilient natural resource base.</p>	<ul style="list-style-type: none"> - Implementation of diverse EbA activities in at least 125 sites, across ~10,000 hectares - Annual update of EbA management plans for 125 project sites. 	<ul style="list-style-type: none"> - Technical consultancy - Labour - Transport - Consultation process 	<ul style="list-style-type: none"> - Consultancy to coordinate and oversee EbA implementation - Labour provided by local communities involved in project to assist with planting. - Transport of seedlings from nurseries to planting areas

			<ul style="list-style-type: none"> - Consultation with communities and government representatives to update management plans for areas that are co-managed
<p>2.1 Technical support for fast-tracking and scaling up the Market Analysis and Development (MA&D) process to develop natural resource-based businesses.</p>	<ul style="list-style-type: none"> - Three updated capacity assessments (every two years) of current needs and coverage of extension services within the DoF, DoPWM and DoCD to support the development and sustained operation of natural resource-based businesses. - Five annual training workshops (one central workshop and one in each of four regions) for DoF, DoPWM and DoCD to support the development and sustained operation of natural resource-based businesses through MA&D process. - Initiation of MA&D consultation process with 125 participating communities, including summary assessment reports. - Training provided to participating communities on basic entrepreneurship skills to facilitate the establishment of natural resource-based businesses, including through development of revised training programmes hosted by the DoCD's Multi-Purpose Centres. Four training sessions will be hosted at each of 21 Multi-Purpose Centres per year, training up to ~5,000 people through ~500 training sessions - Establishment of village business bank accounts to be managed by community-based associations, to support the establishment of practices for communal savings, accounting and sustainable financial management. 	<ul style="list-style-type: none"> - Technical support - Consultation process - Training 	<ul style="list-style-type: none"> - Technical support to: a) assess and update the capacity needs and extension services within DoF, DoPWM and DoCD; b) implement the MA&D process; and c) establishment of village bank accounts to manage the finances of community-managed natural resource based businesses. - Consultation process to validate CBOs. - Training of communities on basic entrepreneurship skills.
<p>2.2 Business plans, forums and financial analyses to catalyze private and public investment in a climate-resilient natural resource base.</p>	<ul style="list-style-type: none"> - Two summary assessment reports on existing and new businesses based on processing, packaging and marketing natural resource based products and services (commissioned at project inception and at Year 5, to inform policy recommendations). - At least four trade fairs hosted to promote 	<ul style="list-style-type: none"> - Technical consultancy - Forums - Consultation process 	<ul style="list-style-type: none"> - Consultancy to identify and assist development of businesses based on natural resource based products and services. - Forums to promote private sector investment in natural resource-based businesses. - Consultation process with: a) GCCI to identify innovative financial mechanisms to catalyze private sector investment in natural resource-based

	<p>investment opportunities and products generated by natural resource-based businesses.</p> <ul style="list-style-type: none"> - Development, printing and dissemination of 4 reports (1 per region) on the outcomes and recommendations of the assessments for presentation to policymakers. 		<p>businesses; and b) government to strengthen synergies between sectoral priorities and public investments.</p>
<p>2.3 Investments in procurement and maintenance of infrastructure to develop natural resource-based businesses.</p>	<ul style="list-style-type: none"> - Annual assessment reports on infrastructure needs for strengthening existing and developing new businesses based on processing, packaging, storage and marketing of goods (collation of annual reports generated by regional-level MA&D consultations). - Appointment of NGO service provider to develop and facilitate Multi-Purpose Centre training programmes. - Maintenance and upgrades, including procurement of equipment, for 21 existing Multi-Purpose Centres to support community training programmes. - Establish long-term plans for monitoring and maintenance of equipment procured to support natural resource-based businesses. - Annual training programmes for DoCD Multi-Purpose Centre staff on utilizing and maintaining the procured equipment. - Investments in infrastructure and equipment to support the establishment and demonstration of natural resource-based businesses, including at least the following in each of four regions: i) one food-processing facility established at DoCD Multi-Purpose Centre; ii) maintenance and expansion of existing timber-processing facilities at DoF Regional Forestry Office; and iii) establishment and/or expansion of ecotourism facilities at DoPWM Community Conservation Areas. - Investment in equipment for establishment of Community Forest Enterprises based on 	<ul style="list-style-type: none"> - Technical consultancy - Procurement of infrastructure - Training 	<ul style="list-style-type: none"> - Consultancy to: a) identify infrastructure needs for developing new businesses; and b) establish long-term plans for maintenance of equipment. - Procurement of infrastructure for MPCs, DoF Regional Forestry Offices and DoPWM Community Conservation Areas. - Procurement of equipment for establishment of community-managed natural resource-based businesses within at least 125 communities. - Training of extension staff on using and maintaining infrastructure.

	<p>enhanced natural resource base, identified in Activity 2.1, in participation with ~125 communities. The project's investments will include the procurement of equipment for the establishment of at least two of the following natural resource-based business types: beekeeping, firewood marketing, basic timber collection and handicraft manufacturing and others identified as appropriate during the project implementation phase.</p>		
<p>3.1. Strategic recommendations/ technical support provided to: a) strengthen the implementation of existing policies for participatory management and benefit-sharing of a climate-resilient natural resource base; and b) integrate EbA into these policies.</p>	<ul style="list-style-type: none"> - Annual summary reports of existing requests and claims by community-based committees to be engaged in co-/participatory management of natural resources (collation of regional MA&D reports and DoF/DoPWM claims). - Undertake national and regional assessments of existing capacity gaps and logistical challenges to formally integrate EbA into land-use planning, including through decentralized management of natural resources in CFs, JMFPs, JMWPs and CCSFMAs. - Two investment needs assessments to promote optimal return from co-/participatory management of natural resources and EbA investments, to inform EbA upscaling strategy and policy guidance (including elaboration of operational and maintenance costs, required infrastructural investments and staff budgets). - Two participatory workshops to guide the development of policies for participatory management and benefit-sharing of a climate-resilient natural resource base. 	<ul style="list-style-type: none"> - Technical consultancy and support 	<ul style="list-style-type: none"> - Technical consultancy and support for: i) strategic recommendations and strengthening existing policies for participatory management of a climate-resilient natural resource base; and ii) integrating EbA into policies.
<p>3.2. Information Platform established to support the development of natural resource-based livelihoods and sectors.</p>	<ul style="list-style-type: none"> - Operational online information platform to increase the availability of information on EbA, climate change adaptation and natural resource management (in association with LDCF EWS project). Including: <ul style="list-style-type: none"> - updated maps of existing and 	<ul style="list-style-type: none"> - Technical consultancy - Public awareness campaign/tools 	<ul style="list-style-type: none"> - Technical consultancy to: a) undertake market analyses; b) update maps of co-managed areas and assist with sharing these maps on online information system; c) generate summary case studies of successful natural resource-based businesses; d) produce a publication on how to conduct large-scale

	<p>proposed community co-managed areas – particularly with respect to CFs, JMFPs, JMWP and CCSFMAs;</p> <ul style="list-style-type: none"> - summary case studies of successful natural resource-based businesses - lessons learned on inter alia implementation arrangements, return on investment, and best practice principles. <p>- One 'state of the art' publication on how to conduct large-scale EbA in different ecosystem types across The Gambia, to be revised for a second edition at the end of the project implementation period and will be strongly aligned with the country's NAP process.</p> <p>- A strategic framework to promote long-term national research on EbA, including the large-scale EbA interventions implemented by the GCF project as well as other initiatives, established through a Memorandum of Understanding between MoE and supporting academic research institutions.</p>		<p>EbA in different ecosystem types across The Gambia;</p> <p>e) develop a strategic framework to promote long-term national research on EbA; and f) refine large-scale EbA protocols.</p> <ul style="list-style-type: none"> - Public awareness campaign/tools to raise awareness on social-economic and environmental benefits of large-scale EbA.
<p>3.3. Policy recommendations proposed to support large-scale implementation of EbA and development of natural resource-based businesses in The Gambia.</p>	<ul style="list-style-type: none"> - Two workshops undertaken in participation with the Gambia's NAPs Team on climate change and land-use change effects, EbA interventions, lessons learned through the GCF project and proposed policy revisions to promote and upscale EbA. - Identify local as well as national policy barriers to planning, financing and implementing large-scale EbA based on lessons learned through the GCF project. - Identify policy options for promoting large-scale EbA as a means of managing natural resources in The Gambia and simultaneously developing businesses from a climate-resilient natural resource base. - A national EbA upscaling strategy 	<ul style="list-style-type: none"> - Technical consultancy - Workshops - Consultation process 	<p>Consultancy to: a) identify policy barriers to implementing large-scale EbA; b) document the socio-economic results from businesses; c) identify policy options for promoting large-scale EbA.</p> <ul style="list-style-type: none"> - Workshops with the NAPs Team on: a) climate change and land-use change effects; b) EbA interventions; c) lessons learned through the GCF project; and d) proposed policy revisions to promote and upscale EbA. - Consultation process with: a) stakeholders from business that benefit from large-scale EbA to identify socio-economic results; b) policy- and decision-makers to pilot the mainstreaming of large-scale EbA into national policy and legislative processes in The Gambia.

	<p>developed, including identification of long-term financing options and opportunity for collaboration and external technical support,</p> <ul style="list-style-type: none"> - Pilot the mainstreaming of large-scale EbA into national policy and legislative processes in The Gambia, including the upcoming revisions to the Agricultural and Natural Resource policy, Vision 2020 (the next phase of Vision 2016) and the ongoing articulation of The Gambia's national and sectoral responses to climate change. 		
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H.2. Arrangements for Monitoring, Reporting and Evaluation

147. The project's progress towards delivery of the project targets described in the Results Framework will be formally assessed through the results of a baseline study, a Mid-Term Evaluation (MTE) at the project's midpoint and a Terminal Evaluation (TE) at the end of the project implementation period. UNEP will be responsible for managing and covering the costs for the mid-term evaluation, terminal evaluation assessments and respective M&E reports from the AE fee, with the assistance and participation of the Project Manager and other project staff and partners. The mid-term and terminal evaluations will be undertaken by an independent consultant, who will be recruited by the UNEP independent Evaluation Office.

148. The baseline study will be undertaken at the project inception to generate an updated assessment of the project context, particularly with respect to the various indicators and targets proposed. The results of the baseline study will be used as the reference point by which progress towards achievement of the project's targets will be assessed. The Mid-Term Evaluation (MTE) will provide an independent assessment of project performance at mid-term, to analyse whether the project is on track, what problems and challenges the project is encountering, and which corrective actions are required so that the project can achieve its intended outcomes by project completion in the most efficient and sustainable way. The PSC will participate in the MTE and develop a management response to the evaluation recommendations along with an implementation plan. It is the responsibility of the UNEP Programme Officer to monitor whether the agreed recommendations are being implemented. An independent terminal evaluation (TE) will take place at the end of project implementation. The EO will be responsible for the TE and liaise with the UNEP Programme Officer throughout the process. The TE will provide an independent assessment of project performance (in terms of relevance, effectiveness and efficiency), and determine the likelihood of impact and sustainability. It will have three primary purposes:

- to provide evidence of results to meet accountability requirements;
- to promote learning, feedback, and knowledge sharing through results and lessons learned among UNEP and executing partners; and
- to assess the major socio-economic, environmental and policy-level impacts of the project.

149. While a TE should review use of project funds against budget, it would be the role of a financial audit to assess probity (i.e. correctness, integrity etc.) of expenditure and transactions. The TE report will be sent to project stakeholders for comments. Formal comments on the report will be shared by the EO in an open and transparent manner. The project performance will be assessed against standard evaluation criteria using a



six point rating scheme. The final determination of project ratings will be made by the EO when the report is finalised. The evaluation report will be publically disclosed and will be followed by a recommendation compliance process. The direct costs of and the MTR and TE will be charged against the AE fee for the project.

I. Supporting Documents for Funding Proposal

- NDA No-objection Letter – Annex A
- Feasibility Study and Integrated Financial Model – Annex B
- Confirmation letter or letter of commitment for co-financing commitment – Annex C
- Project/Programme Confirmation (including cost/budget breakdown, disbursement schedule, etc.) – Annex D
- Environmental and Social Impact Assessment (ESIA) or Environmental and Social Management Plan - Annex E
- Appraisal Report or Due Diligence Report with recommendations for The Gambia and UNEP – Annex F
- Evaluation Report of the baseline project (If applicable) – N/A. Annex G contains summary table of baseline and co-financing initiatives
- Map indicating the location of the project/programme – Annex H
- Timetable of project/programme implementation – Annex I
- Detailed list of activities – Annex J
- Proposed selection criteria for participating communities – Annex K
- Capacity Assessment for Executing Entity, MoECCFWW – Annex L
- Implementation Arrangements – Annex M
- Theory of Change – Annex N
- Project Confirmation
- Gender analysis – Annex O
- Procurement plan – Annex P
- The Gambia Forest Act (1998) – Annex Q.1; Forest Policy of The Gambia 2010-2019 – Annex Q.2
- Term Sheet – Annex R

No-objection letter issued by the national designated authority



REPUBLIC OF THE GAMBIA
MINISTRY OF FINANCE AND ECONOMIC AFFAIRS
THE QUADRANGLE, BANJUL, THE GAMBIA.

REF: LDM59/220/01/Part1/47BMC

18th November 2015

Héla Cheikhrouhou
Executive Director
Green Climate Fund Secretariat
175, Art center-daero, Yeonsu-gu
Incheon 406-840,
Republic of Korea

Re: Funding proposal for the GCF by United Nations Environment Programme (UNEP) regarding the project 'Large-scale ecosystem-based adaptation in the Gambia River Basin: developing a climate resilient, natural resource-based economy'.

Dear Ms Cheikhrouhou,

We refer to the project 'Large-scale ecosystem-based adaptation in the Gambia River Basin: developing a climate resilient, natural resource-based economy' in The Gambia as included in the funding proposal submitted by United Nations Environment Programme to us on the 25th of July 2015.

The undersigned is the duly authorized representative of Mr. Bai Madi Ceesay, the National Designated Authority/focal point of The Gambia.

Pursuant to GCF decision B.08/10, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the project as included in the funding proposal.

By communicating our no-objection, it is implied that:

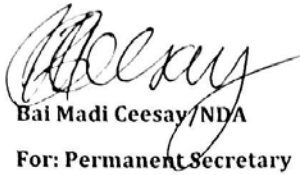
- (a) The government of The Gambia has no-objection to the project as included in the funding proposal;
- (b) The project as included in the funding proposal is in conformity with The Gambia's national priorities, strategies and plans;
- (c) In accordance with the GCF's environmental and social safeguards, the project as included in the funding proposal is in conformity with relevant national laws and regulations.



We also confirm that our national process for ascertaining no-objection to the project as included in the funding proposal has been duly followed.

We acknowledge that this letter will be made publicly available on the GCF website.

Yours Sincerely



Bai Madi Ceesay/NDA
For: Permanent Secretary

Environmental and social report(s) disclosure

Basic project/programme information	
Project/programme title	Large-scale Ecosystem-based Adaptation in The Gambia: Developing a Climate-Resilient, Natural Resource-based Economy
Accredited entity	United Nations Environment Programme (UNEP)
Environmental and social safeguards (ESS) category	Category C
	<i>Note: Environmental and social report disclosure not required for Category C and Intermediation 3 projects and programmes.</i>
Environmental and social report disclosure information	
Description of report/disclosure	N/A
Date of disclosure on accredited entity's website	
Language(s) of disclosure	N/A
Link to disclosure	http://
Other link(s)	http://