


November 2008

	منظمة الأغذية والزراعة للأمم المتحدة	联合国 粮食及 农业组织	Food and Agriculture Organization of the United Nations	Organisation des Nations Unies pour l'alimentation et l'agriculture	Organización de las Naciones Unidas para la Agricultura y la Alimentación
---	--	--------------------	--	--	--

FISHERY COMMITTEE FOR THE EASTERN CENTRAL ATLANTIC

NINETEENTH SESSION

Cotonou, Benin, 4-6 November 2008

THE STRATEGIC PARTNERSHIP FOR A SUSTAINABLE FISHERIES INVESTMENT FUND IN THE LARGE MARINE ECOSYSTEMS OF SUB- SAHARAN AFRICA

SUMMARY

The Strategic Partnership for a Sustainable Fisheries Investment Fund in the Large Marine Ecosystems of Sub-Saharan Africa is a new initiative to make additional financing from the GEF and other partners available to coastal countries in Sub-Saharan Africa to help support sustainable marine fisheries, which is advised by a partnership of stakeholders within the region led by the African Union. Essentially, the initiative includes:

- (i) the Sustainable Fisheries Investment Fund, which is a financing mechanism to make available US\$60 million in GEF grants over the next 10 years to co-finance country-level projects aimed at sustainable marine fisheries, and
- (ii) the Strategic Partnership of stakeholders, donors, regional organizations, the GEF-sponsored LME Programs, etc., led by the African Union to advise the Investment Fund and help exchange lessons learned and promote sustainable fisheries issues within the region. The GEF Implementing Agency for this initiative is the World Bank.

1. Rationale for the Strategic Partnership

The pressures on the marine biodiversity and fisheries resources supported by the Large Marine Ecosystems (LMEs) of Sub-Saharan Africa, and particularly the resulting imbalance between catches of fish and sustainable production levels, have been highlighted by the Regional Commissioner for Rural Economy and Agriculture as a priority for the African Union (AU), as well as in the Comprehensive African Agriculture Development Program (CAADP) agenda developed by the New Partnership for Africa's Development (NEPAD).

Additionally, the Regional Fisheries Management Organizations created by the countries themselves, in some cases with the assistance of FAO, lack adequate funds to assist individual coastal countries to implement the needed governance reforms in fisheries. Thus, in many coastal countries of SSA, governments still do not have the capacity to take control of their own resources and prevent overexploitation, and specifically to regulate access to these resources and protect the critical habitats that support them.

2. Objectives and Indicators of the Strategic Partnership

The objective of the Strategic Partnership is *to promote the sustainable management of fisheries resources in the LMEs of Sub-Saharan Africa in order to assist coastal countries to make concrete progress towards achieving the fisheries and poverty reduction targets set by the WSSD.*

This objective combines the sustainable use of fisheries resources and the marine ecosystems that support them, with the need for effective poverty alleviation and sustainable income growth of fishing communities in SSA.

The **two broad results indicators** of the success of the Strategic Partnership in achieving this objective are based on the WSSD targets:

- Sustainable use of fisheries resources achieved in at least 10 countries in the LMEs of Sub-Saharan Africa by 2015; and
- Poverty alleviation and vulnerability reduction in coastal and fishing communities in at least 10 countries of-Saharan Africa.

The more **specific objectives** of the Strategic Partnership are to:

- (i) Accelerate country-level investments and actions in the fisheries sector in accordance with the WSSD fisheries targets and consistent with the emerging priorities of the GEF-sponsored Large Marine Ecosystem (LME) Programs, in order to assist individual coastal countries in Sub-Saharan Africa to undertake the necessary governance (i.e. policy, legal, and institutional) reforms and sector adjustments to sustainably manage their fisheries in a way that ensures a distribution of benefits that will contribute to poverty reduction and food security;

- (ii) Assist individual coastal countries to build the capacity to participate in the ongoing GEF-sponsored LME Programs and other regional and sub-regional initiatives as well as collaborate through these projects to implement management measures for the marine ecosystems and the transboundary fisheries resources and/or fishing fleets that would be more appropriate at the sub-regional scale (e.g. sub-regional monitoring, control and surveillance systems, management of fishing capacity, sub-regional research initiatives, networks of marine protected areas (MPAs), etc.);
- (iii) Promote learning, information exchange and capacity building at the regional level, to ensure that the lessons from successes and failures of country and LME level investments are adequately disseminated; and
- (iv) Encourage direct financial support to the fisheries sector in order to meet the sustainable development objectives in fisheries and a reduction in poverty.

3. DESCRIPTION OF THE FUNDING MECHANISM

In order to achieve the objectives of the Strategic Partnership, the GEF has created a Sustainable Fisheries Investment Fund of US\$ 60 million (disbursed in 3 tranches over 10 years).

The Investment Fund will likely be co-financed through the World Bank's Global Programme for Fisheries (PROFISH); IDA loans and through other interested multilateral and bilateral donors. As a co-financing ratio of one to three is required by the GEF, the total anticipated funding volume of the Sustainable Fisheries Investment Fund is US\$240 million.

The partnership arrangements for **the Sustainable Fisheries Investment Fund** will include the following partners:

- The *Global Environment Facility* will contribute US\$60 million over 10 years in three tranches, for a Sustainable Fisheries Investment Fund to co-finance activities at the country level to promote sustainable fisheries management for both local and transboundary fisheries resources, in order to meet the WSSD fisheries and poverty reduction targets. These activities must be co-financed at a ratio of US\$1 GEF to US\$3 by the World Bank and other donors, per each tranche of GEF funding.
- The *World Bank* is responsible for preparing the country-level investments by use of the Bank's ongoing country dialogue (for example through the Country Assistance Strategy process), helping to co-finance these investments with IDA and IBRD financing instruments, and serving as the Implementing Agency for disbursing the GEF funds from the Partnership Investment Fund. Both FAO and WWF will assist the World Bank as implementing partners, on a project-by-project basis.

- *Other bi-lateral and multi-lateral donors* will also help co-finance country-level activities on a country-by-country basis.
- The *Global Program for Fisheries (PROFISH)*, housed at the World Bank, will provide small grants from a multi-donor trust fund in order to support countries to prepare the necessary upstream analytical work and Concept Notes in order to access the Partnership Investment Fund.

4. PROJECT ELIGIBILITY CRITERIA

All projects eligible to receive GEF funds from the Partnership Investment Fund must comply with the following five criteria:

1. As the context for the proposed project, the country must complete and endorse the Sector Strategy and Stakeholder Participation Template (See Annex 2 of this Summary), describing the country's long-term vision for a sustainable fisheries sector and its contribution to poverty alleviation, as well as the key activities needed to achieve that vision, including those that are or would be supported by other donors, and those that would be supported by the Strategic Partnership. This Template has been developed from the goals and objectives, Operating Principles (see Annex III of this Brief) and Project Eligibility Criteria of the Strategic Partnership as agreed upon in the two consultative workshops.
2. The proposed project must identify ongoing or planned donor initiatives affecting the country's fisheries sector, and demonstrate how the project would complement and not overlap with them, e.g. the LME Programs.
3. The proposed project must demonstrate that GEF funds will be used to cover the incremental costs of activities with environmental benefits that extend beyond national borders.
4. The proposed project must demonstrate that project financing meets the three (donor dollars) to one (GEF dollar) co-financing ratio.
5. The proposed project must be consistent with and support the implementation of the FAO Code of Conduct for Responsible Fisheries and be in line with the Operating Principles of the Strategic Partnership.

5. PROJECT CYCLE

For countries interested in working with the World Bank to prepare Project Concept Notes (PCNs) for proposed projects (see Annex I for outline and guidelines on preparing PCNs), with the Sector Strategy and Stakeholder Participation Template attached, that would be funded by the Sustainable Fisheries Investment Fund of the Strategic Partnership, the following steps or project cycle are required, based on the existing rules and procedures of the World Bank and GEF:

Step 1: Country approaches the World Bank to work together to prepare a Project Concept Note (PCN)

- Together with the World Bank the Country prepares a Project Concept Note, including the Sector Strategy and Stakeholder Participation Template.
- The PCN should be in line with the Operating Principles (Annex 2 of this Brief) and Eligibility Criteria of the Strategic Partnership, and should give an indication of the likely sources of co-financing.

Step 2: Review of the PCN and Approval or Comments by the RAC

Step 3: Formal Review of the PCN by the World Bank

- The World Bank, as the Implementing Agency, reviews the Project Concept Note submitted by the country, including the Sector Strategy and Stakeholder Participation Template, for eligibility and in consideration of the RAC comments, approves the PCN for the project to begin preparation.
- The World Bank notifies to the country of the decision concerning the Project Concept Note.

Step 4: Preparation of the Proposal for GEF Preparation Grant (PDF B), submission to GEF

- The country prepares with the World Bank the Pipeline Entry document/PDF B proposal, including the endorsement letter of the GEF Country Focal Point, for a PDF B preparation grant of up to US\$350,000 to prepare the project.

Step 5: Project Preparation

- Upon approval by the GEF, the country begins to prepare the project using the PDF B funds.
- The country works with the team from the World Bank to prepare a detailed Project Brief/Project Appraisal Document (PAD), indicating firm commitments for the required co-financing.
- The World Bank and GEF conduct formal technical reviews of the Project Brief/PAD, and submit the Project Brief/PAD to the GEF CEO for endorsement of work program entry.

Step 6: World Bank Appraisal mission and Negotiation of the Legal Agreement

- Upon GEF approval of the Project Brief/PAD, the World Bank Team will undertake an appraisal mission to finalize the project document with the country.
- Based on the revised Project Brief/PAD, the Bank team and the Government negotiate the Legal Agreement for the project.

Step 7: GEF CEO Endorsement of the Project Brief/PAD and Legal Agreement

- Final copies of Project Brief/PAD and negotiated Legal Agreement are sent to the GEF CEO for endorsement.

Step 8: Notification to the RAC

- Once approved by GEF CEO, the World Bank Team sends the approved Project Document to the RAC for information.

Step 9: World Bank Board Approval

Step 10: Legal Agreement is signed and project begins

Annex I. Guidelines for the Structure and Content of the Project Concept Note (PCN)

Length: The PCN should not exceed the equivalent word count of five (5) pages in 12 points, single-spaced text, excluding the Cover Sheet.

1. Cover Information

- Identification of project name and key parameters.
- What is the estimated amount of resources is really needed to deliver this project?
- What are the estimated sources of co-financing in order to meet the required ratio?

2. Key development issues and rationale for World Bank/GEF involvement (2 pages)

- How would the proposed operation support the country's objectives, policies, and strategies in the fisheries sector?
- What is the evidence of the country's commitment to and ownership of the relevant policies and strategies?
- What are other donors and partners doing in the fisheries sector in the country and how would the proposed project complement these ongoing donor initiatives?
- What are the main lessons from these activities, or previous World Bank-assisted projects, and other Government and donor/partner activities that can be applied to this operation?

3. Proposed project development objective(s) (1/2 page)

- If the project is successful, what will be its principal outcome for the primary target group?

4. Preliminary project description (2 pages)

- What are the alternative development interventions or approaches being considered? If an approach is favored, what is the rationale for it?
- What project components are being considered?
- Can indicative costs be identified?
- What issues are there at this stage, if any, regarding possible partnerships and co-financing with other international agencies?
- How does the project meet the eligibility criteria of the Strategic Partnership, and explicitly how is the proposed project consistent with the Operating Principles of the Strategic Partnership?

5. Potential risks and mitigation (1/2 page)

- What are the risks that might prevent the project development objective(s) from being achieved, including but not limited to political, policy-related, social/stakeholder-related, macroeconomic, or financial?
- Describe the country's institutional capacity to handle preparation and implementation of the proposed project?
- What relevant risks have been identified? How might they be addressed in the proposed project?
- Would any stakeholders feel that their interests are threatened by the project? How might the related risks be mitigated?