

Document of
The World Bank

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Report No: 56825-GLB.

PROJECT APPRAISAL DOCUMENT
ON A
PROPOSED TRUST FUND GRANT FROM THE
GLOBAL ENVIRONMENT FACILITY
IN THE AMOUNT OF US\$ 4.9 MILLION

TO
THE INTERNATIONAL UNION FOR THE CONSERVATION OF NATURE
FOR A
SAVE OUR SPECIES (SOS) PROJECT

March 7, 2011

Environment Department
Sustainable Development Vice-Presidency
World Bank

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CURRENCY EQUIVALENTS

Currency Unit = US\$1

FISCAL YEAR

July 1 – June 30

ABBREVIATIONS AND ACRONYMS

AZE	Alliance for Zero Extinction
CAS	Country Assistance Strategy
CBD	Convention on Biological Diversity
CEPF	Critical Ecosystem Partnership Fund
DGF	Development Grant Fund
EA	Environmental Assessment
ESMF	Environmental and Social Management Framework
FFEM	Fonds Français pour l'Environnement Mondial
GA	Grant Agreement
GEF	Global Environment Facility
GEFSEC	GEF Secretariat
GTI	Global Tiger Initiative
IBRD	International Bank for Reconstruction and Development
IUCN	International Union for the Conservation of Nature
MBZ	Mohamed bin Zayed Species Conservation Fund
MDG	Millennium Development Goals
MDTF	Multi-Donor Trust Fund
METT	Management Effectiveness Tracking Tool
NGO	Nongovernmental organization
OM	Operational Manual
PA	Protected Area
PAD	Project Appraisal Document
PMO	Project Management Office
PPG	Project Preparation Grant
PRSP	Poverty Reduction Strategy Paper
RAF	Resource Allocation Framework
SFM	GEF Strategic Priority Sustainable Forest Management
SGP	Small Grants Program
SIDS	Small Island Developing States
SOS	Save Our Species
SP	GEF Strategic Priorities
SSC	Species Survival Commission
STAP	Scientific and Technical Advisory Panel
TOR	Terms of Reference
USFWS	US Fish and Wildlife Service
WB	The World Bank
WCS	Wildlife Conservation Society
WWF	World Wildlife Fund

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GLOBAL
Save Our Species (SOS)

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GLOBAL

Save Our Species (SOS)

PROJECT APPRAISAL DOCUMENT

ENV

Date: January 18, 2011	Team Leader: Claudia Sobrevila
Director: James Warren Evans	Sectors: General agriculture, fishing and forestry sector (100%)
Project ID: P115564	Themes: Biodiversity (100%)
Focal Area: Biodiversity	
Environmental Assessment: Partial Assessment	
Lending Instrument: GEF Grant	

Project Financing Data									
[] Loan [] Credit [X] Grant [] Guarantee [] Other:									
Total GEF financing (US\$m.): 4.90									
Financing Plan (US\$m)									
Source		Local			Foreign			Total	
Global Environment Facility (GEF)		4.90			0.00			4.90	
Others		18.3			0.00			18.3	
Recipient: International Union for the Conservation of Nature - Switzerland									
Responsible Agency: International Union for the Conservation of Nature - Switzerland									
Estimated disbursements (Bank FY/US\$m)									
FY	11	12	13	14	15	16			
Annual	0.2	1.0	1.0	1.0	1.0	0.7			
Cumulative	0.2	1.2	2.2	3.2	4.2	4.9			
Project implementation period: Start May 31, 2011 End: October 30, 2015									
Expected effectiveness date: March 31, 2011									
Expected closing date: December 31, 2015									
Does the project depart from the CAS in content or other significant respects? [] Yes [X] n/a									
Ref. PAD A.3									
Does the project require any exceptions from Bank policies? [] Yes [X] No									
Ref. PAD D.7									
Have these been approved by Bank management? [] Yes [X] n/a									
Is approval for any policy exception sought from the Board? [] Yes [X] n/a									
Does the project include any critical risks rated “substantial” or “high”? [] Yes [X] No									
Ref. PAD C.5									
Does the project meet the Bank’s criteria for readiness for implementation? [X] Yes [] No									
Ref. PAD D.7									
Project development objective Ref. PAD B.2, Technical Annex 3									
To support the establishment of a viable funding mechanism for the conservation of globally threatened species and their habitats supported by private sector contributions and administered by a competent organization with global reach.									
Global Environment objective Ref. PAD B.2, Technical Annex 3									

<p>To improve the conservation status of globally threatened species or populations and their habitats.</p>
<p>Project description <i>Ref. PAD B.3, Technical Annex 4</i></p> <ul style="list-style-type: none"> • Component 1 will support a competitive grants program for species conservation. • Component 2 will support the development of at least 3 species profiles to guide future funding allocations once additional funding has been secured from new partners. • Component 3 will specifically target private sector donors and support a strong communications and marketing campaign to raise additional support and funding from private companies, foundations, governments, and the general public. • Component 4 will finance overall management and administration of the program by IUCN through a dedicated secretariat.
<p>Which safeguard policies are triggered, if any? <i>Ref. PAD D.6, Technical Annex 10</i></p> <ul style="list-style-type: none"> • Environmental Assessment (OP/BP 4.01) • Natural Habitats (OP/BP 4.04) • Involuntary Resettlement (OP/BP 4.12) • Indigenous Peoples (OP/BP 4.10) • Forests (OP/BP 4.36)
<p>Significant, non-standard conditions, if any, for: <i>Ref. PAD C.6.</i></p> <p>Board presentation: None</p> <p>Grant effectiveness:</p> <ol style="list-style-type: none"> (i) IUCN shall have established an internal audit function. (ii) Execution and delivery of the Grant Agreement on behalf of IUCN has been duly authorized by all necessary corporate action. <p>Covenants applicable to project implementation:</p> <ol style="list-style-type: none"> (i) IUCN shall carry out and shall cause sub-projects to carry out the project according to the Operational Manual, including the Environmental and Social Management Framework, Process Framework, Environmental Management Plans, Resettlement Action Plans, and Indigenous Peoples Planning Framework; (ii) IUCN shall ensure that sub-grant agreements are signed for subprojects under terms and conditions in compliance with the Operational Manual; (iii) IUCN shall maintain the SOS Secretariat with a composition, institutional framework, functions, and resources satisfactory to the Bank throughout the project; (iv) IUCN shall support throughout Project implementation the Donor Council; (v) IUCN shall submit to the Bank annual work plans and budgets for approval by April 30 each year; (vi) IUCN shall submit semi-annual progress reports to the Bank; (vii) IUCN shall have adopted TOR for external audit acceptable to the Bank by December 30, 2011; (viii) IUCN shall have adopted TOR for the mid-term evaluation acceptable to the Bank 24 months after effectiveness; (ix) IUCN shall prepare and provide to the Bank a mid-term independent evaluation report prior to the Bank mid-term review mission 36 months after effectiveness and a completion report six months after the closing date.

A. STRATEGIC CONTEXT AND RATIONALE

1. Sector issues

1. The Millennium Ecosystem Assessment showed that over the past 50 years, human activities have changed ecosystems more rapidly and extensively than at any comparable period of time in human history. These changes have enabled many net gains in human well-being and economic development, but now are contributing to growing environmental costs, and biodiversity loss, due to habitat conversion, overexploitation and spread of invasive species.

2. The world is facing a biodiversity extinction crisis. The main threats to biodiversity are habitat loss and fragmentation, overexploitation and invasive species – and climate change is likely to exacerbate all of these threats. Species provide the most useful and recognizable indicators of biodiversity status and loss. They are the building blocks of biodiversity and ecosystems and provide us with essential services: not only food, fuel, clothes and medicine but also purification of water and air, prevention of soil erosion, regulation of climate, pollination of crops, and many more. They also provide a vital resource for economic activities (such as tourism, fisheries and forestry), as well as having significant cultural, aesthetic and spiritual values. They have been widely studied and identified, are measurable and in many cases are good indicators of ecosystem health. Species are listed in environmental legislations and also provide a good entry point to tackle more complex issues such as landscape approaches to conservation, maintenance of ecosystem services or sustainable use of natural resources. Species are also understood by the general public and can be used to raise awareness about the need to address environmental problems. Throughout the world, the natural habitats that support threatened species are also home to millions of people who are highly dependent on healthy ecosystems for their livelihoods and well-being.

3. In the 2009 update of the International Union for the Conservation of Nature (IUCN) *Red List of Threatened Species*TM 1 in 8 birds, 1 in 4 mammals, 1 in 4 reptiles, 1 in 3 amphibians, and 1 in 3 species of reef building corals are listed as threatened. It has been estimated that 15 to 37 percent of all species are committed to extinction by 2050 unless widespread and effective conservation actions are undertaken soon and maintained. The 4th International Panel on Climate Change suggested that with increases in global temperatures of just 1.5°-2.5°C more than 30 percent of all species will be threatened with extinction.

4. Species can and do recover with concerted conservation efforts. In 2008, IUCN recorded improvements in the threat status for 40 species, including 37 mammals, as a result of strategically implemented conservation initiatives. An estimated 16 bird species avoided extinction over the last 15 years due to conservation programs.

5. Although considerable effort and resources are expended worldwide on species conservation, additional funding to underpin conservation efforts remains a critical need for many species and their habitats. The proposed Save our Species (SOS) is a project conceived by the Global Environment Facility (GEF), the World Bank (WB) and the IUCN to focus fundraising efforts towards on-the-ground action on a scale necessary to adequately address the biodiversity extinction crisis. SOS would address that funding gap, and complement current conservation efforts. The private sector represents a heretofore generous, but largely untapped,

source of conservation funding. SOS is a carefully considered attempt to funnel private sector resources towards conservation at levels substantially greater than prior commitments. SOS is uniquely positioned to engage international corporations, foundations and governments at the highest level, especially companies with animals or plants in their logos. SOS will have the credibility and scope to offer meaningful and high profile return on investment from the private sector and others due to its association with the WB, GEF, and IUCN offering a highly attractive opportunity to help prevent biodiversity loss on a global scale. This distinguishes SOS from other species funds (See Annex 1 for more details).

6. The choice of IUCN as the executing agency brings scientific credibility and expertise to the program. IUCN members include both governments and NGOs, including the key international conservation organizations, many of whom actively support the Species Survival Commission (SSC) and its Species Program. These groups, in particular, play a catalytic role in taking action to halt the extinction crisis. The Steering Committee of the SSC will play a role in ensuring complementarity between ongoing species conservation initiatives and this project. The technical expertise of the SSC (a voluntary network) and IUCN Species Program will be extensively mobilized throughout the implementation of the project. The SOS program priorities will be based on conservation needs identified through the *IUCN Red List* which is published annually. Members of the SSC Specialist Groups will be involved in technical review and monitoring of SOS investments and outcomes.

7. The SOS Project is designed to provide substantive and effective support for species conservation around the world through competitive grants to civil society partners. SOS is intended to support immediate action on species conservation priorities derived from the *IUCN Red List* and the Species Survival Commission (SSC) Species Profiles and Action Plans. Expected global benefits will arise from averting extinction of multiple threatened species, the increased participation and increased capacity of national and local civil society groups to manage and deliver conservation initiatives in a strategic and effective manner linked to development and landscape planning and natural resource management. These interventions are expected to lead to generation, adoption, adaptation, and application of lessons for improved conservation outcomes, relevant both to SOS and the broader Bank and GEF biodiversity portfolios, as well as to other small- and medium-sized grant programs.

2. Rationale for Bank involvement

8. The World Bank is a major funder of biodiversity conservation both through lending to client countries and as an Implementing Agency of the GEF. Over the last 20 years, the Bank has supported more than 600 biodiversity projects, including both protected area projects and projects which support more sustainable natural resource management. Many of these projects have addressed threatened species through habitat protection but none have been designed to reverse the extinction of globally important species.

9. Bank support for programs such as CEPF has already demonstrated the key role that civil society, including the private sector, can play in biodiversity conservation. The World Bank has the necessary convening power and authority to undertake the policy dialogue necessary to engage the private sector and leverage additional sustainable financing.

10. This project would complement ongoing conservation efforts by:
 - a. Engaging the private sector (especially companies with animals or plants in their logos) in conservation support at unprecedented levels.
 - b. Leveraging funding from corporate sector marketing budgets rather than corporate social responsibility budgets from which most NGOs appeal for support.
 - c. Providing a streamlined grant-making mechanism for engaging a wide range of civil society actors in on-the-ground action to conserve threatened species and their habitats, through a coordinated, high profile, and effective global program for species conservation.
 - d. Providing funds for early action to address emergency needs for species conservation.
 - e. Providing additional opportunities for capacity-building and engagement of a wide range of local civil society actors, including local NGOs, community groups, Indigenous Peoples, to promote conservation of threatened species at the local level.
 - f. Promoting an ecosystem and range-wide approach to species conservation through strategic investment planning so that individual grants contribute to overall conservation targets for threatened species and their habitats.
 - g. Supporting global biodiversity commitments by providing follow-up critical conservation actions to address threatened species groups, identified and monitored through the *IUCN Red List*.

11. SOS has the potential to complement other conservation efforts in Bank client countries with modest but effective conservation funding, targeted to the most threatened species and to urgent conservation needs. It builds on other Bank global partnerships, linking the comparative strengths of the Bank with GEF, leading environmental and conservation NGOs, and the private sector to build a powerful biodiversity program which will engage and support local civil society actors. The emphasis on empowerment of civil society promotes strong local ownership, good environmental governance, effective national and local institutions and more efficient and cost-effective delivery of global and national benefits.

12. SOS will complement other Bank biodiversity conservation projects and global partnerships and other species-focused conservation programs. It has been designed to fill a particular niche by engaging the private sector as major funding partners in collaboration with the global conservation community to address the global biodiversity crisis. SOS is intended to leverage new conservation finance from the private sector by providing a high profile partnership linked to a technically-credible and secure mechanism for funding threatened species. It will also complement other World Bank and GEF investments at the national level by focusing strategically on programs of investments for threatened species, many of which reside in regions of highest biodiversity value and are species of special concern to national biodiversity strategies. SOS promotes an ecosystem approach to species conservation by supporting landscape-level conservation outcomes and transnational cross-border initiatives that are often essential for successful species conservation. Simply stated, saving a species requires saving its habitat, landscape, and ecosystem. The project will benefit from lessons learned from other Bank small grant and species projects, including small grant programs associated with biodiversity and community developments, as well as the Critical Ecosystem Partnership Fund

(CEPF) and Global Tiger Initiative (GTI). SOS also includes a specific strategy to promote cross-learning and replication, building on lessons learned.

13. The project's emphasis on threatened species and engagement of the private sector is a means to achieve much larger conservation gains. The project will contribute to a common framework and platform to address regional and national needs. It will facilitate cooperation for conservation of threatened species and their habitats, thereby leveraging better outcomes. The SOS design allows a small, targeted investment to lead to big returns and is thus highly cost-effective. The World Bank is already strongly committed to becoming more active in species conservation through the Global Tiger Initiative (GTI) and supports critical habitat protection for many species through a myriad of other projects. Similarly, support to threatened species is a symbol of support for biodiversity conservation more broadly. The proposed project will help to strengthen the collaboration among countries, local governments, NGOs, bilaterals and the private sector to support national and regional commitments under international conventions and national biodiversity strategy and action plans. This investment in efforts to raise funding from the private sector is expected to leverage considerable additional conservation funds from a new sector of civil society.

3. Higher level objectives to which the project contributes

14. In 2002 the Parties to the Convention on Biological Diversity (CBD) established the urgent need to “achieve by 2010 a significant reduction of the current rate of biodiversity loss at the global, regional and national level as a contribution to poverty alleviation and to the benefit of all life on Earth” as the goal of the Convention's Strategic Plan. Although this global target was not met by 2010, new targets were agreed at COP10 of the CBD in Nagoya to 2015 and 2020. Species remain key indicators of global efforts to conserve biodiversity. SOS is a direct response to the global challenge of stopping biodiversity loss and was launched in October 2010 with the presence of the World Bank President. SOS is a global program designed to address biodiversity loss in Bank client countries that have ratified the Convention on Biological Diversity (CBD). SOS is fully consistent with, and explicitly supports, the goals and agreed work programs of the CBD, including the protected areas work program as well as ecosystem-specific work programs in forests, mountain, freshwater, island and dryland habitats. In many countries, SOS activities would complement national priorities identified in national biodiversity and environment strategies and CAS and PRSPs to promote sound natural resource management and sustainable development. The project responds to recognized national needs to target conservation funding more efficiently and effectively through development of strategic investment plans for threatened species and groups of species, and their habitats, based on sound scientific knowledge derived through a consultative and participatory process. Additional cofinancing at the regional and national levels will also be actively sought.

15. Species targets, including targets focused on threatened species, have been incorporated into a number of regional and national biodiversity strategies and action plans. Sets of biodiversity indicators have been developed to monitor progress towards these targets. For example, threatened species are used by the United Nations as one indicator to track progress towards Millennium Goal Number 7 aiming at ensuring environment sustainability, and by the CBD and the European Union to measure progress towards the reduction of biodiversity loss. A majority of countries have identified threatened species, developed national legislation or have

ratified international agreements to protect threatened species found within their boundaries. Many countries have also developed national red lists, or have requested training from IUCN to compile them. Training is currently ongoing in various parts of the world to build capacity for the development of national biodiversity indicators.

16. Stabilizing and reversing the decline of multiple species is a core objective of conservation worldwide. By utilizing threatened species as an indicator of ecosystem health, the project is fully in line with the new GEF strategic long-term objectives for biodiversity conservation. Better identification of threatened species and conservation action to address threats can contribute to catalyze the sustainability of protected areas systems (Strategic Objective 1) and to mainstream biodiversity conservation in production landscapes/ seascapes and sectors (Strategic Objective 2). Threatened species occur in all habitats, including freshwater and marine ecosystems which are currently under-represented in the GEF portfolio. The project will specifically support SP 2 (Increasing representation of effectively managed marine PA areas in PA systems), SP3 (Strengthening terrestrial PA networks) by supporting habitats and ecosystems of threatened species inside PAs or in their buffer areas, and SP4 (Strengthening the policy and regulatory framework for mainstreaming biodiversity).

17. The project will directly support and complement the CBD Program of Work on Protected Areas by promoting greater awareness for site-based conservation, responding to guidance to the financial mechanism from COP9 of the CBD in Bonn focusing increased attention on threatened species. By strengthening protection and management of key habitats, it will contribute to plant and animal conservation, thereby contributing to the targets of the Global Plant Conservation Strategy adopted by the CBD. It complements and supplements other GEF-funded initiatives including the 2010 Biodiversity Indicator Partnership, the Critical Ecosystem Partnership Fund and the UNEP-GEF Communities of Conservation project with the Alliance for Zero Extinction. Global biodiversity benefits will be gained by focusing on threatened species and their critical habitats as surrogate indicator species for wider components of biodiversity.

B. PROJECT DESCRIPTION

1. Funding instrument

18. SOS is intended to be a long-term global program to improve the conservation status of globally threatened species and their critical habitats. It would support a five year time slice of that program, complemented by additional co-funding of US \$5 million from the Bank's Development Grant Facility (with US \$2 million already approved). Co-funding of US \$3.9 million from IUCN and FFEM (Fond Français pour l'Environnement Mondial). SOS intends to raise an additional \$10 million from private sector sources during implementation.

2. Project development objective and key indicators

19. The **Project Development Objective** is to support the establishment of a viable funding mechanism for the conservation of globally threatened species and their habitats supported by private sector contributions and administered by a competent organization with global reach.

20. The **Global Environment Objective** is to improve the conservation status of globally threatened species or populations and their habitats.

21. These objectives would be achieved by providing strategic assistance to conservation practitioners such as international, national, and locally-based NGOs, community groups, Indigenous Peoples, the private sector, and other civil society partners to support: (a) strengthened protection and management of threatened species and their habitats, (b) increased local and national capacity to integrate species conservation into development and landscape planning and natural resource management, (c) expanded and improved monitoring and learning and enable adaptive management and replication, (d) to catalyze new funding from the private sector, and (e) raise awareness regarding the crucial role that biodiversity plays.

22. Key indicators related to the project development and global development objectives are:

- Improved protection and/or management of at least 60 threatened species or populations and their habitats;
- At least 3 new species profiles to guide SOS investments are developed and under implementation; and
- At least an additional ten million United States Dollars (US\$10,000,000) secured from the private sector for conservation action targeted to threatened species during the 5-year period of the project, subject to IUCN's Operational Guidelines for Private Sector Engagement (Version 2.0) effective as of February 2009.

3. Project components

23. The proposed project would consist of four interlinked components.

Component 1: Threatened Species Grants Program

24. Will support a competitive grants program for threatened species conservation with two subcomponents according to 3 strategic directions: (1) threatened species or taxonomic groups; (2) vulnerable ecosystems; and (3) corporate priorities (species or taxonomic groups or species conservation actions of particular interest to corporate and private sector donors).

25. **Sub-component 1a: Threatened Species Grants** will fund grants awarded competitively to civil society individuals or organizations working on species needs identified under the strategic directions. The majority of grants will be medium-sized grants (\$25,000 to \$200,000), although large-sized grants (\$200,000 to \$800,000) may be awarded in special cases at the discretion of the Secretariat.

26. In special cases where an organization's conservation program is identified as making a particularly strong contribution towards achieving objectives of an SOS Strategic Direction, single-source selection may be made for a larger grant (\$200,000 to \$800,000 over 2 years) where sub-projects will be implemented through existing programs of NGOs working with local partners. These programs will be chosen to build on synergies between program objectives and promote cost-effective delivery mechanisms.

27. **Sub-component 1b: Catalyzing early action.** In order to respond to situations that could negatively affect the status of threatened species in a rapid and significant way (for example, oils spills, mass-stranding, disease outbreaks, data deficiency in the face of development, etc.) and to initiate local capacity building, a small-grants facility will be dedicated for early and/or rapid action. Small rapid action grants up to \$25,000 will be made available quickly at the discretion of the IUCN Secretariat.

Component 2: Species Action Strategies & Monitoring

28. **Sub-component 2a: Species action plans.** Threatened species investments will be guided by species profiles and action plans developed by the Species Survival Commission (SSC) Specialist Groups. For several species and species groups, conservation strategies and action plans have already been produced. These action plans will provide a basis for determining appropriate investments to fill already identified gaps in conservation action for those species. Many less charismatic and less well-known threatened species do not yet have action plans, or action plans are outdated or too narrowly focused. This component will therefore support the development of at least 3 species profiles to guide future funding allocations once additional funding has been secured from new partners. These profiles will help refine strategic directions identified by the Secretariat and SSC specialists to target funding where it is most needed and effective.

29. **Sub-component 2b: Monitoring status of threatened species.** The *IUCN Red List of Threatened Species*TM, recognized as the global authority for assessing the threat status of species, would provide the basis for the selection of threatened species under the program and to monitor the status of targeted species that benefit from funding. This component will: (a) build on the strength of the SSC and IUCN Species Program, their members and partners, in monitoring the success of fund interventions; and (b) ensure that threatened species targeted by SOS projects have their *Red List* criteria and status updated in a timely manner.

Component 3: Funding & Communications

30. The proposed project will specifically target private sector donors and support a strong communications and marketing campaign to raise additional support and funding from private companies, foundations, governments, and the general public.

31. **Sub-component 3a: Fundraising.** The partnership is expected to benefit from contributions for species conservation from the private sector. An SOS Fundraising Strategy has been prepared with funds from the Project Preparation Grant. A list of prospects has been prepared and ranked. IUCN is in the process of approaching the priority companies to seek feedback and involvement in SOS. In addition, IUCN prepared and printed 1000 copies of the SOS Brochure and has launched the SOS website.

32. Through targeted campaigns, the private sector will be encouraged to support species and species conservation actions that are of interest to their corporate profile and culture and linked to the corporations' own brands and marketing campaigns. Corporations will also be encouraged to provide flexible funding for conservation action guided by the Secretariat. Two to five large companies will be identified early on and approached to carry out a leadership role at the highest

financial commitment level in the early stages. This leadership will involve a significant financial contribution, public endorsement of the program and representation at a limited number of events. IUCN will initially request a contribution of \$500,000/year over 3 years.

33. **Sub-component 3b: Communications.** The project will promote a strong communication and marketing campaign that will use threatened species as a way to secure public and private sector support, encourage behavioral changes, and foster activities compatible with species survival of biodiversity. In order to secure additional support, it is essential to communicate why species matter, what the program is seeking to do and what has been achieved for species conservation.

34. The proposed project will catalyze the communications campaign. As other donors, including private sector, come on board, additional resources will be allocated to the communications and marketing campaigns as well as to the grants component.

35. IUCN launched the SOS website (www.SOSpecies.org) to maximize transparency, provide information, and provide tools for grantees, donors, and the public, and summarize lessons learned from the program. A part of the SOS website will be restricted to grant management and accessible by grantees. This website is housed under the IUCN home site (www.iucn.org). The website allows visitors to read about the activities being funded, find calls for proposals, apply for grants and monitor project progress. All SOS projects will be tracked and profiled on the website and reports will be made publically available.

Component 4: Project management, monitoring, and evaluation

36. This component would finance associated project administration and management, and implementation monitoring and evaluation. IUCN will be responsible to ensure that sub-projects and all other aspects of the project are carried out according to the Operational Manual, including the Environmental and Social Management Framework, Process Framework, Environmental Management Plans, Resettlement Action Plans, and Indigenous Peoples Planning Framework.

4. Lessons learned and reflected in the project design

37. Lessons learned from existing species conservation grant programs have been reviewed to identify the structures, targets, and processes that have worked well and those that have not. Such lessons from the Critical Ecosystem Partnership Fund (CEPF), the Alliance for Zero Extinction (AZE), the Preventing Extinctions Program (BirdLife International), and other conservation programs include:

- *Need for inclusiveness and transparency in decision-making.* The *Red List*, Species Profiles, and Action Plans are effective tools for prioritizing conservation needs and planning investment strategies, and the required processes. These tools and their processes are available from IUCN.
- *Need for effective monitoring.* Tracking progress towards achieving conservation outcomes for species is challenging as parameters associated with the viability of species and their populations are difficult to measure and may shift slowly over time. Changes in the status of species may also be due to natural demographic and environmental variables

or may result from the actions of many different actors. Under SOS, an explicit subset of short-term benchmarks, based on WB, GEF, IUCN, and SSC project monitoring guidelines, will be used to monitor progress in achieving identified conservation targets.

- *Need to generate socioeconomic and capacity benefits.* While aiming for conservation outcomes, the process and implementation of SOS grants generates considerable socio-economic, governance and capacity impacts. Explicit efforts will be made to capture, where possible, these impacts in the monitoring and evaluation frameworks.

5. Alternatives considered and reasons for rejection

38. *Relying on current grant programs to stem global species loss.* Although there are various global grant programs targeted to species conservation, currently only a small proportion of the species on the *IUCN Red List* are receiving conservation attention. SOS will leverage much-needed additional funding for species conservation, especially from the private sector, and will target many of the restricted range and endemic species.

39. *Allocating the funding committed to SOS through existing species conservation programs.* Other species grant programs are generally for smaller amounts, e.g. the Mohamed bin Zayed Conservation Fund provides grants up to \$25,000, or restricted to specific geographic areas, e.g., the CEPF hotspots. This option was rejected as SOS will fill a largely unfilled niche of medium-sized grants that will provide support for a wide range of threatened species projects across the globe. SOS also has a rapid action funding mechanism for small grants to address emergency situations. The project will, however, partner with some existing programs for some SOS strategic directions to maximize the impact and cost-effectiveness of SOS investments. SOS also is attempting to leverage funding from corporate marketing budgets rather than social responsibility budgets that are typically sought by NGO fundraising efforts. In addition, while IUCN SSC is recognized as the leading conservation body on species conservation no existing single program uses and is based on the technical expertise of the whole range of Specialist Groups.

40. *IUCN to be eligible for grants like other conservation organizations.* As IUCN will act as an independent legal entity responsible for grant-making, it was decided that neither IUCN Headquarters nor regional programs will be eligible for SOS grants, to avoid any conflict of interest. This is in line with international good governance practices and is important in terms of ensuring integrity of the program. IUCN member organizations, which are independent bodies, will be eligible for SOS grants.

C. IMPLEMENTATION

1. Partnership arrangements

41. SOS is intended to function as a platform for a long-term global program to improve the conservation status of globally threatened species. A Donor Council has been established (and held its first meeting in May, 2010) to provide overall strategic direction of the program, and agree and approve annual operating plans and thematic areas on an annual basis. In addition, the Council will fundraise and approve the conditions under which new donors may be invited to

take part in SOS as well as approve additional members of the Donor Council. Currently, the Donor Council consists of the GEF Secretariat, the World Bank, IUCN, and World Wildlife Fund (WWF), and is initially chaired by the GEF. The Council is expected to increase to a maximum of eight members (Annex 6).

2. Institutional and implementation arrangements

42. Project implementation arrangements are designed to build on lessons learned from the Critical Ecosystem Partnership Fund (CEPF) and other existing species conservation programs, to enable continued expeditious, efficient support to conservation practitioners, and to establish a clear and effective chain of accountability for results.

43. IUCN will administer and execute the project on behalf of the SOS partners through a Secretariat with a composition, institutional framework, functions and resources satisfactory to the Bank. This includes ensuring that funds are managed with due diligence and efficiency. The SOS Secretariat will be responsible for technical and financial management of the project, grant making and monitoring, overall information management, global outreach, fundraising, and communications. The Secretariat, under the oversight of IUCN, will manage the grants, including calls for proposals, selection of projects, and the performance of the project to ensure that all activities and their management are carried out in compliance with Donor Council decisions and the Operational Manual (OM), which reflects GEF and World Bank policies and guidelines, including procurement and financial management. The Secretariat shall support throughout project implementation the Donor Council. The Secretariat will draw on technical advice from the Species Survival Commission of IUCN (SSC).

44. An Operational Manual has been developed and agreed upon that contains the specific operating policies and procedures of SOS. The Operational Manual was approved by the Donor Council in May 2010. Among key tasks, IUCN shall: i) ensure that sub-grant agreements are signed for subprojects under terms and conditions in compliance with the Operational Manual; ii) submit to the Bank annual work plans and budgets for approval by February 1 each year; iii) submit semi-annual progress reports to the Bank; iv) have adopted TOR for external audit acceptable to the Bank by December 30, 2011; v) prepare and provide to the Bank a mid-term independent evaluation report prior to the Bank mid-term review mission and a completion report six months after the closing date.

3. Monitoring and evaluation of outcomes/results

45. The monitoring would focus on: (1) effectiveness of the overall program; (2) status of target species and their critical habitats; and (3) project levels. Data gathered will inform decisions and adaptive management of species projects and feed into outreach and communications and documentation of lessons learned and best practice. The Secretariat will monitor project implementation through spot-checks in the field. National partners will be engaged through SSC to review a subset of sample projects. Self-reporting will take place from each grantee.

46. All projects will track results and be evaluated as described in the OM. The project will utilize the GEF SP1 and SP2 tracking tools to monitor impact of protected area and

mainstreaming interventions, where appropriate. Rapid Action grants will be subject to less intensive monitoring than larger grants, but all grants will require submission of reports.

47. At the program level, monitoring will take place against set indicators and conservation targets, compared with a set baseline to: (i) ensure that species conservation targets and indicators are defined in all sub-projects; (ii) help improve outcomes at the region and species-level; and (iii) help the Secretariat to evaluate the efficacy of different project scenarios and share the results widely to demonstrate biodiversity impact and enable adaptive management.

48. Monitoring for individual projects will be based on SSC monitoring guidelines¹ and the GEF monitoring tools, including the Protected Area Management Effectiveness Tool SP1 and the GEF SP 2 tracking tools to assess the biodiversity impact of SOS investments. The IUCN Secretariat will work with local partners, where appropriate, in project monitoring to further strengthen ownership and capacity so that results feed into follow-up actions, minimize costs, and reduce the programs' 'footprint'.

49. Species monitoring will be conducted by the IUCN Secretariat, in collaboration with Species Specialist Groups and local partners, to facilitate species- and region-based analysis and reporting on a regular basis to assess species conservation outcomes. Results of monitoring at the species and critical habitat level will contribute to assessment of progress in achieving biodiversity targets set by the international community. This information will be calibrated against data on biodiversity status drawn from the *IUCN's Red List*², SSC Species Profiles, and other appropriate databases.

50. The Bank will conduct biannual supervision missions to assess program progress and provide input to overall activities. Explicit mechanisms will be put in place to ensure greater involvement in project operations, including supervision, of Bank regional staff from headquarters and country offices. In addition, the Bank will conduct a mid-term independent evaluation of project implementation no later than 36 months after project effectiveness.

4. Sustainability and Replicability

51. *Ecological sustainability.* A premise of SOS is that large-scale actions taken by multi-lateral institutions and national government agencies to protect biodiversity (and the ecosystems on which many economic systems depend) are more likely to succeed if they are both influenced and supported by civil society. The SOS project will contribute to ecological sustainability in multiple regions around the world through strategic civil society actions that would complement other donor conservation programs. All investments will be made in accordance with the SOS investment strategy approved by the Donor Council.

52. *Social and institutional sustainability.* Experience from other Bank programs demonstrates that a large-scale conservation program can strengthen positive roles for civil society by building long-term skills and strengthened environmental governance. SOS would

¹ IUCN/Species Survival Commission. 2008. *Strategic Planning for Species Conservation: A Handbook. Version 1.0.* Gland, Switzerland: IUCN. 108pp.

² Vié, J.-C., Hilton-Taylor, C. and Stuart, S.N. (editors). 2009. *Wildlife in a Changing World – An Analysis of the 2008 IUCN Red List of Threatened Species.* Gland, Switzerland: IUCN. 180 pp.

empower a wide variety of civil society actors to engage in biodiversity conservation, to acquire a positive stake in sustainable development programs, and to contribute to improved design, support, monitoring and sustainability of those efforts. SOS will provide support through collaborating organizations to build local capacity for conservation leadership and to ensure sustainability beyond SOS grants, including assistance in grant-making applications and information on other sources of finance.

53. *Financial sustainability.* SOS is designed as a long-term multi-donor program with the GEF project funding the first time slice. It is anticipated that the private sector, particularly the corporate sector, will increasingly contribute to the financing of the program. SOS will pilot specific financial mechanisms, including identifying species conservation projects attractive to corporate cultures and marketing campaigns.

54. The capacity of SOS to attract other donors, both within, and beyond, the initial partnership, constitutes a solid market test of the initiative. A successful SOS program would leverage even greater additional funding, illustrating the value of the program and encourage other donors to contribute both during, and beyond, the period of GEF investment. There is no expectation of GEF support beyond this first phase, but it is expected that the overall SOS program would continue beyond the project lifetime with funding from other donors.

55. *Replicability.* The project's communications program aims to disseminate information on project and species outcomes, best practices and lessons learned. Systematic information sharing through SOS-related workshops and the SOS website will further build local capacity and disseminate experiences more broadly among the conservation community.

56. Regular liaison and partnerships with national and international development agencies, relevant government agencies, and business corporations will emphasize good practice and the benefits of fostering species conservation as part of sustainable development. Whenever possible, opportunities will be sought to build synergies and replicate good practice with Bank operations.

5. Critical risks and possible controversial aspects

57. This project presents overall moderate risks as it is global, founded on good scientific information and an extensive stakeholder consultation-based approach to identify conservation needs and priority actions. Management of the project will be based on a transparent investment policy which intends to strike a balance between: (i) expanding the funding capital in the long run, and (ii) securing conservation of threatened species on the ground. A number of potential risks have been identified:

58. Risk: *Expected fundraising from the private sector may not be secured in full.* Proposed mitigation: The initial SOS donors intend to raise an additional \$10 million during the life of this project. Some private sector donors have already expressed interest prior to the fundraising phase being initiated. The project has budgeted resources for communications and fundraising activities.

59. Risk: *World financial situation will reduce support from the private sector.* Mitigation: Component 3 of the project is targeted to the private sector to generate additional funding from marketing and advertising budgets of companies for which species are an integral part of their corporate culture and marketing as they will likely receive marketing and reputational benefits from their conservation investments. CEPF has shown that once a credible mechanism to funnel donations to conservation is in place that donor interest has increased substantially. SOS would function in a similar way for species conservation with the corporate sector.

60. Risk: *Targeting private sector companies could compete with fund-raising activities of other conservation NGOs.* Mitigation: Target species will be selected in collaboration with other conservation stakeholders and many projects are expected to be implemented through international, national, and local NGOs to ensure complementarity and avoid competition.

61. Risk: *Inappropriate use of grant funds due to weak capacity and inexperience of local organizations.* Mitigation: The IUCN Secretariat will monitor grant performance to ensure compliance and appropriate financial management. Ex-post review will take place using risk-based approach. Training will be provided in the OM.

62. Risk: *Activities outside the project's control could undermine project gains (including climate change risks).* Mitigation: The grants selection criteria will decrease the possibility of working on risky projects and promote projects that enhance ecosystem resilience to climate change. Feasibility and chance of success will be part of the criteria against which projects will be assessed. IUCN has also conducted a wide analysis of climate change impact on >17,000 species that can help inform project selection. The IUCN Secretariat, the SSC advisory group and the Donor Council will annually analyze any individual risky projects and propose plans to reallocate resources where project outcomes are not likely to be reached.

63. Risk: *Regional or political instability will dampen the results of project activities.* Mitigation: The fund will support activities globally, with potential to support initiatives in various parts of the world. This will considerably reduce overall programmatic risk due to regional or national political instabilities. Activities will be supported only through local, national, or government organizations with demonstrated capacity to deliver.

64. The expected risks and their ratings are summarized in the following matrix:

Risks	Risk Rating	Risk Mitigation Measures	Residual Risk Rating
Lower than expected fundraising from the private sector.	S	SOS initial donors will fundraise. Communication and fundraising campaigns have been planned	M
Reduced private sector interest due to financial crises.	M	The link to company marketing budgets is expected to leverage private sector resources.	M
Targeting private donors may divert funding from existing conservation programs.	M	Target species will be selected together with conservation stakeholders to avoid competition for resources.	N
Inappropriate use of grant funds due to weak capacity and inexperience of local	S	IUCN secretariat will conduct ex-post review of selected grants using risk-based approach.	M

organizations		Training on the use of OM will be provided	
Activities outside the project’s control could undermine project gains	M	Grant selection criteria reduces risky projects. Risky projects assessed annually for reallocation processes.	N
Regional or political instability may offset conservation gains	S	Activities supported through organizations with demonstrated delivery capacity.	M
Overall risk rating	M		M

Risk Rating: H (High risk), S (Substantial Risk), M (Modest Risk), N (Negligible or Low Risk)

6. Grant conditions and covenants

65. The main Grant effectiveness and project implementation conditions and covenants that are recorded in the Grant Agreement to be entered into between the Bank and the Recipient are:

a) Effectiveness condition:

- (i) IUCN shall have established an internal audit function (*PAD Annex 7 paragraph 32*).
- (ii) Execution and delivery of the Grant Agreement on behalf of IUCN has been duly authorized by all necessary corporate action (*PAD paragraph 66; GA Article V, 5.01*);

b) Specific project implementation conditions and covenants:

- (i) IUCN shall carry out and shall cause sub-projects to carry out the project according to the Operational Manual, including- the Environmental and Social Management Framework, Process Framework, Environmental Management Plans, Resettlement Action Plans, and Indigenous Peoples Planning Framework (*PAD paragraph 37; GA Schedule 2, Section I. A. paragraph 1 – 3, and Section I. D and E*);
- (ii) IUCN shall ensure that sub-grant agreements are signed for subprojects under terms and conditions in compliance with the Operational Manual (*PAD paragraph 45; GA Schedule 2, Section I, A. paragraph 3*);
- (iii) IUCN shall maintain the SOS Secretariat with a composition, institutional framework, functions, and resources satisfactory to the Bank throughout the project (*PAD paragraph 44; GA Schedule 2, Section I, B. 1*);
- (iv) IUCN shall support throughout Project implementation the Donor Council (*PAD paragraph 44; GA Schedule 2, Section I, B. 2*);
- (v) IUCN shall submit to the Bank annual work plans and budgets for approval by April 30 each year (*PAD paragraph 45; GA Schedule 2, Section I, C*);
- (vi) IUCN shall submit semi-annual progress reports to the Bank (*PAD paragraph xx; GA Schedule 2, Section II, A. paragraph 1*);
- (vii) IUCN shall have adopted TOR for external audit acceptable to the Bank by December 30, 2011 (*PAD paragraph 45; GA Schedule 2, Section II, B*);
- (viii) IUCN shall have adopted TOR for the mid-term evaluation acceptable to the Bank 24 months after effectiveness; and

(ix) IUCN shall prepare and provide to the Bank a mid-term independent evaluation report prior to the Bank mid-term review mission 36 months after effectiveness and a completion report six months after the closing date (*PAD paragraph 45; GA Schedule 2, Section V, A*).

D. APPRAISAL SUMMARY

1. Incremental cost analyses

66. The nature of the proposed project is such that it is not meaningful to carry out traditional economic analysis. Sub-projects are expected to follow principles of cost effectiveness of investments. A full Incremental Cost Analysis was carried out as described in Annex 9.

2. Technical

67. The *Red List*, SSC Species Profiles and Action Plans are the main planning tools for prioritizing species conservation needs and strategies. SOS priorities are based on wide consultation and scientific and technical input from species conservation specialists and stakeholders. The Donor Council reviews and approves proposed strategic directions and levels of investment. This review provides an opportunity for additional review by Bank staff representing the regions, both at headquarters and in country offices.

3. Fiduciary

68. **Financial management.** The Bank has conducted a financial management assessment to ensure the adequacy of financial management. The financial management risk is considered to be *Substantial*, but with the implementation of the agreed action plan is expected to be reduced to *Moderate*. IUCN has an established financial management and programmatic risk system and has agreed to improve its oversight functions and internal controls in regard to the project. The project will be subject to external audit with an expanded audit scope. Annual financial management supervisions will be conducted by a qualified financial management specialist.

69. **Procurement.** Procurement will be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits, May 2004, Revised October 2006 and May 2010" for procurement of goods, works and non-consultant services, and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers, May 2004, Revised October 2006 and May 2010" for selection of consultant services." The OM, approved by the Donor Council in May 2010 sets out templates for grant agreements and detailed procurement provisions. In case of conflict, the provisions of the two Bank Guidelines shall prevail.

4. Social

70. The project design has benefited from extensive consultations with local, national and regional organizations in Asia and the Caribbean, and international NGOs. While this project principally aims to improve the conservation and management of species-level biodiversity, some projects that empower and engage local communities and conservation constituencies may also enhance livelihoods, ecosystem services and economic benefits for local people and provide incentives to participate in sustainable management of natural resources. Specific measures on social safeguards issues have been incorporated in the OM to address potential impacts on local

communities and Indigenous Peoples, including development of a project-level Indigenous Peoples Planning Framework and a project-level Process Framework for Involuntary Restrictions. These frameworks are available on the IUCN and World Bank (through the InfoShop) websites, and provide guidance on the necessary tenets of sub-project-level Indigenous Peoples Plans and Process Frameworks when either or both are required.

5. Environment

71. The project is expected to generate significant local and global biodiversity benefits. It has been assigned a category B for environmental assessment. An environmental and social management framework has been prepared which provides guidance on when a sub-project-level Environmental Management Plan needs to be prepared, and what it should entail. All individual SOS sub-grants would be screened for safeguards and appropriate mitigation measures taken as needed; the process is laid out in the OM.

6. Safeguard policies

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)	X	
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP 4.11)	X	
Involuntary Resettlement (OP/BP 4.12)	X	
Indigenous Peoples (OP/BP 4.10)	X	
Forests (OP/BP 4.36)	X	
Safety of Dams (OP/BP 4.37)		X
Projects in Disputed Areas (OP/BP 7.60)*		X
Projects on International Waterways (OP/BP 7.50)		X
Disclosure Policy (OP 17.50)	X	

72. *Environmental Assessment.* The SOS project will address priority conservation objectives. Project activities will be selected on a competitive basis according to criteria that will ensure that resources are directed to addressing conservation needs while ensuring minimum adverse environmental effects. All project proposals will be screened for safeguard issues as described in the SOS Operational Manual, and Environmental Management Plans (EMPs) will be prepared and approved as necessary and as outlined in the project-level ESMF.

73. *Natural Habitats.* By design, the SOS project would finance activities that promote conservation of species and the natural habitats they rely on. All project activities will be consistent with conservation priorities and with existing protected area management plans or other resource management strategies, including National Biodiversity Strategies and Action Plans, which are applicable to local situations.

74. *Forestry.* The project fully complies with the Bank's Forest Policy. Project activities will focus on conservation and more sustainable management of natural forests, and include

* By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas.

community participation as a key element. Beyond the selection criteria for identifying project activities, it is not anticipated that any additional measures will be required under this policy. No commercial forestry operations will be supported.

75. *Involuntary Resettlement.* It is possible that projects may restrict access to resources through enforcement of protection measures in protected areas. In cases where sub-projects could lead to such restrictions in access to resources, proponents must prepare and implement a sub-project-level process framework to establish off-setting management or compensation measures. This process framework should follow the guidance outlined in the project-level process framework included in the ESMF.

76. *Indigenous Peoples.* Many of the Earth's remaining areas of high biodiversity and high numbers of threatened species overlap with lands occupied by Indigenous Peoples. Individual sub-project activities would be selected based on species conservation priorities, but it is expected that Indigenous Peoples will participate in identifying conservation priorities and have access to SOS grants. Some SOS-funded activities could potentially impact indigenous communities depending on the nature of actions on the ground. Projects proposed for SOS funding should demonstrate that they have made provisions for evaluating the potential impacts on indigenous communities and site-specific Indigenous Peoples Plans may be required.

77. *Physical Cultural Resources.* The SOS will not fund any activity that involves the removal, alteration or disturbance of any physical cultural resources (defined as movable or immovable objects, sites, structures, and natural features and landscapes that have archeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance). These may, however, be present in sub-project areas and measures should be put in place to ensure that they are identified and adverse effects to them are avoided. This is particularly relevant for projects that support development of management plans and other land and natural resource use planning, projects that support alternative livelihood activities, and projects that include small infrastructure construction. Section B of this Environmental and Social Management Framework includes procedures to ensure that OP 4.11 provisions are followed.

78. When a sub-project-level plan (e.g. Environmental Management Plan, Indigenous Peoples Plan or Process Framework) is necessary, the first two of each such plans will be reviewed and approved by the World Bank prior to the initiation of that particular sub-project. Thereafter, the SOS Secretariat will approve each plan prior to the initiation of any particular sub-project.

79. *Disclosure Policy.* SOS is committed to full and transparent disclosure on all of its activities and projects. The approach to maintain an adequate disclosure policy is outlined in the SOS Operational Manual.

80. For more information on safeguard measures see Annex 10.

7. Policy Exceptions and Readiness

81. The project is designed fully consistent with Bank policies and no exceptions to policy are required.

Annex 1: Sector Background

GLOBAL: Save Our Species

1. Biodiversity loss is increasing at an unprecedented rate, threatening the very basis of sustainable development. Biodiversity loss and habitat degradation reduce ecosystem services and future development options creating a barrier to achieving the Millennium Development Goals (MDGs). Species provide the most useful and recognizable indicators of biodiversity status and the health of the planet. The 2008 *IUCN Red List* includes 47,677 species of plants and animals, of which 875 (2 percent) are Extinct; 17,291 (36 percent) are threatened with extinction (with 3,325 Critically Endangered, 4,891 Endangered and 9,075 Vulnerable); 3,650 (8 percent) are Near Threatened; while 6,557 (14 percent) have insufficient information to determine their threat status.

2. The WB and GEF are contributing to threatened species conservation through support for key protected areas and national biodiversity projects and global and regional initiatives, such as the Critical Ecosystem Partnership Fund (CEPF) and the Global Tiger Initiative (GTI). There are also a number of other funds already supporting threatened species conservation (Table 1). These funds still fall short of addressing conservation needs of the majority of threatened species around the world. Some funds are supported by governments (e.g. US Fish and Wildlife Service Species Conservation Fund) and by the private sector in association with NGOs (e.g. the Conservation Leadership Programme.) Some are private (e.g. Mohamed bin Zayed Species Conservation Fund). Other threatened species programs have been established by NGOs (Conservation International, WWF, WCS, IUCN, BirdLife), zoos and aquaria (SeaWorld/Busch Gardens, Chicago Zoological Society and many other zoos), and private foundations (Fondation Ensemble). The CEPF provides significant support to species conservation projects, but these projects are geographically limited to 21 Hotspots (as of 2010) which constitute, collectively, less than 2.3 percent of the Earth's remaining natural habitat. CEPF also attempts to achieve a wide-range of objectives beyond direct species conservation action. Moreover, CEPF does not offer a rapid action grant mechanism and are not directly guided by species specialist. Importantly, unlike CEPF, SOS is a focused mechanism to leverage private sector resources for species conservation. The founding partners of SOS are in contact, managing, or are directly involved with many of these initiatives and will ensure that the cooperation and complementarities are carried out throughout the five years program. The SOS Working Group will secure coordination with other species specific conservation programs by interfacing with the SSC annual review of funding mechanisms for threatened species and recommend complementary investment priorities or identify duplicative efforts.

3. The SOS is uniquely positioned to engage international corporations, foundations and governments at the highest level, especially companies with animals or plants in their logos. The SOS will have the credibility and scope to offer meaningful and high profile return on investment from the private sector and others due to its association with the World Bank and GEF. For these reasons, Save Our Species offers private sector partners a highly attractive opportunity to help prevent biodiversity loss on a truly global scale. This niche distinguishes SOS for other species funds. An ambitious fund-raising campaign will promote public-private partnerships to raise additional conservation funding to supplement the core Save Our Species project and support new conservation initiatives for globally threatened species.

4. The framework is consistent with the Bank’s emphasis on partnerships to deliver development outcomes. SOS functions as a global partnership that links the comparative strengths of the Bank with the GEF, leading conservation NGOs, and the private sector. SOS grants will be awarded on a competitive basis to civil society organizations to promote local ownership, good environmental governance, effective national and local institutions and more efficient and cost-effective delivery of global and national environmental benefits. To ensure consistency with government priorities, each species conservation project will be evaluated within the context of existing National Biodiversity Strategies and Action Plans, where available.

Table 1. Comparative niche of the SOS with selected extant, global-scale conservation initiatives specifically targeting threatened species.

Species Conservation Program	Species or Species Group Targeted	Region or Ecosystem Targeted	Size of Grants/Projects in \$USD	Approximate Scale of Budget
Save Our Species	All threatened species; underfunded species targeted	Diverse regions and biomes, Bank Client countries	\$25,000-\$100,000+ Up to \$10,000 for Rapid Action Grants	\$4 mill. annual budget
Critical Ecosystem Partnership Fund	Priority species within focal Hotspots; threatened species not entire focus	Selected extinction Hotspot Ecosystems	\$12,000-\$500,000	\$101,000,000 total
Mohamed bin Zayed Species Conservation Fund	All threatened species	Global	Up to \$25,000	\$46 mill. initial endowment
BirdLife Preventing Extinction Program	Critically Endangered birds	Global	\$220,000 over 3 years	\$3,200,000 total
Amphibian Specialist Group	Critically Endangered amphibians	Global; 595 AZE sites	\$10,000 to \$60,000 with 1:1 matching from partner	\$750,000 over 4 years
EDGE - Zoological Society of London	Critically Endangered species; evolutionarily distinct & globally endangered amphibians and mammals	Global, 595 AZE sites, primarily developing countries	\$10,000 - \$100,000	n/a
World Wildlife Fund Species Program	Flagship & Footprint-impacted species (36 spp. & taxa)	Global & 35 global priority places	variable	WWF Network Conservation Program \$120 mill. annual; species component \$50 mill.
USFWS Multinational Species Conservation Fund	Threatened larger, mammals & marine turtles	Global	variable	\$4,250,000 budget request 2009
Programme de Petites Initiatives du FFEM (PPI)	Threatened Species	African countries	Up to \$75,000	\$3,750,000 (2009-2011)
IUCN Peter Scott Fund	All threatened species	Global	Up to \$15,000	\$3,000,000

Annex 2: Major Related Projects Financed by the Bank and/or other Agencies

GLOBAL: Save Our Species

1. The SOS project strongly complements several ongoing and planned World Bank global and regional projects, and other donor interventions. Relevant in this respect are:

- Critical Ecosystem Partnership Fund (CEPF). The Bank-implemented GEF grant for the first phase of CEPF closed in March, 2007 and CEPF was approved in 2008.
- Coral Reef Targeted Research and Capacity Building for Management (Second Phase in preparation), a global project which focuses on strengthened conservation and sustainable management of coral reefs.
- Several regional projects that focus on conservation and sustainable use of terrestrial and marine biodiversity in the Mesoamerican Biological Corridor, including: Conservation and Sustainable Use of the Mesoamerican Barrier Reef System; and Integrated Ecosystem Management in Indigenous Communities.
- Global Tiger Initiative (GTI) focuses on protecting the tiger and its habitats. The GTI and SOS will test different models to mainstream species conservation into sustainable development.

2. The table below provides a list of completed, ongoing and planned projects that are relevant to this project. The proposed project will build on the experiences obtained in recently completed projects, including lessons learned in linking biodiversity conservation activities with sustainable development and the critical importance of maintaining species diversity and function within ecosystems to sustain ecosystem services.

Sector Issue	Project	Latest Supervision (PSR) Ratings (Bank financed projects only)	
		Implementation Progress (IP)	Development Objective (DO)
Bank-financed – Global and Regional			
Biodiversity Conservation	Critical Ecosystem Partnership Fund	Satisfactory	Satisfactory
	Critical Ecosystem Partnership Fund 2	Satisfactory	Satisfactory
	Coral Reef Targeted Research and Capacity Building for management	Satisfactory	Satisfactory
	MesoAmerican Biological Corridor	Satisfactory	Satisfactory
	Tiger Futures: Mainstreaming Conservation in Large Landscapes	Satisfactory	Satisfactory
	IFC Environmental Business Finance Program	Satisfactory	Satisfactory
Bank-financed National projects			
China	N. E. Forests and Tiger Recovery (under preparation)	N/A	N/A
India	India: Biodiversity Conservation and Rural Livelihoods (BRCLIP) - Under preparation	N/A	N/A
India	India Ecodevelopment Project	Satisfactory	Satisfactory

Vietnam	Pu Loung-Cuc Phuong Limestone Landscape	Satisfactory	Satisfactory
Yemen	Conservation of the Arabian leopard (under preparation)	N/A	N/A
Croatia	Natura 2000 Integration Project (pending board)	N/A	N/A
Other Donor Regional projects			
UNEP/GEF	Communities of Conservation: Safeguarding the World's Most Threatened Species	N/A	N/A

Annex 3: Results Framework and Monitoring
GLOBAL: Save Our Species

PDO / GEO	Project Outcome Indicators	Use of Project Outcome Information
<p>Project Development Objective is to support the establishment of a viable funding mechanism for the conservation of globally threatened species and their habitats supported by private sector contributions and administered by a competent organization with global reach.</p> <p>Global Environment Objective is to improve the conservation status of globally threatened species or populations and their habitats.</p>	<ul style="list-style-type: none"> ▪ Improved protection and/or management of at least 60 threatened species or populations and their habitats ▪ At least 3 new species profiles to guide strategic directions developed and under implementation. ▪ At least an additional ten million United States Dollars (US\$10,000,000) secured from the private sector for conservation action targeted to threatened species during the 5-year period of the project, subject to IUCN’s Operational Guidelines for Private Sector Engagement (Version 2.0) effective as of February 2009 	<p>YR1 – YR5: Gauge SOS’s global performance in achieving coverage targets and key milestones under performance indicators against ecosystem profile targets. Missed targets may require the identification of causes and remedial actions.</p> <p>YR3: Contribute to mid-term assessment and adjust overall strategy and operations as recommended</p> <p>All years: Identification and pursuit of opportunities for long-term sustainability and replication</p> <p>All years: Results feed into global outreach program</p> <p>End of project evaluation</p>
Intermediate Outcomes	Intermediate Outcome Indicators	Use of Intermediate Outcome Information
<p>Outcome 1: Stabilize and improve the status of multiple threatened species</p>	<ul style="list-style-type: none"> ▪ At least 20 projects that demonstrate conservation progress for threatened species or populations and their habitats as measured by a species specific tracking tool developed by IUCN and described in the operational manual. ▪ At least 40 small grants that catalyze early action on the conservation of threatened species or populations and their habitats as measured by a species specific tracking tool developed by IUCN and described in the operational manual. 	<p>Program Mid-term: Gauge portfolio-level performance against targets and key milestones identified in SOS strategies and Annual Plan of Action. Refine Results Framework. Assessment of contribution to GEF and CBD 2010 and beyond targets based on SP1 METT, SP2 METT</p> <p>All years: Identification and pursuit of opportunities for long-term sustainability and replication</p> <p>All years: Results feed into global outreach program.</p> <p>End of project: Assessment of overall project achievement and contribution to CBD work programs.</p>
<p>Outcome 2: Improving our knowledge of species status and our ability to take effective action</p>	<ul style="list-style-type: none"> ▪ Development of new profiles for 3 priority species groups to guide investments ▪ <i>Red List</i> updated for targeted species. ▪ Status of and project impact on SOS target species effectively monitored 	<p>Program Mid-term: Gauge portfolio-level performance against targets and key milestones identified in SOS strategies. Refine Results Framework as needed. Assessment of contribution to GEF and CBD 2010 and beyond targets based on SP2 METT</p> <p>All years: Identification and pursuit of opportunities for long-term</p>

PDO / GEO	Project Outcome Indicators	Use of Project Outcome Information
		sustainability and replication All years: Results feed into global outreach program End of project: Assessment of overall project achievement and contribution to CBD work programs
Outcome 3: Secure significant resources for species conservation from the private sector using financing mechanisms and awareness campaigns	<ul style="list-style-type: none"> ▪ At least 10 new private sector contributors subject to IUCN's Operational Guidelines for Private Sector Engagement (Version 2.0) effective as of February 2009 ▪ Effective communication and marketing program implemented ▪ Visitors to Web site and newsletter subscribers increase by at least 70% over 5 year period 	Program Mid-term: Gauge portfolio-level performance against targets and key milestones identified in SOS strategies All years: Results feed into awareness and fundraising efforts Mid-term and end of project: assess progress
Outcome 4: Program managed effectively and transparently	<ul style="list-style-type: none"> ▪ SOS strategies and annual action and investment plans developed, approved, and guide grant-making ▪ Overall program, including all activities and financial management, effectively monitored and in compliance with SOS Operational Manual ▪ Program-wide replication strategy developed and implemented to disseminate best practice for species conservation ▪ SOS website documents program, projects, and species in a timely and effective fashion ▪ Publications produced and disseminated on SOS experiences, lessons learned and specific themes ▪ 100% of final project reports compiled by grant recipients available online ▪ 5 annual reports and 10 biannual reports produced 	All years: Results feed into profile planning, implementation and adaptation All years: Profiles guide decision-making and assessments of progress and results All years: Results feed into global reporting to SOS donors and overall outreach program Mid-term and end of project: results feed into evaluation

Arrangements for results monitoring

1. Monitoring and evaluation would be undertaken at four levels: (1) the overall program; (2) investment regions; (3) target species or populations (or groups of species) or vulnerable habitat types; and (4) project levels. Data gathered will inform decisions and adaptive

management as well as feed into analysis and documentation of best practices, lessons, and results for species conservation efforts at the global level.

2. **Institutional arrangements.** The SOS Secretariat will have lead responsibility for monitoring at all levels. Grantees will submit biannual financial reports and regular programmatic reporting detailing progress toward specific deliverables. Secretariat monitoring will include review of these reports by grantees and a participatory assessment of the project conducted together with grantees and other stakeholders at the project midterm. Monitoring by the Secretariat will also include analytical overviews of each regional and taxonomic group portfolio, including details of interim progress toward the conservation outcomes and lessons learned. The Secretariat will also monitor performance of the overall program and ensuring that all activities and financial management are carried out in compliance with the guidance of the Donor Council and the OM, including GEF Policies and the World Bank Guidelines.

3. **Monitoring for biodiversity outcomes.** Specific conservation targets and related indicators will be developed as an integral part of each species sub-project. Priorities for SOS will include: (i) ensuring that categories of conservation targets are well-defined in SOS strategies; (ii) outcomes monitoring at the project level; and (iii) sharing the results widely to demonstrate biodiversity impact and enable adaptive management by SOS and the wider conservation community. The Secretariat will encourage project grantees and local groups to conduct baseline assessments, and then to facilitate and support continuation of monitoring at the local level. These procedures will be systematically applied in every project and investment region using common tools and reports to generate comparable data that can be used to develop portfolio overview reports and assessments of the overall program's impacts. The project will utilize the GEF SP1 and SP2 tracking tools to monitor impact of protected area and mainstreaming interventions, where appropriate. Results from monitoring at the species level will be calibrated against data drawn from the IUCN's *Red List*³ as well as the global monitoring programs of other conservation organizations. This calibration would provide additional information on the status of specific conservation targets and landscapes and inform decisions on whether to adapt implementation strategies.

4. **Other Outcomes.** Where appropriate, SOS will complement data collected on conservation outcomes by utilizing simple socio-economic, political, and conservation capacity indicators to assess the strength and weaknesses of conditions that enable or hinder conservation success.

5. **Biannual and mid-term evaluation.** The World Bank will conduct biannual supervision missions to assess progress made in the overall project activities. Supervision missions will involve regional Bank staff in reviewing implementation of grants within selected regions to draw lessons learned and to provide guidance to the project team. In addition, a mid-term independent evaluation of project execution will be conducted no later than three years after the first project disbursement.

Estimated total cost of M&E (reflected in the total project cost): \$370,000

³ www.iucnredlist.org

Key Performance Indicators

Outcome Indicators	Baseline	Target Values					Data Collection and Reporting		
		YR1	YR2	YR3	YR4	YR5	Frequency & Reports	Data Collection Instruments	Resp. for Data Collection
Improved protection and/or management of at least 60 threatened species or populations and their habitats	0	5	15	30	45	60	Annual	SOS project monitoring	Secretariat
At least 3 new species profiles to guide strategic directions developed and under implementation	0	0	1	2	3	0	Annual	Secretariat	Secretariat
At least an additional \$10 million secured from private sector for conservation action targeted to threatened species	0	\$2 million	\$4 million	\$6 million	\$8 million	\$10 million	Annual	Secretariat	Secretariat
Increase awareness and fundraising for threatened species	0	Website readership up 75%	Website readership up another 75%	Website readership up another 75%	Website readership up another 75%	Website readership up another 75%	Annual	Secretariat	Secretariat
Project transparency	Established in the OM	Website with all projects profiled					Annual	Secretariat	Secretariat
Project managed effectively	Established in the OM	Donor Council evaluation	Donor Council evaluation	Donor Council evaluation	Donor Council evaluation	Donor Council evaluation	Annual	Secret. reports + Donor Council evaluation	Secretariat
Intermediate Outcome 1 - Stabilize and improve the status of multiple threatened species									
At least 20 projects that demonstrate conservation progress for threatened species/ populations and their habitats as measured by stable or improved <i>Red List</i> status	0	4	8	12	16	20	Annual	SOS project monitoring	Secretariat
At least 40 small grants that catalyze early conservation action of threatened species or populations and their habitats	0	5	10	20	30	40	Annual	SOS project monitoring	Secretariat

Outcome Indicators	Baseline	Target Values					Data Collection and Reporting		
		YR1	YR2	YR3	YR4	YR5	Frequency & Reports	Data Collection Instruments	Resp. for Data Collection
Intermediate Outcome 2 - Improving our knowledge of species status and our ability to take effective action									
Development of new profiles for 3 priority species groups to guide strategic direction investments	0	0	1	2	3	0	Annual	Secretariat	Secretariat
<i>Red List</i> updated annually with information on targeted species	0	100% target species updated annually					Annual	Proj.monitoring	Secretariat
Status of and project impact on target species monitored	0	100%	100%	100%	100%	100%	Annual	Proj.monitoring	Secretariat
Intermediate Outcome 3 – Secure resources for species conservation from the private sector using financing mechanisms and awareness campaigns									
At least 10 new private sector contributors	Established start of funding	1 additional	3 additional	5 additional	7 additional	10 additional	Mid-term + End Project (EOP)	Secretariat	Secretariat
Effective communication and marketing program implemented	Established as part of SOS strategy	100%	100%	100%	100%	100%	Mid-term and EOP	Secretariat reports	Secretariat
Visitors to website and newsletter subscribers increase by at least 75% annually	Established at start of funding	+75%	+75%	+75%	+75%	+75%	Mid-term and EOP	Online activity assessment	Secretariat
Intermediate Outcome 4: Program managed effectively and transparently									
SOS strategies, and annual action and investment plans approved/ guiding grant-making	Approved Strategic Framework and OM.	Dependent on Donor Council decision	Dependent on Donor Council decision	Dependent on Donor Council decision	Dependent on Donor Council decision	Dependent on Donor Council decision	Annual	Secretariat reports	Secretariat
Overall program monitored and in compliance with OM	Approved OM	100%	100%	100%	100%	100%	Annual	Monit. reports, financial reports	Secretariat

Outcome Indicators	Baseline	Target Values					Data Collection and Reporting		
		YR1	YR2	YR3	YR4	YR5	Frequency & Reports	Data Collection Instruments	Resp. for Data Collection
100% of final project reports compiled by grant recipients available online.	0	100%	100%	100%	100%	100%	Mid-term and EOP	SOS Grant Tracking System	Secretariat
Program-wide replication strategy dev.+ implemented to disseminate best practices and lessons learned	0	Strategy developed	Target audiences informed	Target audiences informed	Target audiences informed	Target audiences informed	Mid-term and EOP	Secretariat reports	Secretariat
5 annual reports and 10 biannual reports produced	0	1. 2.	Annual Reports; and Bi-annual Reports		Mid-term and EOP			Secretariat reports	Secretariat

Annex 4: Detailed Project Description

GLOBAL: Save Our Species

1. SOS is intended to be a long-term global program to improve the conservation status of globally threatened species. This GEF project would support a specific five year time slice of that program, through a grant to IUCN from the GEF Trust Fund of \$4.9 million complemented by additional co-funding of \$5m over three years from the Bank's Development Grant Facility. Co-funding of \$3.9 million will be provided to the GEF project by both IUCN and the FFEM (Fonds Français pour l'Environnement Mondial).
2. SOS is uniquely positioned to engage international corporations, foundations, individual donors, and governments at the highest level. In addition to GEF and World Bank funding, the partnership is expected to benefit from additional contributions for species conservation from the private sector. SOS has both the credibility and scope to offer meaningful and high profile return on investment from the private sector and others. It is the reputation and credibility of the association with WB and GEF that enables SOS to request support at relatively high levels. SOS offers private sector partners a highly attractive opportunity to help prevent biodiversity loss on a truly global scale.
3. SOS will provide grants for conservation of threatened species globally. SOS activities and investments to support on-the-ground action will be guided by species conservation priorities identified through the *IUCN Red List* and SSC Species Profiles and Action Plans, which are science-based, global in scope, and current. By strategically focusing on species conservation priorities identified by the SSC and by providing rapid action funding that can be mobilized quickly during crises, SOS would provide critically-needed resources where and when they matter most.
4. SOS will operate using the principles of openness, transparency, and partnerships as part of its commitment to strengthen and empower civil society and avoid potential conflict of interest. Project design has benefited from extensive stakeholder consultations with international, national and local conservation organizations. The SOS project will include four integrated components. All groups seeking funding from SOS and implementing projects with SOS support will be required to fulfill the defined protocols and methodologies established for the program, as outlined in the Operational Manual. The SOS project will be executed through IUCN, with a secretariat in the IUCN Species Program. The SSC will provide technical guidance and review.

Component 1: Threatened Species Grants Program

5. This component will support a competitive grants program for threatened species conservation with two subcomponents. Grants will be selected according to criteria outlined in the Operational Manual. Grants will be awarded according to 3 strategic directions: (1) threatened species; (2) vulnerable ecosystems; and (3) corporate priorities (species or species conservation actions of particular interest to corporate and private sector donors). Every year, candidate taxa or ecosystems will be proposed by the IUCN Secretariat, following consultations of the SSC to the Donor Council for review and approval. The Donor Council will endorse the annual work plan provided by the SOS

Secretariat that includes the budget envelope for each strategic direction. Support for corporate priorities will run for the life of the project.

6. For the first year's pilot grants, it has been agreed that the following strategic directions will be supported: (1) threatened species: a) Asian mammals, b) threatened amphibians, and c) threatened birds; (2) vulnerable ecosystems: a) oceanic islands, b) tropical mountains; and (3) corporate priorities (species or taxonomic groups or species conservation actions of particular interest to corporate and private sector donors). Detailed procedures for the eligibility and selection criteria as well as the selection process are spelled out in the OM. To avoid conflict of interest, IUCN will not be eligible to apply for SOS grants, although IUCN member organizations may be eligible to do so.

Sub-component 1a: Threatened species grants

7. Grants will be provided for threatened species from \$25,000 to \$800,000 over 2 years to civil society individuals or organizations working on species needs identified under the strategic directions. At least 60 threatened species grants are expected to be made over the 5-year SOS program with the majority being made as medium-sized grants from \$25,000 to \$200,000. Multiple projects may be targeted towards a single species, particularly in situations where different populations within a species' range are at risk. Proposals for medium-sized (\$25,000 to \$200,000) and larger grants (\$200,000 to \$800,000) will be generated by a Call for Proposals.

8. Grantees will be encouraged to undertake stakeholder consultations with other conservation agencies and government departments to ensure that projects are complementary and avoid duplication of ongoing conservation efforts. The grants will be targeted to improving conservation status of targeted species and their critical habitats, including, but not restricted to, species identified by private donors. Priority will be given to actions that are clearly identified in existing action plans and conservation strategies, including national biodiversity strategies.

9. Some larger grants will be sole source selections by the Secretariat for a few special cases (subject to a no objection by the Bank) where existing conservation programs have a close link to an SOS strategic direction. (All grants above \$200,000 require prior Bank review). Such programs are typically implemented by NGOs and would be global, target threatened species, be locally-based (i.e., working with local partners), have a proven track record of project management and conservation effectiveness based on comprehensive priority-setting analyses and promote cooperation and complementarity with SOS priorities. Such larger grants will be awarded only where the potential for synergies and successful conservation is deemed high and the organizations have experience of exceptional worth. No grants will be awarded beyond Year 4 unless further funding is available.

10. It is estimated that up to 10 such larger grants may be made over the 5-year SOS project. No grants will be awarded after Year 4 unless further funding is available. Four pilot large-sized grants (funded through DGF funds) have been pre-selected in Year 1 to

‘jumpstart’ SOS, help attract private sector funding early on through demonstrated action and success, leverage the impact and co-funding of SOS investments, and provide an opportunity for the Secretariat to refine implementation protocols with existing programs that offer a high probability of success. The programs are consistent with Year 1 SOS strategic directions, have existing delivery mechanisms, and provide opportunities for synergies and cost-effective conservation. It is proposed to allocate \$150,000 to each of the four pre-selected grantees.

Sub-component 1b: Catalyzing early action

11. The Rapid Action Grants will be made available quickly at the discretion of the IUCN Secretariat based on advice from relevant SSC Specialist Groups. Criteria for allocation of support are: (a) projects must directly address crisis or emergency situation for threatened species; (b) the proposed intervention must have a moderate to high likelihood to improve the situation; and (c) grantees must demonstrate proven capacity to implement proposed activities. At least 60-100 Rapid Action Grants are expected to be made over the 5-year SOS Program. Rapid Action grants do not have to specifically address current SOS strategic directions. In special cases, rapid action and threatened species grants can be directed towards a single species, with the sequencing and complementary nature of grant combinations evaluated by the Secretariat and SOS Working Group.

Component 2: Action Strategies & Monitoring

Sub-component 2a: Species action plans

12. The SOS Grants Program investments will be guided by the *Red List* and species profiles and action plans developed by SSC Specialist Groups, as well as technical input from SSC members and review of National Biodiversity Strategies and Action Plans, where available. For several species, and species groups, conservation strategies and action plans have already been produced, listing priority actions for conservation. Many less charismatic and less well-known threatened species do not yet have action plans, or action plans are outdated or too narrowly focused. The project will therefore support the development of at least 3 species/taxonomic group profiles to guide future funding allocations. The species selected will be identified by the Secretariat and SSC specialists as candidates for SOS strategic directions (that is, threatened taxa), but whose profiles need additional information or refining to adequately guide SOS investment. In addition, this component supports situations where corporate priorities focus on species that require additional information for robust action plans. This component could support workshops and inventory and will have significant co-funding from IUCN, including cash and in-kind contributions associated with the SSC Specialist Groups. SSC will also be contributing to SOS through review of SOS priorities, proposals, and assistance with project monitoring.

Sub-component 2b: Monitoring the status of threatened species

13. The IUCN *Red List* (published annually) relies on the expertise of a very large network of 8,000 experts forming the IUCN Species Survival Commission (SSC), grouped in over 100 Specialist Groups. The *Red List* Index has been adopted by the Convention on Biological Diversity and the United Nations as a tool to monitor progress towards biodiversity targets. The *Red List* will be used to identify and monitor status of threatened species that benefit under the project. This component will specifically be used to update *Red List* criteria and status for species targeted by SOS projects with information gained on species, populations, habitats, and threats through SOS projects. IUCN already provides significant funding to update the Red List, including new assessments and annual reports on species status. IUCN will also mobilize additional funding for new species assessments.

Component 3: Funding & Communications

Sub-component 3a: Fundraising

14. *Fundraising Objectives* The fundraising strategy is primarily concerned with leveraging funds from the private sector to benefit species conservation projects as outlined in this document. The goal is to solicit contributions at an unprecedented level relative to the urgency of the current extinction crisis. While some members of the sector will be motivated largely by specific species, it is the intention of this plan to also provide for the solicitation of significant undesignated funding to support what may often be less charismatic but equally important species as identified by experts within the Species Survival Commission of the IUCN. SOS will at later stages look to engage foundations, governments and the general public.

15. *Fundraising Niche* Fundraising in the private sector will be prospect driven and rely heavily upon research and analysis of a broad spectrum of companies. These companies can be categorized for the purposes of the fundraising strategy as follows:

- a. Companies using animal or plant images or names, natural landscapes and ecosystem imagery in their logos, product branding and or marketing campaigns.
- b. Companies that have publicly expressed interest in biodiversity conservation.
- c. Companies that have publicly expressed interest in environmental conservation more generally but not specifically biodiversity conservation.

16. Focus will be on identifying companies that play a leadership role in the sector within which they operate. Due to the profile of existing contributors the project is well positioned to engage the private sector for both philanthropic and sponsorship opportunities. Where philanthropic engagement is appropriate the project will engage social responsibility or community affairs departments and where sponsorship is the indicated avenue, marketing and communication departments may be engaged.

17. *Fundraising Structure.* The provision of one full time fundraising and communications specialist within the program is essential to manage prospect research and implement the fundraising and communication strategies. To provide a basis for ongoing relationship and sustainability of funding, solicitation must be face-to-face and supported by volunteer leadership. The SOS Director will play a critical role in fundraising and will be the identified face of the project with donors. This may be drawn initially from experts within IUCN but should eventually come from leaders within the private sector. Founding partners will be engaged in fundraising activities at the highest level, additional people (including celebrities) may be recruited to help open the doors but the bulk of the fundraising efforts will be done by the Secretariat in close collaboration with the GEF and World Bank

18. Each request for support will be carefully managed with appropriate levels of contact, follow up and reporting. To retain credibility and build trust a high level of communication with donors is paramount and must be properly managed.

19. *Fundraising Activities.* This project will demand a two phase approach; careful preparation followed by intentional implementation. Phase one - building of a dedicated team, consultations with stakeholders, the development of communication and marketing tools and materials and primary identification of a pool of prospects. This has been largely initiated during the preparation phase: a brochure has been produced and an SOS website developed. Phase two must take this identification of prospects one step further and through analysis rank and begin to approach prospects for involvement in SOS.

20. 1000 copies of the SOS Brochure have been printed, and the SOS website established. During preparation, a list of prospects was prepared and ranked, and IUCN is in the process of approaching a variety of private sector companies in accordance with the principles and policies IUCN is required to follow under its Private Sector Strategy and Operational Guidelines for Private Sector Engagement.

21. Two to five large companies will be identified to carry out a leadership role at the highest financial commitment level in the early stages. This leadership will include public endorsement of the program and representation at events. IUCN is initially requesting a contribution of \$500,000/year over three years.

22. Once companies are identified, several fundraising events will be organized for a wider solicitation of companies. High profile events are essential and will play a significant role in the success of the fundraising strategy. SOS was launched at the 10th Conference of the Parties of the Convention on Biological Diversity in Nagoya in October 2010 with the presence of the World Bank President. At this launch the first private sector donor, Nokia, pledged its support to SOS. This is in keeping with the international agenda for nature conservation. At the launch this first champion of the cause gained additional publicity. SOS is expected to implement a broader communications and marketing strategy which may leverage advocacy and cause marketing campaigns run by corporate sector groups.

23. A significant part of this phase is the generation of momentum to further promulgate species conservation at the same level as climate change within the private sector and the general population. It will involve the implementation of a broader communications and marketing strategy and may include campaigns based on one of three models: Advocacy, Cause or Philanthropy.

24. Throughout project implementation, the project will carry out targeted campaigns and the private sector will be encouraged to support the project with the possibility to support species that are of interest to their corporate profile and culture through donations to the program and by using the corporations' own brands and marketing campaigns to address the plight of threatened species.

25. Fundraising criteria, including criteria for donor eligibility and due diligence for private donors; modalities for contracts with the private sector, and other donors, for contributions; and fund flow and governance arrangements for private sector donations are outlined in the OM. Based on the performance of the existing mechanism and private sector resources raised to be carried out during the mid-term review, the Donor Council may approve the establishment of a long-term funding mechanism to receive private sector funds and to address the issue of threatened species.

Sub-component 3b: Communications, marketing, and website

26. The overall SOS Communications strategy will aim to build momentum and global public support around species conservation by engaging powerful international brands in conservation programs and in a global communication campaign. The four key objectives of the SOS Communications strategy are to: build awareness about species conservation; provide an inspiring communication's platform for the SOS private sector partners; catalyze political attention to species conservation and to promote species conservation results and successes in the field. Communications for SOS will commence in 2010, the International Year of Biodiversity, and activities will be linked, when appropriate, to key events in the conservation calendar each year.

27. To successfully reach these objectives, the communications plan will be built around three key areas building momentum and attention around key milestones of the program: (1) engaging business partners; (2) mobilizing public support; (3) catalyzing political attention to influence decisions on species conservation. Communications have started during the preparation phase. A brochure and the initial components of the website have been completed. The brochure will soon be available in 3 languages (English, French and Spanish). In 2010 the focus will be to engage business partners, including a communications campaign in the lead up to the Nagoya Biodiversity Summit in 2010. The website will be further developed to include the promotion of the conservation projects supported by SOS. From 2011 onwards SOS will continue to communicate project results, engage further private sector and public support and develop an additional global campaign to catalyze political attention.

Component 4: Project management, monitoring and evaluation

28. This component would finance technical assistance and consultant services, administration costs, financial management and annual audits, independent evaluations, communications and outreach, including, newsletter, and publication production, monitoring, documentation of lessons learned, and cross-site visits for targeted training and exchange programs to promote uptake of good practice.

Annex 5: Project Costs
GLOBAL: Save Our Species Project

Components: Number and Title		Total Cost in USD	Source of Financing	
			GEF	Other*
1	Threatened species grants program			
1a	Targeted conservation actions for priority threatened species	15,364,000	3,460,000	11,864,000
1b	Catalyzing early action	750,000	0	750,000
Component 1: Total		16,114,000	3,460,000	12,614,000
2	Action Strategies & Monitoring			
2a	Species action plans	620,000	100,000	520,000
2b	Monitoring status of threatened species	1,400,000	100,000	1,300,000
Component 2: Total		2,020,000	200,000	1,820,000
3	Funding & Communications			
3a	Raising additional funding from private sector	715,000	200,000	515,000
3b	Communications, marketing , and website	1,419,000	250,000	1,169,000
Component 3: Total		2,134,000	450,000	1,684,000
4	Program Management			
Component 4: Total		3,461,000	790,000	2,711,000
Total		23,729,000	4,900,000	18,829,000

*Includes expected \$10 m to be raised from the private sector

Annex 6: Implementation Arrangements

GLOBAL: Save Our Species

1. A Donor Council has been established under the SOS program. The Donor Council will initially be chaired by the GEF and have a maximum of eight members. Initially these members include GEF, WB, IUCN, and WWF – representing an international NGO. Four additional members from among other donors, including the private sector—the first four new donors to contribute would be invited onto the Council for two years. Private sector donors and the international NGO partner would rotate after two years to ensure representation. In the future, the international NGO would be selected on the basis of a financial contribution to the program. To be eligible for a seat on the Donor Council a private sector donor would need to contribute at least \$1.5 million over 3 years.
2. The Council will provide overall strategic direction of all phases of the program and agree and approve annual operating plans and thematic areas on an annual basis. The Council will also approve any amendment to the SOS OM. In addition, the Council will fundraise and approve the conditions under which new donors may be invited to take part in SOS as well as approve additional members of the Donor Council. The Donor Council will also determine under what conditions and how private sector companies will be engaged as consultants/contractors for fee for service or in-kind contributions that provide a clear benefit to the program, rather than as donors.
3. Within the thematic priorities approved by the Donor Council, all grants approved under the GEF project will be awarded on a competitive basis. The project incorporates specific steps to ensure transparency and effective decision-making, particularly in regard to grant awards to international organizations. Additional review for international organizations will include the following steps:
 - The existing programs and potential role of international organizations in each region will be assessed.
 - All international groups will be required to demonstrate a comparative advantage in their grant application. Proposals designed and implemented with a local partner or incorporating strong capacity building would be given preference.
4. Summary of core roles and responsibilities in terms of project implementation are summarized in table below.

Summary of Core Roles and Responsibilities

Activity	Secretariat	SSC Technical Advisers	Donor Council
START UP			
Launch SOS program	<ul style="list-style-type: none"> - Participate in launch - Support partners and donors as needed - Ensure website and all communication material is ready for launch 		Participate in launch preparation (e.g. designing objectives) and event
SOS strategy and priorities	Develop strategic directions for Donor Council approval. Develop materials and procedures for the Call for Proposals	Assists the Secretariat in defining strategic directions	Reviews and approves SOS strategy
Project selection and award process	<ul style="list-style-type: none"> - Coordinate selection of proposals, including analysis of proposals against SOS Terms of Reference and Selection Criteria. - Provide assistance to applicants on SOS strategic approach and key elements of project design process (outcomes focus, etc) - Contracting - risk assessment processing, agreement preparation, legal review coordination, etc - Establish reporting systems, processes and standards, including procurement and safeguard policies 	Provide expert technical review of grant proposals, including Rapid Action Grants. Help guide the Secretariat in securing coordination with other species specific programs.	Approves Operational Manual and annual strategic directions to guide project selection
GRANT MAKING			
Grant selection and award	<ul style="list-style-type: none"> - Lead review and decision-making for all proposals, develop documentation and agreements, and directly award grants - Manage calls for proposal on the SOS website - Assist potential grantees in designing, implementing and replicating successful projects 	Assists Secretariat in formal technical review of ‘first-cut’ and ‘second-cut’ proposals provided by Secretariat	Approve annual operating plans in line with SOS strategies, outcomes, and objectives
Grant above \$100,000 selection and awarding	<ul style="list-style-type: none"> - Review all grant applications and commission external reviews as needed - Contracting risk assessment processing, agreement preparation, legal review coordination, etc. - Ensure financial and capacity reviews required for larger grants are completed prior to approval 	Assist with external technical reviews of grant proposals to ensure quality and avoid conflict of interest	
Rapid Action Grants	<ul style="list-style-type: none"> - Review grant applications and select rapid action projects - Contracting – streamlined risk assessment processing, agreement preparation, legal review coordination, etc. 	Available for consultation on priority and technical merits of Rapid Action Grant proposals	

Activity	Secretariat	SSC Technical Advisers	Donor Council
MONITORING			
Project level	<ul style="list-style-type: none"> - Monitor project implementation and conservation impact of species projects, including reviewing reports and conducting site visits - Analyze project management and implementation effectiveness; monitor overall grantee performance against TOR - Support grantees with advice related to performance, finances, and safeguard compliance 	Assists Secretariat in identifying and engaging technical support for project evaluation and monitoring paying particular attention to avoiding conflict of interest	
Portfolio level	<ul style="list-style-type: none"> - Lead development of annual portfolio overviews. - Monitor SOS program performance, and overall portfolio development - Report quarterly to Donor Council - Prepare annual portfolio overviews, and mid-term and final evaluation - Report on project implementation of projects - Post grant final reports on website - Manage portfolio budget and recommend adapting Strategic Direction allocations and strategy approaches as needed to meet the profile objectives 	Assist Secretariat with technical assessment of conservation outcomes for portfolio reviews	Review monitoring reports on a bi-annual basis
FUNDRAISING & COMMUNICATIONS			
Throughout implementation	<ul style="list-style-type: none"> - Design and implement fundraising and communication strategy - Design and produce communication and fundraising tools - Lead on fundraising with high level support from Founding Partners. - Communicate on an ongoing basis the results of SOS funded project and raise the profile of SOS with support from Founding Partners - Prepare annual reports for on fundraising and communications - Design and manage SOS communications website 	Provide technical information for communications strategy	Review and approve fundraising and communication strategy Assist in fundraising
PROGRAM MANAGEMENT			
Throughout Implementation	<ul style="list-style-type: none"> - Conduct programmatic and financial analyses and prepares biannual and annual reports for Donor Council - Prepare annual work plans and budgets for approval by Donor Council - Collaborate with SOS partners on communications, marketing, fundraising - Ensure transparency, with information placed on website - Organize and coordinate Donor Council meetings, including preparation of programmatic and financial reports - Ensure all required financial audits are conducted 	Coordinates with Secretariat on updating of <i>Red List</i> to establish conservation priorities	Review and approves overall strategic directions and annual operational plans

Annex 7: Financial Management and Disbursement Arrangements

GLOBAL: Save Our Species

GENERAL

1. A Financial Management Assessment of IUCN was undertaken in 2009 with the objective of determining whether it has in place adequate financial management arrangements that satisfy the Bank's OP/BP10.02 with regards to the Proposed Grant from the Global Environment Facility (GEF) Trust Fund to the Save Our Species Project (SOS). Under OP/BP10.02, financial management arrangements are the budgeting, accounting, internal control, funds flow, financial reporting, and auditing arrangements of the entity and entities responsible for implementing Bank-supported operations. For each operation supported by Bank administered financing, the Bank requires the recipient to maintain financial management arrangements that provide assurance that the proceeds of the financing are used for the purposes for which the financing was granted.

2. In the context of this operation, the fiduciary risk is the risk that grant proceeds will not be used for the purposes intended. FM risk, a component of fiduciary risk, is a combination of sector and project specific factors.

3. The FM assessment was carried out in accordance with the Bank's guidelines under Financial Management Practices in World Bank-Financed Investment Operations dated November 3, 2005. Overall, IUCN's financial management system will meet the financial management requirement as stipulated in OP/BP subject to implementation of agreed actions and mitigating measures. The assessed financial management risk of the Project before the mitigating measures is considered Substantial but is expected to be reduced to Moderate after the proposed mitigating measures are implemented.

4. The proposed accounting and internal control systems will ensure proper reporting of use of the funds for the conservation of the ecosystems that are approved annually. The project can also use the existing financial management system to produce Interim un-audited Financial Reports (IFR) that can be used as a basis for disbursement.

5. SOS is a joint initiative of the WB, GEF and IUCN. IUCN would administer the initiative, host the IUCN Secretariat and ensure that all funds are managed properly. The WB manages the funds for individual donors and transfers the funding to the Secretariat. The estimated program funding available over 5 years for SOS would be: GEF \$4.9 million; and, WB \$5 million through DGF. IUCN provides an in-kind contribution of \$2.3 million. The proposed project has four interlinked components, of which GEF resources are proposed to contribute to all components.

6. The SOS implementation arrangements are designed to build upon lessons learned from the CEPF initiative. The partnership has an overall structure of a Donor Council and Secretariat, but no Working Group or Regional Implementation Teams (RIT) whose role is taken up by the Secretariat and its partners. The administration and execution of the program will rest with IUCN through the IUCN Secretariat, on behalf of the SOS donors. The SOS Secretariat has suitably qualified staff and partners to carry out this function.

7. Advance method is going to be used for disbursement of the grant. Advances will be made into the IUCN SOS fund account, and the uses of the advances will be tracked through the IUCN accounting system. The ledger account used for monitoring the receipt and use of the advances is considered as the designated account (DA) for advances. The DA is segregated in an account of IUCN that is used only to deposit advances for the grant and to make payments for eligible project expenditures. The financial institution used for the DA should be (i) financially sound; (ii) be audited regularly and receive satisfactory audit reports; (iii) be able to execute a large number of transactions promptly; (iv) be able to provide a detailed statement of the DA; (v) be part of a satisfactory correspondent banking network; and (vi) charge reasonable fees for its services. The ceiling for this designated account will be determined on the basis of cash projections against the Annual Spending Plans approved by the SOS Donor Council. When making payments from the DA, IUCN is responsible for following all procedures specified in the legal agreement, the procurement plan, and instructions provided in the disbursement letter. IUCN will be directly responsible for the management, monitoring, maintenance and reconciliation of the DA of the program, including maintaining appropriate records including bank statements and bank reconciliations.

8. The project will be disbursing using the report based disbursements. Proceeds of the grant will be disbursed against SOS and Rapid Action Grants expenditure category. The disbursement rates will be based on cash projections against the annual spending plans approved by the SOS Donor Council. Advances will be made into the SOS Fund Account based on cash projections included in the Interim Financial Reports (IFRs). These advances are then accounted for in the subsequent IFRs and would be referred to as “accountable” advances.

9. The project would be required to submit quarterly un-audited IFRs, annual spending plan and financial report and annual audit. The proposed project will use IFR as supporting documents for disbursement. IFRs will be produced by IUCN on a quarterly basis, using the same IFR template as the SOS program.

FINANCIAL MANAGEMENT ASSESSMENT

10. **Country and Sector Risk.** The geographical dispersion and expansion of threatened species add to the complexity of the project. Investments do not have a specific targeted region, but regions where a given investment for a species conservation project may benefit multiple threatened species beyond the target species will be viewed as cost-effective investments.

RISK ASSESSMENT AND MITIGATION

11. The overall financial management risk is assessed to be Substantial before mitigation. IUCN receives grants from various other donors and is subject to special reporting requirements which it has always met. IUCN will not be eligible to receive grants directly from SOS.

12. The table below summarizes the risk analysis. With implementation of appropriate risk mitigation measures as outlined in the overall risk assessment, the financial management risk is expected to be reduced to moderate.

Risk	Risk Rating	Comment	Mitigation	Residual Risk	Condition of Effectiveness (Y/N)
Inherent Risk					
Country Level	M	Given the global scope of threatened species and eligible countries, it is inevitable that a risk exists of weak capacity and poor control environment. FM capacity of the grantees will be monitored and supported by the SOS Secretariat.			N
Entity Level	H	The capacity of some local grantees is likely be weak. New grantees might lack experience in the implementation of a project.	SOS Secretariat is responsible for monitoring and supervising the grantees. The OM is intended to ensure adequate procedures for monitoring and implementation.	M	N
Program Level	M	The program will be implemented through civil society partnership.	Training on compliance with the Operational Manual needs to be provided to all SOS staff and to local grantees.	M	N
	H	Grantees with varying degree of capacity and skills will be involved in grant implementation. Therefore, ensuring adequate supervision and compliance is difficult given the large number of projected projects.	The internal audit will ensure compliance with the OM. Bank supervision will complement monitoring and supervision by SOS secretariat.	M	
Control Risk					
Budgeting	L	Spending plans prepared annually – Donor Council will only approve spending plan consistent with resources available. Delay on approval of Annual Spending documents may delay implementation.			N
Accounting	L	IUCN uses a computerized accounting system that is robust for reporting purposes in HQ and field offices.			N
Internal Control	S	IUCN has formally established an internal audit function with a reporting line to the Head of Oversight and IUCN's Council. The SOS Operational Manual describes policy and internal control procedures. IUCN conducts risk assessment of projects before grants are awarded (Refer OM.4.2.5). Level of risk determines follow-up actions including	To ensure adequacy of scope and resources for internal audit function, the TOR, the internal audit charter and process for approval of the audit plan have to be acceptable to the Bank.	M	Y, TOR for internal audit plan for SOS program has to be reviewed and acceptable to the Bank by effectiveness.

Risk	Risk Rating	Comment	Mitigation	Residual Risk	Condition of Effectiveness (Y/N)
		<p>field visits. Disbursement of grant funds can only commence after clearance by Directors.</p> <p>An mid-term independent evaluation of SOS focusing on economy, efficiency, and effectiveness will be conducted within 36 months from effectiveness</p>	Amended Manual will be adopted, including clear rules related to conflict of interest at the Secretariat, Monitoring Teams and Grantee levels. .		Y, TOR for mid-term independent evaluation reviewed and acceptable to the Bank within 24 months of effectiveness.
Funds Flow	L	Based on IUCN project experience, there is a low risk of grantees not receiving funds in a timely manner.			N
Financial Reporting	L	See above comment on Accounting			N
Auditing	S	No qualification has been provided by the external auditors during the audits of first phase of SOS, but the scope of audit did not cover internal control and compliance in the last two years. A separate audit opinion on SOS fund (as an accompanying funds accountability statement) is part of the Bank's audit requirements.	<p>An independent annual audit of project will be conducted in accordance with a TOR acceptable to the Bank. TOR shall cover review of internal controls, including administrative, supervision, monitoring, and oversight arrangement at the Secretariat and grantee levels over the use of SOS funds. Audit report is to be submitted to the Bank within five months after close of financial year.</p> <p>The SOS Donor Council's terms of reference will include oversight of the external auditor, in particular a review of the audit report and its significant findings.</p>	M	Y, TOR for external audit to be reviewed and acceptable to the Bank within 4 months from effectiveness.
Control Risk	S			M	
Overall Risk	S			M	

STRENGTHS AND WEAKNESSES

13. The project has strengths and weaknesses. The overwhelming number of threatened species around the world will require careful development of selection criteria and targeting of projects. The status of species often changes slowly after conservation interventions and it is challenging to assess the relative contribution, if any, of project actions on its status. A careful selection of monitoring metrics is required to track impacts in a meaningful way. A cautious allocation of funding is necessary to balance on-the-ground action for threatened species with investments for leveraging significant funding from the private sector, the potential for the latter is currently unproven. Threatened species occur around the world and some countries are more challenging to implement projects in than others. Similarly, the capacity of grantees to manage a successful project will vary and considerable oversight on the part of the Secretariat may be required. The strength of this program is that it provides a credible, coordinated, secure, and effective vehicle for private contributions to go towards species conservation efforts on the ground. The expertise, global and taxonomic breadth, and networks of species conservation specialists provided by the IUCN, SSC, and other conservation partners are unparalleled. The IUCN is also highly experienced in grant-making and management of species conservation projects, as well as engaging, communicating, and fundraising within the private sector.

14. The overall development objective of the project emphasizes the need for carefully targeted and rapidly mobilized support for species conservation efforts. Strengths include:

- Species and project selection criteria based on collective expertise of thousands of species experts and conservation practitioners through IUCN's network and partners.
- The SOS Secretariats members, partnerships, and experience in all regions of the planet.
- IUCN's (SOS Secretariat) conservation approach where community and civil society groups have strong ownership of projects to help build national and local capacity.
- Grantees receive the funds directly in their bank account and manage implementation of project, minimizing the number of intermediate transactions.
- IUCN (SOS Secretariat) and partners have the potential to complement conservation efforts in those Bank client countries with modest conservation funding.
- IUCN (SOS Secretariat) promotes good environmental governance and attempts to support the work of its member organizations everywhere around the world.
- Guidelines for grant-making and implementation are stipulated in an Operational Manual.

15. Weaknesses may be summarized as follows:

- Capacity of small community organizations to implement sub-grants may be weak.
- IUCN is the SOS Secretariat. Although IUCN is not eligible for grants directly, it is expected that many applicants will be IUCN members.
- Multi-region grants may overlap with other projects creating a risk of double counting.
- Highly automated financial system and online reporting may disadvantage small regions with no access to internet.
- The new enterprise system is not fully implemented.
- The head of accounting and finance unit is also responsible for some of the treasury functions, constituting an inappropriate segregation of duties.

FINANCIAL MANAGEMENT ARRANGEMENTS

16. The OM includes all financial management and disbursement procedures at all levels of implementation of the project, including procedures for (a) conflict of interest, (b) financial management and disbursement, particularly related to advances and their accountability procedures), (c) project cycle management, including risk assessment, (d) grant management, including grant agreement and reporting templates, and (f) IFR formats, (g) IUCN supervision on project implementation by local grantees, (h) internal audit arrangements, and (i) review of the auditor's report at sub-project level for grants over \$100,000.

17. **Implementing Entity and Staffing.** The program will be implemented on behalf of the SOS donors by the SOS Secretariat within IUCN. IUCN was incorporated in Switzerland 1948 as a nonprofit charitable organization. The Finance division of IUCN which handles all financial responsibilities for IUCN meets the minimum requirements of the Bank. It is responsible for financial reports on SOS. The SOS Director is the head of the SOS Secretariat, which includes 4 staff members. The head of accounting and finance unit is responsible for treasury functions. Accounting, records keeping, reconciling bank accounts and similar functions have to be kept separate from the functions of authorizing and making payments (i.e., the signing of EFT forms and checks). IUCN needs to strengthen the segregation of duties within the CFO office.

18. The program will be managed at IUCN Headquarters ensuring that reconciliation and internal controls are in place. IUCN's project tracking experience and systems will provide the necessary information needed to prepare reports for the program. Signed grant commitments and disbursements are maintained by IUCN Finance and reconciled on a quarterly basis. Cash is disbursed to grantees based on acceptance of quarterly financial reports and cash projections for the following term within 45 days after the end of the quarter. The Secretariat will review the financial reports. IFRs are prepared based on financial information from IUCN Finance that includes signed grant agreements and cash payments to date.

19. **Budgeting.** The project will be using IUCN's budgeting system which is linked and interfaced to its FM system, Serenic Financials. The SOS Secretariat, will prepare an annual budget (Annual Spending Plan) for review and approval by the Donor Council taking into account the funding levels of the proposed spending categories for the Fund during the next calendar year. The Annual Spending Plan will include three categories:

- (a) funding levels for each approved Threatened Species Grant, Rapid Action Grant, Species Action Plan development, Red List updates for targeted taxa, monitoring and evaluation, communications and fundraising, and program management together with a description of the activities to be financed, based on the SOS program strategy;
- (b) the Operational Budget; and
- (c) a management fee for category (b) above calculated on the basis of IUCN's audited annual rates (indirect costs) for the previous year.

20. **Accounting.** IUCN uses Serenic Financials as its accounting and human resources software. As per IUCN's Record Maintenance Policy, records associated with these transactions are kept at IUCN headquarters and in the field offices for no less than three full years after the

transaction. IUCN undergoes annual financial and federal compliance audits conducted by an independent audit firm. Currently this is done by Deloitte SA.

21. **Internal Control.** The project will be implemented in the same way as all other donor financed projects at IUCN and will be subject to the same control mechanisms. The Operational Manual clarifies issues related to conflict of interest, audit of sub-grantees, role of SOS Donor Council, and Oversight of external audit. The Operational Manual was approved in May 2010. The OM includes requirement for the review of the auditor's report at sub-project level for grants over \$100,000. IUCN/SOS will also review the auditor's TOR, including the audit standards adopted and the auditor's selection process; and the field Monitoring Teams will follow up for implementation of the auditor's recommendations

22. IUCN conducts risk assessments of projects before grants are awarded. The risk assessment model is only intended to be used for Threatened Species projects. Rapid Action projects will require a limited risk assessment carried out by the Secretariat. The risk assessment is divided into two separate parts which is programmatic risk and financial risk. The programmatic risk and the financial risk will be conducted by a finance staff member from SOS Secretariat in collaboration with IUCN Finance. The assessments are by way of questionnaires as per OM 4.2.5.

23. The SOS Operational Manual clearly defines administrative and accounting procedures, hence IUCN should continue to use this as an effective method of ensuring internal controls are in place and are followed.

24. **Fund Flow and Disbursement Arrangements.** The fund flow for the GEF funds would be from the GEF Trust Account maintained by the World Bank to the Designated Account. IUCN will disburse funds directly from the Designated Account to external grantees. IUCN will link grant disbursements to estimated expenses, so that excess cash is not in grantees bank accounts. Counterpart funds will also follow the same flow.

25. The table below summarizes the proposed disbursement arrangement:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed [(inclusive of Taxes)
(1) Goods, consultants' services, training, and workshops	650,000	100%
(2) Threatened Species Grants and Rapid Action Grants	3,460,000	100%
(3) Operating Costs	790,000	100%
TOTAL AMOUNT	4,900,000	

26. The grant funds will be disbursed from IUCN to the grantees against sub-grant agreements, specifying the number of installments, and conditions for each payment. Payments made to the grantees in accordance with the grant agreements are considered as eligible

expenditures for disbursement purposes. Any un-used funds received by the grantees will be refunded to the IUCN fund account, and subtracted from the reported eligible expenditures. These funds are then available for other grants.

27. **Financial Reporting.** The project shall be required to submit quarterly IFRs consisting of: (a) Quarterly Sources and Uses of Funds; (b) Project Cash Forecast; and (c) Designated Account Activity Statement

28. **Internal Audit (Arrangements).** There is no formal independent Internal Audit unit for this project. However, IUCN has established an internal audit function with a reporting line to the Head of Oversight and IUCN's Council. A mid-term independent evaluation of SOS will be conducted after 36 months from the date of effectiveness in accordance with a TOR acceptable to the Bank, including review of economy, efficiency and effectiveness in relation to the objectives of the program. In addition there will be regular monitoring of projects by SOS Secretariat, supervision visits from the Bank and the annual external audits.

29. **External Audit Arrangements.** The consolidated annual audit is being carried out by an external auditor, currently Deloitte SA. The audit is being presented on the accrual basis of accounting. SOS has its records, accounts and financial statements audited annually, in accordance with appropriate auditing principles consistently applied.

30. A separate audit opinion on the SOS annual fund accountability statement will be provided in accordance with TOR acceptable to the Bank and submitted to the Bank as part of the Bank's audit requirements. The project audit will cover a review of internal control, including administrative, supervision and monitoring arrangements at the grantee level, and compliance with operational manual. The audit expected to be conducted by independent auditors acceptable to the Bank and the audit report expected to be submitted to the Bank within six months after the closing of the financial year. The SOS Donor Council's terms of reference include oversight of the SOS external auditor, including review of audit reports and its findings.

31. **Supervision Plan.** Financial management supervision will be conducted in accordance with the World Bank Financial Management Practice Manual issued in March 2010. Supervision will be risk-based and will be conducted by a qualified FM Specialist. It will include a review of the overall financial management system to ensure that the grant proceeds are used for the purposes for which it was granted with due regard to economy, efficiency and the achievement of the program's objectives and the FM risk of the project. This would include review of a sample of completed projects including their validation with comparison to the corresponding cost and funds spent on them. Reasonableness of the funding should be checked. An overall review of program contract management as well as the physical accomplishments and funds disbursed will be made.

Action Plan. Following is the mitigating financial management action plan:

Action Plan	Expected Output	Due Date
A. SOS Operational Manual (OM)		
Revised OM to include all financial management and disbursement procedures to be followed by all implementing units of the project. Including procedures for (a) conflict of interest, (b) financial management and disbursement, particularly related to advances and their accountability procedures), (c) project cycle management, including risk assessment, (d) grant management, including grant agreement and reporting templates, and (f) IFR formats, (g) IUCN supervision on project implementation by local grantees, (h) internal audit arrangements, and (i) review of the auditor's report at sub-project level for grants over \$100,000.	Draft revised OM, including clarification on conflict of interest of Monitoring Teams, IUCN Management's and SOS Donor Council's role in the appointment and oversight of external auditors. Final draft OM for review by the Bank.	Completed.
	Adoption of final OM acceptable to the Bank as evidenced through a Letter of No-Objection.	Completed
B. Training		
Training for SOS Secretariat staff and monitoring partners who will require the necessary skills to carry out respective duties as described in the OM	OM training	Training to be conducted within 90 days of appointment.
C. Internal Audit		
1. Establishment of internal audit function for IUCN with adequate TOR, work program, and reporting line to the audit committee consistent with international best practices.	An internal audit function will be established (in case that the function is outsourced, the TOR, the internal audit charter and process for approval of the audit plan have to be acceptable to the Bank).	By Effectiveness.
2. Agreement on TOR for mid-term independent evaluation to assess economy, efficiency and effectiveness in relation to achieving the SOS objectives.		Within 24 months from effectiveness.
3. Completion of a mid-term independent evaluation of SOS in accordance with the TOR acceptable to the Bank	A comprehensive mid-term evaluation of SOS.	Within 36 months from effectiveness
D. Annual Audit		
1. Adoption of a time bound action plan to address outstanding audit recommendations from previous annual audits.	IUCN audit recommendation action plan acceptable to the Bank.	Completed
2. Satisfactory implementation of outstanding external audit recommendations.	Confirmation from the auditor on the completion of all audit recommendation.	Annual Basis
3. Arrangement of annual audit in accordance with TOR acceptable to the Bank. The TOR are to cover review of internal control, including administrative, supervision and monitoring arrangements at the grantee level, and compliance with operational manual, over the use of the grants.	TOR for external audit acceptable to the Bank.	Within 120 days form effectiveness.
D. SOS Donor Council		
Clarifying role and responsibilities of Donor Council, particularly with respect to oversight of audits.	Adoption of final OM acceptable to the Bank.	Completed
E. Interim Financial Reports		
Interim Financial Reports	Agreement on the IFRS format	Completed

Annex 8: Procurement Arrangements

GLOBAL: Save Our Species

A. General

1. The Recipient of the Global Environment Facility (GEF) grant of US\$4,900,000 for the *Save Our Species (SOS) Program* is the *International Union for the Conservation of Nature (IUCN)*. Procurement of contracts financed by GEF would be carried out by IUCN in accordance with the World Bank's *Guidelines: Procurement Under IBRD Loans and IDA Credits*, dated May 2004, revised October 2006 and May 2010; and *Guidelines: Selection and Employment of Consultants by World Bank Borrowers* dated May 2004, revised October 2006 and May 2010, and the provisions stipulated in the Grant Agreement.

2. Procurement arrangements under the sub-grants are described in the Operational Manual. More generally, the IUCN Secretariat will provide guidance and assistance to the grantees to ensure that all procurements are carried out in accordance with the SOS Grant Agreement, and the Bank procurement guidelines. Grants above US \$100,000 would be subject to additional external technical review, including World Bank review, as appropriate. In addition, the IUCN Secretariat will carry out prior review and approval of all procurement requests estimated to cost US \$5,000 or more. All other procurements may be arranged by the grantees without prior review, but shall be subject to post-review on a sample basis.

B. Procurement Methods

3. **Procurement of Goods (US\$25,000):** Funds would be utilized for the procurement of computers and office equipment. Since the total allocation for the procurement of goods is small, all procurement would be carried out through Shopping or through Direct Contracting. Procurement can be carried out through Direct Contracting only if the requirements of paragraph 3.6 of the Procurement Guidelines are met. Provision has been kept in the Grant Agreement for procurement through International Competitive Bidding (ICB).

4. **Selection of Consultants (US\$475,000):** Most of the consultants would be procured under rules for Individual Consultants. Provision has been kept in the Grant Agreement for selection of consultants through Quality- and Cost-Based Selection (QCBS), Selection Based on Consultants' Qualifications (CQS) and Single-Source Selection (SSS) in the event firm contracts are utilized during implementation.

C. Sub-Grants

5. An allocation of US\$3.5 million has been made from the proceeds of the grant funds to support a sub-grants program for threatened species conservation. Two types of grants would be provided under SOS, subject to strategies approved by the Donor Council: (a) Threatened Species Grants, and (b) Rapid Action Grants.

6. **Threatened Species Grants:** The size of sub-grants is from \$250,000 - \$800,000. The majority of grants will be medium-sized grants \$25,000 - \$150,000 to civil society individuals or organizations. All grants above US\$200,000 will be subject to Bank prior-review.

7. In special cases, larger grants may be targeted to sub- projects that require substantial investments for success. A few larger grants may be awarded to existing species conservation programs with a close link to an SOS strategic direction. These will be sole-source selection grants subject to Bank prior review. Sole source larger grants will be awarded only where the potential for synergies and successful conservation is deemed high and the organizations have experience of exceptional worth. Most of these grants would be awarded through a competitive selection process, as specified in the OM. However, IUCN has pre-selected four pilot larger grants of \$150,000 each to leverage immediate results by building on existing projects with the intention that demonstrated action and success will further attract private sectors donors to SOS. These grants will be financed by DGF co-financing, subject to the OM.

8. **Rapid Action Grants:** In order to respond to situations that could negatively affect the status of threatened species in a rapid manner, a small-grants facility is dedicated for early and/or rapid action. These Rapid Action Grants (up to \$25,000) will be made available quickly at the discretion of the IUCN Secretariat based on advice from relevant SSC Specialist Groups. Criteria for support are: (a) projects must directly address crisis or emergency situation for threatened species; (b) the proposed intervention must have a moderate to high likelihood to improve the situation; and (c) grantees must demonstrate proven capacity to implement proposed activities.

D. Other Financing

9. **Operational Costs (US\$700,000):** Operational costs to be financed include salaries of IUCN staff directly assigned for implementation of the project, IUCN staff travel, telecommunications costs, and stationery. IUCN would follow its own administrative procedures for incurring these costs.

10. **Workshops and Training (US\$200,000):** IUCN would conduct a number of workshops and training courses on species action plans and lessons learned from its grant portfolio.

E. Procurement Plan and Documents

11. **Procurement Plan:** A Procurement Plan has been agreed by between IUCN and the Bank on January 7, 2011 and is available on the SOS website (www.SOSpecies.org) and the Bank's external website. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs.

12. **Procurement Documents:** In the case of Shopping for goods, IUCN shall use its own documents seeking quotations from qualified and reputed suppliers. For the selection of Individual Consultants, IUCN shall use its own contracts for such consultants. For the selection of firms, when competitive selection is necessary, IUCN shall use the Bank's Standard Request for Proposals. For the award of Grants, IUCN shall use the procedures and documents included in the SOS Operational Manual. Further, since the discrete tasks to be performed should be clearly identified, payments should be linked to specified outputs.

F. Assessment of the Agency’s Capacity to Implement Procurement

13. A short desk review was carried out to assess the capacity of IUCN to implement procurement actions for the Project. IUCN has previously executed activities funded through the Bank and is familiar with the Bank’s procurement procedures. It has also carried out significant amount of procurement using its own funds and those provided by various donors – and have experience in procurement managing. The procurement risk is considered to be “low”. The only substantial risk is related to the award of the grants and their implementation. This risk would be mitigated by linking payments to specific outputs.

H. Prior Review Thresholds

14. Any contract awarded through ICB and the first contract awarded through Shopping would be subject to prior review by the Bank. All consultant contracts with firms estimated to cost US\$100,000 or above would be subject to prior review by the Bank. In addition, contracts awarded to organizations/firms, through Single-Source Selection, irrespective of the value, would be subject to prior review by the Bank. Grants of US\$100,000 or more would be subject to prior review. All other contracts and grants will be subject to post review on a sample basis.

G. Frequency of Procurement Supervision

15. In addition to prior reviews by the Bank, annual procurement supervision would be carried out.

Annex 9: Incremental Cost Analysis

GLOBAL: Save Our Species

Background

1. The Millennium Ecosystem Assessment showed that over the past 50 years, human activities have changed ecosystems more rapidly and extensively than at any comparable period of time in human history. These changes have contributed too many net gains in human well-being and economic development but have been achieved at growing environmental costs, biodiversity loss and the exacerbation of poverty for some groups of people. The degradation of ecosystem services and loss of biodiversity could grow significantly worse during the first half of this century and is a barrier to achieving the Millennium Development Goals (MDGs).

2. Species are key units of biodiversity—ecosystem productivity, resiliency, and processes are all dependent upon the diversity and nature of the species present. Arguably, the loss of the Earth’s slowly accreted biodiversity is the single greatest threat to mankind’s future on this planet. All the plants and animals that make up Earth’s biodiversity have a specific role and contribute to essentials like food, medicine, oxygen, pure water, crop pollination, carbon storage and soil fertilization. Mankind needs them all, in large numbers, and, quite literally, cannot afford to lose them. Economies are utterly dependent on species diversity. To lose even a single species represents a loss of millions of years of selection and adaptation, with the potential of any given species providing an inestimable benefit to human society through its genetic diversity, proteins, structural adaptations, and ecological role.

3. Species loss is at one of the highest levels in the planet’s entire history - accelerating dramatically over the past few decades. Currently, 47,677 species are on the *IUCN Red List* (2009). Of these, 875 species are Extinct or Extinct in the Wild another 290 are Critically Endangered species. Overall, a minimum of 17,291 species are threatened, but considering that only 2.7 percent of the 1.8 million described species have been analyzed, this number is an underestimate. One third of amphibians, more than one in eight birds, and nearly a quarter of mammals are threatened with extinction. For some plant groups, such as conifers and cycads, the situation is even more serious, with 28 percent and 52 percent threatened respectively. For all these groups, habitat destruction is the main threat. A broad range of marine species are also experiencing potentially irreversible loss due to over-fishing, climate change, invasive species, coastal development and pollution. At least 17 percent of the 1,045 shark and ray species, 12.4 percent of groupers and six of the seven marine turtle species are threatened with extinction, and 27 percent of the 845 species of reef building corals are threatened.

4. Species can recover with concerted conservation efforts. In 2008, IUCN recorded improvements in status for 40 species including 37 mammals. An estimated 16 bird species avoided extinction over the last 15 years due to conservation programs. Conservation does work and a species approach allows to achieve concrete results, but to mitigate the extinction crisis much more needs to be done, and quickly. GEF and the Bank are contributing to threatened species conservation through support for key protected areas and specific global and regional initiatives, such as the CEPF and the Global Tiger Initiative. Other conservation funds also target species conservation, including the Mohamed bin Zayed Fund, Birdlife International’s

Preventing Extinctions Program and species-based programs at WWF and CI. Although considerable efforts are expended worldwide on species conservation, many of those efforts are targeted on relatively few species and rely on public funds and public donations for funding support.

5. Additional funding to underpin conservation efforts remains a critical need for many species. A key rationale for this project is to address that funding gap, and complement current conservation efforts, by leveraging additional funding through the private sector. The core program will be resourced with (a) initial funding from the GEF grant and the World Bank, supplemented by (b) a complementary fundraising initiative that will seek contributions from the private sector and other donors. IUCN will provide significant in-kind contribution. The project will test a new grant-making mechanism that will provide the private sector and other donors with a mechanism to contribute to, and support, efficient and coordinated conservation action. The SOS program will provide strategic assistance to engage non-governmental organizations (NGOs), community groups, and other civil society partners in conserving Earth's species. SOS is a partnership between the International Union for the Conservation of Nature (IUCN), the Global Environment Facility (GEF), and the World Bank (Development Grant Facility).

6. The SOS program is designed to provide substantive and effective support for species conservation at the global level through leveraging significant funding from the corporate sector, funding multiple species conservation actions, including a rapid action program, tracking the status of species to identify conservation needs and inform investment, and raising the profile of the extinction crisis and the steps needed to avert it.

Baseline Scenario

7. Despite sizable and sound investments for species conservation already underway, either directly or indirectly through protection of natural habitats, the number of threatened species (that is, known through the *Red List* and an estimate of undocumented species based on extrapolations from levels of threatened species within taxa and ecoregions) receiving adequate conservation attention and funding (that is, sufficient funding and action to stabilize or improve their conservation status) is extremely low. Simply stated, funding at an order of magnitude greater than what is currently available is required to slow the hemorrhaging of the Earth's species. Without SOS and similar initiatives of scale, species extinction rates will continue to be high and accelerate, with all the consequential harm to natural ecosystems and human society.

8. The pendulum of conservation focus has swung heavily towards ecosystem services and climate change in recent years. While these are crucial issues, attention to species conservation needs to be maintained because: (i) reducing current threats to species will help them to adapt to climate change, to continue play an important role in the provision of ecosystem services and therefore play a key role in ecosystem based adaptation; (ii) needs of threatened species might not be met by projects strictly focusing on ecosystem services or even protected area management without targeting specific species. In addition, species are well identified units, understandable and easily recognized by the general public; they are measurable and reliable indicators of biodiversity loss and can therefore provide a good measure of the state of our environment. The loss of species will continue unless a substantially greater amount of funding becomes available and is widely distributed among species, taxonomic groups, and regions. Without the GEF intervention, a few well-funded projects focused on a few charismatic or

economically important species with some notable successes (for example, African elephants, white rhinos, Arabian Oryx, black footed ferret, alpine ibex, humpback whales, etc.). Even if they are ‘umbrella’ species whose effective conservation will benefit multiple other species, these projects do not address the need for action for the thousands of other threatened species around the world. In a robust global or regional conservation strategy, there is no substitute for a large component of conservation projects targeted at individual threatened species.

9. It is now recognized that the 2010 biodiversity target will not be met. Species remain under pressure from a variety of threats that include habitat loss and fragmentation, overexploitation, invasive alien species, pollution (especially aquatic systems) and expanding infrastructure and development. Under the Baseline Scenario, it is expected that national governments, multilaterals, donors and NGOs, would maintain commitments to protected areas and biodiversity conservation, including support through GEF programs implemented under the new Resource Allocation Framework (RAF). Under this scenario, it is expected that there would be substantial biodiversity investments, including GEF investments, in a few high biodiversity countries but insufficient access to external conservation funding for many other countries, including many of the least developed countries with greatest capacity needs. With some exceptions, much of the extant biodiversity funding will continue to be focused on government-led initiatives and a few key protected areas. Some countries that would be eligible for SOS funds may also benefit under the UNDP Small Grants Program, but that program does not focus exclusively on biodiversity. Similarly, CEPF can fund species projects, but only in a few regions over the next decade, and the broad conservation action portfolios targeted by CEPF may not be best placed to carry out successful species conservation in many cases. Other species conservation initiatives, such as the Mohamed bin Zayed Species Conservation Fund, are providing much needed small grants for species work, but opportunities are presently scarce for medium-sized grants (which SOS emphasizes) that are often critical for securing conservation gains for threatened species over the long-term. Initiatives such as the GTI will have a strong emphasis on wildlife trade. Importantly, SOS is highly targeted on saving threatened species around the world and it seeks to leverage funding from corporate marketing budgets rather than corporate social responsibility budgets where most NGOs seek funding from.

10. The incremental SOS cost is projected, at the low end, to be in the range of \$20-25 million, constituting a significant increase in species conservation funding and a focus on medium-sized grants for the broadest range of threatened species across the globe.

GEF Alternative

11. The GEF Alternative is projected to provide, a significant increase in available funding for threatened species conservation efforts. Programs of this scale are essential to address the conservation needs of the thousands of threatened species that occur around the world, especially for endemics and restricted-range species. Projects focusing on threatened species have shown a number of conservation successes that are profoundly important in maintaining interest and mobilizing local support for conservation. The global presence and networking of the SOS donors facilitate rapid mobilization and application of the funding for on-the-ground conservation action.

12. SOS provides a mechanism for direct conservation action for threatened species that have, heretofore, received the least conservation attention (e.g. many non-charismatic species). This is especially important as the great majority of threatened species fall into this category. SOS also emphasizes action for species that require direct action for successful conservation rather than indirect habitat protection efforts. Thus, SOS fills a gap in the global conservation portfolio by providing conservation resources *at scale* targeted towards these species.

13. SOS will allow mobilization of new sources of funding in particular from the private sector, probably the largest potential source of untapped resources for conservation. SOS represents a credible, secure, coordinated, and effective vehicle for the private sector and other donors to apply their investments. The SOS program is intended to leverage significant funding from additional donors through innovative conservation programs that match corporate interests and requirements. It is expected that SOS will continue well beyond the initial 5-year period.

14. The GEF Alternative provides an opportunity to build on existing governmental and donor efforts in species conservation by providing a sizable source of support for small- to medium-sized grants that can be applied to a wide range of threatened species in diverse regions and countries. IUCN, as Secretariat, sets global standards in species conservation and provides high quality technical support, coordination, and networking for species conservation projects, and it maintains established relationships with governments and NGOs. The GEF Alternative would also catalyze a program to broaden existing partnerships and further strengthen devolution of roles and responsibilities to national and local levels, to increase transparency, strengthen capacity and build greater ownership and sustainability of conservation efforts. SOS projects will provide supports for civil society to address conservation priorities identified in National Biodiversity Strategies and Action Plans and country programmatic frameworks.

15. SOS would contribute to greater involvement of civil society in strengthened protection, management and support for species and important areas for biodiversity and thereby contribute to achievement of biodiversity targets set by different environmental agreements and, in particular, the Convention on Biological Diversity. Specific activities would be selected on a competitive basis at both the global and regional level but are expected to include the following components and expected global benefits:

16. **Component 1: Threatened species grants program.** SOS would provide small- to medium-sized grants for threatened species projects and small grants for situations that require rapid action. The GEF Alternative will enable significant funding to be available for a large number of threatened species representative of diverse taxa and regions around the world and to target funding where it is most needed. It is expected that many of these species will be ones that have not received much, if any, conservation attention as they are less charismatic or lower profile species, and that they will largely be species that require direct conservation action for improving their status and for which the size, duration, and type of SOS projects can make a real difference. The GEF Alternative will also support more effective community stewardship programs for threatened species with local communities and indigenous groups, including land-use planning for conservation and sustainable use. Special focus will be placed on ensuring the long-term sustainability of the species initiatives through capacity building, technical assistance, awareness-raising, and innovative management and financial mechanisms.

17. The incremental cost of this component compared to baseline expenditures and investments in threatened species conservation is \$16 million, of which GEF would contribute \$3.5 million.

18. **Component 2: Species action plans.** The GEF Alternative will support the development of threatened species profiles that will guide SOS strategic directions and investments and conservation monitoring and analyses and target investment where it is most needed and likely to have an impact. The status of species targeted by SOS will also be updated on an annual basis to help assess the efficacy of conservation interventions and improve our ability to track the status and trajectory of various threatened species. This component will support monitoring of species, project impact, and overall program progress and conservation impact.

19. The incremental cost of this component compared to the baseline expenditures and investments in species profiles and monitoring is \$2 million, of which GEF would contribute \$0.3 million.

20. **Component 3: Mobilizing innovative funding.** This component develops and executes the fundraising and communication strategy for the program. Employing innovative approaches to raise funding from the corporate sector for threatened species conservation is a major goal of SOS. The assumption is an investment in fundraising and communications for SOS will leverage considerable and sustained funding. SOS communications will also focus on raising the profile of species conservation in government, corporate, and private sectors, as well as website development and management.

21. The incremental cost of this component compared to baseline expenditures and investments in mobilizing funding is \$2.1 million, with a GEF contribution of \$650,000.

22. **Component 4: Program management.** This component covers administration and execution of the global program including hosting the Secretariat at IUCN, operational costs, and ensuring that all funds are managed with due diligence and efficiency. This component would support a range of tasks of the IUCN Secretariat including strategy and budget development, coordination of Donor Council, call for proposals, grant selection, risk assessment, financial management, contracting, and external affairs.

23. The incremental cost of this component compared to baseline expenditures and investments in program management is \$3.4 million, with a GEF contribution of \$0.45 million.

24. **Cost.** The total costs of the GEF Alternative is estimated over a five year period at the level of at least \$20-25 million with a SOS program targeting species interventions to supplement national government and other donor efforts. GEF is requested to contribute \$4.9 million that will leverage funds from other donors. It is expected that support from GEF during the first phase of SOS would leverage additional funding from the corporate sector, as well as from other donors. In addition, it is anticipated that grantees will use SOS funds to leverage additional matching funds at the local level.

25. Expected global benefits will arise through improved conservation of at least 60 threatened species and their critical habitats. Hundreds of other species could benefit indirectly from improved habitat protection and threat amelioration. SOS will offer opportunities to civil

society to work with government partners to implement national and regional biodiversity strategies. These interventions are expected to lead to a stronger civil society constituency for biodiversity conservation within areas important for threatened species as well as generation, adoption, adaptation, and application of lessons for improved biodiversity conservation outcomes, relevant both to SOS and the broader Bank and GEF biodiversity portfolios as well as to other small- and medium-size grant programs and donor community-driven development initiatives.

26. The Baseline Scenario, GEF Alternative and incremental costs, as well as corresponding local, national and global benefits are displayed in summary form in the following table:

Component	Cost Category	USD Million	Domestic Benefit	Global Benefit
1. Threatened Species Program	Baseline	~	National programs supported at current levels. Continued support to some charismatic species and limited conservation outcomes.	A very small percentage of all threatened species are receiving adequate conservation attention, despite many good and well-funded programs already underway. An order of magnitude more investment is needed to slow rates of species decline and loss around the world. Many lower-profile, less charismatic threatened species presently receive little or no conservation attention despite playing an important role in contributing to the provision of ecosystem services. Medium-sized grants are presently scarce, although they can be important for securing conservation gains over the long-term for many threatened species.
	GEF Alternative	Baseline + 16.1	SOS will provide direct conservation action for at least 60 threatened species or populations and their habitats, with related benefits to hundreds of other threatened species that share their habitat and are impacted by the same threats. National species priorities will be supported and ongoing programs complemented. SOS provides significant funding for rapid action grants to address species conservation issues of immediate concern, which has been a notable gap in global conservation tools. This will allow to take action early enough to prevent future larger environmental damage.	Many priorities for action for threatened species have already been identified, but funding has not been available to implement projects. SOS will provide exceptional opportunities for NGOs, NOs, and local communities to undertake effective conservation action for threatened species. SOS is projected to leverage considerable resources from the corporate sector and to raise awareness and global responsibility about the species extinction crisis. SOS aims at a better integration of species conservation into broader conservation programs and vice versa
	Incremental	16.1		

Component	Cost Category	USD Million	Domestic Benefit	Global Benefit
2. Species Action Plans	Baseline	~	Despite technically sound and intensive species monitoring and priority-setting for threatened species already underway, a few charismatic species receive most of the attention while large numbers of species have not been addressed, are data deficient, or their status is in need of updating, particularly for invertebrates, plants, and smaller vertebrates.	The ability of the conservation community to track the status of species and to identify priority and effective actions for their conservation will be significantly enhanced by SOS. IUCN efforts to monitor species have constantly allowed improvements in the <i>Red List</i> , a system that has become the global standard for tracking species decline and loss. SOS will allow a better link between what we know about species, in particular, through the <i>Red List</i> , and targeted, strategic conservation action.
	GEF Alternative	Baseline +2	Strengthened national and local capacity to design, implement and monitor conservation activities and to influence development and planning decisions.	60 or more species would have conservation actions prioritized and their status updated, networking and collaboration among species specialists will be strengthened and facilitated, lessons learned and best practices regarding the efficacy of different conservation actions and approaches will be available for broad dissemination
	Incremental	2		
3. Funding & Communications	Baseline	~	Corporate funding for threatened species conservation will likely remain at its current low level, despite the potential high capacity from the private sector.	Awareness of the species extinction crisis, from global to local levels, is poor in most sectors of society, and its consequences for economies, livelihoods, and quality of life is little realized.

Component	Cost Category	USD Million	Domestic Benefit	Global Benefit
	GEF Alternative	Baseline +2.1	<p>Private sector support currently represents one of the largest potential sources of untapped resources for conservation. SOS's financing mechanisms and credible, secure, and effective program are projected to leverage significant funding from the private sector and other donors.</p> <p>SOS will focus on increasing awareness of the plight of threatened species, the magnitude of the problem, and the grave threat it poses to human society, with the hope of translating awareness into conservation action and support at meaningful levels.</p>	<p>The corporate sector has not yet contributed to global conservation efforts at levels consistent with their capacity, despite the vulnerability of economies and business to species loss. SOS intends to increase the interest and responsibility of the private sector in saving the world's species, and helping to communicate one of mankind's greatest threats more widely to galvanize an effective response. SOS, thanks to the credibility of its founding partners, will provide a sound and credible framework.</p>
	Incremental	2.1		
4. Program Management	Baseline	~		No global, well-funded program for mid-sized grants for threatened species, particularly species that have received little if any conservation attention.
	GEF Alternative	Baseline +3.4	<p>Creation of a credible, technically robust, secure, and effective program for the support of projects dealing with threatened species worldwide, one that will have attributes and a track record attractive to donors for continued and increasing support. A website that profiles threatened species projects, patterns and status, trajectories, and lessons learned.</p>	<p>Development of management tools, best practices, and lessons learned for strategic, cost effective and targeted interventions to support conservation and management for threatened species</p> <p>Effective and well coordinated global program, to bring strategic and complementary conservation resources to threatened species around the world.</p>
	Incremental	3.4		

Annex 10: Environmental and Social Management Framework

GLOBAL: Save Our Species

A. GENERAL IMPLEMENTATION ARRANGEMENTS

Background

1. The Save Our Species (SOS) Program is a global partnership for mainstreaming conservation of endangered species through a new paradigm for sustainable development. The project will complement existing conservation efforts by catalyzing a new grant-making mechanism to provide funds to civil society organizations for conservation action on threatened species and their critical habitats. The key component will support: i) a competitive grants program for threatened species conservation with *grants* of \$25,000 to \$800,000 to civil society individuals or organizations working on species needs identified under the strategic directions or, for a few sole-source selection larger grants (\$200,000 to \$800,000), to existing species conservation programs of international NGOs working with local partners with a close focus on an SOS strategic direction; and ii) *small rapid action grants* of up to \$25,000 to respond to situations that could negatively affect the status of threatened species in a rapid and significant way (for example, oils spills, mass-stranding, disease outbreaks, data deficiency in the face of development, etc.) and to initiate local capacity building.

2. The SOS is intended to support immediate action on species conservation priorities derived from the *IUCN Red List* and the Species Survival Commission (SSC) Species Profiles and Action Plans. Expected global benefits will arise from averting extinction of multiple threatened species, the increased participation and increased capacity of national and local civil society groups to manage and deliver conservation initiatives in a strategic and effective manner linked to development and landscape planning and natural resource management. These interventions are expected to lead to generation, adoption, adaptation, and application of lessons for improved conservation outcomes, relevant both to SOS and the broader Bank and GEF biodiversity portfolios, as well as to other small- and medium-sized grant programs.

3. The International Union for the Conservation of Nature (IUCN) will be the executing agency and will be responsible for project management and provide a Secretariat. The IUCN will develop a website to maximize the transparency and lessons learned. The SOS program will be implemented through collaboration between scientific institutions, government agencies, international and local NGOs, as well as local stakeholders. Experts from IUCN Species Survival Commission (SSC) will provide technical advice and guide implementation of sub-grants to address conservation of threatened species. The project will be resourced with initial seed funding from the GEF Trust Fund and the Bank's Development Grant Facility (DGF). It is expected that the SOS project will leverage a longer-time program and financing mechanism for species conservation through leveraging additional funding from the corporate sector, especially those private companies which use animals and plants as their logos.

Objectives

4. The sub-projects supported by the SOS will have few, if any, adverse impacts on the environment and local communities. However, sub-projects with minor impacts may be approved provided that they include appropriate mitigation and compensation measures as appropriate and in accordance with World Bank and IUCN policies and principles.

5. The objective of this Environmental and Social Management Framework (ESMF) is to ensure that adverse environmental and social impacts are avoided or appropriately mitigated and compensated for. The ESMF is based on the World Bank's environmental and social safeguard policies as well as IUCN policies. A key principle is to prevent and mitigate any harm to the environment and to people by incorporating environmental and social concerns as an intrinsic part of project cycle management. Environmental and social issues will be tracked during all stages of the sub-project cycle to ensure that supported activities comply with the policies and guidelines laid out in the ESMF.

6. The ESMF provides an overview of relevant World Bank and IUCN policies and describes the planning process concerning environmental and social issues, including for screening, preparation, implementation, and monitoring of sub-projects. The ESMF specifically includes an Environmental Management Framework to address environmental safeguard issues, an Indigenous Peoples Planning Framework to address the World Bank's policy concerning indigenous peoples (OP/BP 4.10), and a Process Framework to address the World Bank's policy on involuntary resettlement (OP/BP 4.12) concerning sub-projects that may result in restriction of access to natural resources.

7. When a sub-project-level plan (e.g. Environmental Management Plan, Indigenous Peoples Plan or Process Framework) is necessary, the first two of each such plan will be reviewed and approved by the World Bank prior to the initiation of that particular sub-project. Thereafter, the SOS Secretariat will approve each plan prior to the initiation of any particular sub-project.

Overview of Environmental and Social Issues

8. A number of World Bank safeguard policies and IUCN policies and resolutions are relevant to SOS activities. These are briefly described in this section followed by a description of the institutional arrangements and planning procedures to ensure their application for SOS sub-projects. More detailed description of measures to address particular issues pertaining to the respective World Bank safeguard policies is provided in three separate frameworks (sections B, C and D) of this ESMF. The World Bank safeguard policies are available at www.worldbank.org and the IUCN policies are available at www.iucn.org.

9. **Environmental Assessment (OP 4.01):** The SOS will address priority conservation objectives and is thus expected to have a highly positive environmental impact. Resources will be directed to important biodiversity issues while ensuring minimum adverse environmental effects. Minor infrastructure construction (e.g.

boundary markers, checkpoints, guard-posts and trails) may be supported and may have minor environmental impacts.

10. Screening criteria and planning procedures will identify sub-projects with potential adverse impacts. These are described in the Environmental Management Framework in section B to address issues pertaining to OP 4.01 as well as the policies on natural habitats (OP 4.04), forests (OP 4.36), and physical cultural resources (OP 4.11).

11. **Natural Habitats (OP 4.04):** The SOS approach is fully consistent with the World Bank's natural habitats policy. It would not cause, nor facilitate, any significant loss or degradation of natural habitats. By design, the project would finance only those activities that promote protection of threatened species and their natural habitats. It is intended to prevent, or reduce, habitat loss or degradation in order to conserve threatened species that depend on these habitats. All activities would be consistent with existing protected area management plans or other resource management strategies that are applicable to local situations. The selection criteria (section B) and review process of this ESMF for identifying and assessing sub-project activities aims to ensure that OP 4.04 provisions are followed.

12. **Forests (OP 4.36):** Activities will explicitly focus on conservation and more sustainable management of forests and other natural habitats. All activities would be consistent with existing protected area management plans or other resource management strategies that are applicable to local situations. Similarly to the natural habitats policy, the selection criteria and review process of this ESMF for identifying and assessing sub-project activities aims to ensure that OP 4.36 provisions are followed.

13. **Physical Cultural Resources (OP/BP 4.11):** The SOS will not fund any activity that involves the removal, alteration or disturbance of any physical cultural resources (defined as movable or immovable objects, sites, structures, and natural features and landscapes that have archeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance). These may, however, be present in sub-project areas and measures should be put in place to ensure that they are identified and adverse effects to them are avoided. This is particularly relevant for projects that support development of management plans and other land and natural resource use planning, projects that support alternative livelihood activities, and projects that include small infrastructure construction. Section B of this ESMF includes procedures to ensure that OP 4.11 provisions are followed.

14. **Indigenous Peoples (OP/BP 4.10):** Many of the world's remaining areas of high biodiversity overlap with lands owned, occupied and utilized by indigenous peoples. Many SOS-funded sub-project activities are thus likely to overlap with the areas inhabited by indigenous communities. OP 4.10 aims to ensure that affected indigenous peoples receive culturally appropriate benefits and that adverse impacts are avoided or adequately addressed through a participatory and consultative approach. Specific measures to achieve these objectives are described in the Indigenous Peoples Planning Framework of this ESMF (section C), including provisions for social analysis, consultations and the preparation of an Indigenous Peoples Plan.

15. **Involuntary Resettlement (OP/BP 4.12):** The SOS will not fund sub-projects involving resettlement or land acquisition. However, some sub-projects may include restrictions of access to natural resources. All project applications will thus be assessed for their potential to restrict access to natural resources. Such potential restrictions will be addressed through the preparation of a sub-project specific Process Framework that will describe the process and principles for determining restrictions, offsets, compensation and other mitigation measures with the full participation of potential and actual affected persons. Section D provides further details on addressing potential restrictions of access to natural resources.

16. **IUCN Policies:** The IUCN has adopted a number of policies and resolutions addressing social issues. Of principal relevance to the SOS are the Policy on Social Equity in Conservation and Sustainable Use of Natural Resources, adopted by the IUCN Council Meeting in February 2000, and the WCC Resolution 1.53 on Indigenous Peoples and Protected Areas, adopted at the World Conservation Congress in Montreal, October 1996 (see also section C).

17. The Policy on Social Equity “calls for the integration and promotion of social equity as a fundamental condition for sustainable conservation and natural resource use. It recognizes social and economic factors that affect natural resource use and biological diversity, and the important linkages between human well-being and healthy ecosystems. It presents the goal of social equity in the context of IUCN’s overall mission and briefly provides a conceptualization of its rationale, and its implications for our efforts to conserve the integrity and diversity of nature. Furthermore, it calls for an effective and coherent strategy to ensure that conservation does not accentuate or perpetuate existing social, economic and cultural inequities and inequalities.” Key issues pertaining to social equity in conservation activities are reflected in the two social safeguard frameworks in sections C and D and sub-projects will also be reviewed to ensure they do not increase or create such inequities or otherwise result in adverse social impacts on local communities.

Environmental and Social Safeguard Process and Responsibilities

18. The SOS Secretariat has the overall responsibility for ensuring that environmental and social issues are adequately addressed within the sub-project cycle. The sub-project applicant/grantee is responsible for actual preparation and implementation of required safeguard procedures and measures. The World Bank will facilitate workshops on the safeguard policies for key IUCN staff and, if needed, selected grantees. The World Bank will be responsible for general supervision of SOS implementation.

19. Throughout the sub-project review process, the SOS Secretariat will maintain contact with the applicant to obtain clarification on information provided and the preparation process in general. It may request additional steps, information and documentation as needed to meet the objectives of the ESMF. There are two key decision points during the sub-project preparation process. A screening of sub-project proposals (Letter of Interest) will identify potential safeguard issues and ascribe preparation procedures to further assess potential impacts and design mitigation measures, as needed. A review of the final sub-project proposal will, besides reviewing

the general proposal against the SOS objectives and procedures, assess the adequacy of the sub-project's preparation process and implementation measures vis-à-vis the safeguard issues, including:

- Compliance with this ESMF, IUCN policies and resolutions, and World Bank environmental and social safeguard policies
- Potential for the project to cause adverse environmental impacts
- Potential for the project to cause adverse social impacts
- Adequacy and feasibility of the proposed safeguard mitigation measures and monitoring plans, including any Indigenous Peoples Plan or Process Framework for restrictions of access to resources
- Capacity of the applicant to implement any required safeguard-related measures during the preparation and implementation of the project

20. This review may find the safeguard process and measures satisfactory, or may find the need for further discussion with, and steps by, the applicant to achieve the objectives of this ESMF, including revising safeguard measures and documents as appropriate. If the risks or complexity of particular safeguard issues outweigh the benefits, the sub-project should not be approved as proposed. For sub-projects affecting indigenous peoples their free, prior and informed consent is required (see section C for more details).

21. The review will be undertaken by the SOS Secretariat at IUCN. The SOS Secretariat will also consult or include experts on the social safeguard issues as appropriate, including World Bank regional safeguard specialists if needed.

22. During sub-project implementation, safeguard issues are tracked along with performance toward sub-project objectives. At each performance reporting stage, the grantee will revisit the safeguard issues to assess their status and address any issues that may arise. In cases where the grantee is implementing a safeguard instrument or other mitigation measures, it will report on the progress of such implementation similar to that which they are doing for other project elements. The intent of this process is to ensure that the environmental and social safeguard issues are continually monitored and mitigated throughout project implementation.

23. The SOS will monitor the implementation of safeguard issues during sub-project implementation. It will review and approve Plan of Actions that are required to be prepared during implementation of sub-projects restricting access to natural resources (see section D). The World Bank will include supervision of safeguard issues in its regular supervision of the SOS.

24. The key responsibilities of the SOS and applicant/grantee are described in further detail in table 1. Exact procedures depend on the specific sub-project activities and the local context, for instance, the number of safeguard policies that are triggered and the level of impacts (see sections B, C, and D for more details).

Table A.1: Key responsibilities for ESMF implementation

Project Phase	SOS Secretariat	Sub-project Applicant / Grantee
Screening	<p>Advise applicants and other stakeholders of ESMF procedures</p> <p>Review Letter of Interest and screen for potential safeguard issues, and advise applicants regarding the nature and content of the safeguard documents and measures to be prepared</p>	<p>Assess any potential safeguard issues early in the preparation process, including screening for the presence of indigenous peoples</p> <p>Describe potential safeguard issues in the Letter of Interest</p>
Preparation	<p>Advise applicants on safeguard issues, as needed</p>	<p>Undertake safeguard required processes, such as consultations with local communities, environmental review, and social assessment</p> <p>Design safeguard measures and prepare documents, such as an Indigenous Peoples Plan (IPP) and a Process Framework (PF) with the participation of local communities. If applicable, disclose draft safeguard documents with the sub-project proposal to affected communities prior to final review of proposal by the SOS</p>
Review and approval	<p>Review sub-project proposal for safeguard impacts and social risks</p> <p>Assess the adequacy and feasibility of the safeguard assessment and consultation process. If needed, request further steps</p> <p>Assess the adequacy and feasibility of the safeguard measures and documents. If needed, request appropriate changes to these and re-assess prior to final approval</p> <p>If indigenous peoples are affected, ascertain that they have provided their free, prior and informed consent to sub-project activities affecting them. Sub-projects affecting indigenous peoples cannot be approved without such agreement</p> <p>Assess the capacity of the applicant to implement safeguard measures</p> <p>If applicable, publicly disclose safeguard related information on the web after sub-project approval</p>	<p>Submit sub-project proposal with safeguard measures and documents (e.g. social assessment, environmental review, IPP, PF), if required</p> <p>If requested by SOS, take additional steps to meet ESMF and safeguard policy provisions. Re-submit proposal with revised safeguard measures and documents, as needed</p>
Implementation	<p>Supervise and review safeguard documents and issues during sub-project implementation. If needed, request changes to safeguard measures and/or implementation of these</p> <p>Review and approve Plan of Actions that are required to be prepared during implementation of sub-projects restricting access to natural resources (as will be described in the PF for sub-projects with potential impacts from such restrictions)</p>	<p>Disclose final safeguard documents, if any, to affected communities</p> <p>Monitor and document the implementation of safeguard measures. When indigenous peoples are affected, include them in participatory monitoring and evaluation exercises</p> <p>Prepare Plan of Actions for sub-projects restricting access to natural resources (as per the PF prepared). Monitor and document implementation of these plans</p>

Evaluation	Ensure inclusion and review of environmental and social safeguard issues and outcomes in mid-term and final sub-project evaluation and reporting, including concerning any lessons learned	Evaluate the implementation and outcomes of safeguard measures. When indigenous peoples are affected, include them in participatory evaluation exercises
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Selection criteria

25. To meet program objectives and objectives of World Bank and IUCN policies, the following types of sub-projects cannot be financed under the SOS:

- Sub-projects that involve significant conversion or degradation of critical natural habitats and forest resources;
- Sub-projects that adversely affect physical cultural resources;
- Sub-projects involving the use of pesticides or agrochemicals;
- Sub-projects requiring land acquisition or relocation of local communities; and
- Sub-projects affecting indigenous peoples without having obtained their free, prior and informed consent.

26. Application forms will include a description of environmental and social issues to assist applicants and the SOS identify and assess potential adverse impacts. In the *Letter of Interest*, the applicant will identify and make a preliminary assessment of the potential issues. Based on this information, the SOS will determine eligibility and the scope and level of preparation activities concerning the safeguard issues.

27. In the *full proposal*, the applicant will describe potential environmental and social issues and how these have been assessed and the outcome of any consultations with local communities. For sub-project proposals with potential minor adverse impacts the applicant will describe appropriate mitigation measures and a monitoring system to avoid, minimize or mitigate adverse impacts (see sections B, C, and D, particularly table 3 on environmental issue, for more guidance). Any required safeguard documents will be submitted with the proposal. The SOS will consider this information when reviewing sub-projects for eligibility and scope and level of safeguard measures, if any.

28. Table 2 provides an overview of potential impacts for various sub-project activities. The table does not replace subjective judgment on part of the applicant and the SOS in assessing sub-project impacts and mitigation measures. The scope and level of detail of the safeguard planning process and implementation measures shall be proportional to the complexity of the sub-project and its anticipated impacts. Most SOS sub-projects are expected to have no or very few and minor impacts, and the safeguard procedures, if any, may thus be limited to an initial assessment of potential impacts, and in cases where indigenous peoples or other local communities are present in the sub-project areas, consultations with these communities.

29. For example, the presence of indigenous peoples in the sub-project area requires that the applicant consults with the indigenous peoples and assesses any potential impacts – both positive and negative – and how these can be addressed. If there are no impacts and if the indigenous peoples agree, no further measures may be necessary (e.g. surveys, assessments and mapping exercises of threatened species may not need additional

measures if they do not affect the indigenous communities and if they are informed of the schedule for on the activities; if these are purely desk exercises consultations may not be needed). If there are potential impacts, a more detailed social assessment and consultation process is required to develop an Indigenous Peoples Plan describing measures to ensure that the indigenous peoples are not adversely affected and benefit from sub-project activities, as appropriate (see section C for more details).

Table A.2: Sub-projects with potential safeguard impacts

Actions	Env. Review	Indigenous Peoples (IP)⁴	Restricted Access
<i>Conservation of selected species across their range</i>			
Implementing priority activities from an agreed Action Plan for selected species	Maybe	If IP present: yes	Maybe
Conducting surveys, assessments and monitoring of key species; and mapping vegetation/habitat	No	Maybe	No
Planning and lobbying for establishment/extension of PAs and corridors	Maybe; if construction: yes	If IP present: yes	Maybe
Strengthening PA management (training, PA management plan, habitat improvement - restoration or removal of IAS, boundary demarcation, fire management)	Maybe; if construction: yes	If IP present: yes	Maybe
Supporting local stakeholders (local communities and authorities) to help protect/manage biodiversity; e.g. wetland management, participatory monitoring	Maybe; if construction: yes	If IP present: yes	Maybe
Supporting specific conservation actions (reintroductions, ex-situ [turtle nursery])	Maybe	If IP present: yes	No
Supporting public awareness and education campaigns; ‘pride’ campaigns ; and establishing and supporting nature youth clubs	No	Maybe	No
Supporting nature and species-based ecotourism, nature trails, training	Maybe	If IP present: yes	No
Printing local language materials and supporting local scientific journals	No	No	No
Promoting good agricultural practices that promote species conservation	Yes	If IP present: yes	Maybe
Establishing new financing mechanisms for species conservation (e.g. links to PES and protecting habitats)	No	Maybe	No
Establishing sustainable use schemes, e.g. butterfly farming	No	Maybe	No
Providing student research grants	No	Maybe	No
<i>Mitigation of specific threats to threatened species across their range</i>			
Analyses to better understand the threats and drivers for species conservation (including socioeconomic studies)	No	Maybe	No
Purchasing and installing enforcement monitoring software and procedures (e.g. MIST)	No	Maybe	Maybe
Studying markets/supply chains in wildlife trade; training to enforce legislation	No	If IP present: yes	Maybe
Eradicating/controlling invasive species	Yes	If IP present: yes	No
Establishing community-based anti-poaching networks	No	If IP present: yes	Maybe
Addressing human-wildlife conflicts	Yes	If IP present: yes	Maybe
Hosting transboundary meetings and collaborations to address threats to species conservation	No	Maybe	No

⁴ If indigenous peoples are present in the sub-project area and may be affected –the applicant is required to consult these communities and assess potential impacts. This initial consultation and assessment process will determine the need for further steps, if any (see section C for further details).

Emergency funds			
Investigating sudden new threats to species in specific locations (diseases, pollution, stranding, oil spill)	No	Maybe	No
Supporting emergency actions aiming to preserve highly threatened species (targeted support for protected areas, meeting to agree ‘last chance’ emergency measures, purchase of crucial equipment to protect specific threatened species)	No	Maybe	No
Conducting urgent surveys and monitoring (e.g. for public enquiries or consultations); and providing specialist identification of species in need of urgent attention	No	Maybe	No

Disclosure

30. Key documents prepared to address safeguard issues need to be publicly disclosed according to the World Bank disclosure policy (available at www.worldbank.org). Should the grant applicant be required to develop a stand-alone environmental review or social assessment, an Indigenous Peoples Plan (IPP), or a Process Framework (PF), these documents will be disclosed to local communities in a form, manner and language appropriate for the local context. Disclosure will occur in two phases:

- Disclosure of assessment documents (e.g. social assessment and environmental review) and draft safeguard documents (e.g. IPP and PF) during project preparation and prior to final review and approval of the sub-project proposal. Disclosure during sub-project preparation aims to seek feedback and input from local communities, and as appropriate other stakeholders, on the sub-project proposal and safeguard measures and documents.
- Disclosure of final safeguard documents prior to sub-project implementation to inform local communities of implementation measures concerning safeguard issues.

31. The SOS will disclose information of approved sub-projects, including any safeguard issues, through its website. The website will list contact information where interested stakeholders can inquire further documentation and raise their concerns or recommendations to the SOS.

Grievance Mechanism

32. Local communities and other interested stakeholders may raise a grievance at all times to the applicant/grantee, the SOS, or the World Bank. Affected local communities should be informed about the ESMF provisions, including its grievance mechanism. Contact information of the applicant/grantee, the SOS and the World Bank should be made publicly available.

33. As a first stage, grievances should be made to the applicant or grantee, who should respond to grievances in writing within 15 calendar days of receipt. Claims should be filed, included in project monitoring, and a copy of the grievance should be provided to the SOS Secretariat. If the claimant is not satisfied with the response, the grievance may be submitted to the SOS Secretariat at: [email and address of the SOS at

IUCN]. The SOS will respond within 15 calendar days of receipt, and claims will be filed and included in project monitoring.

34. If the claimant is not satisfied with the response from the SOS, the grievance may be submitted to the World Bank at [email and address, contact person].

35. Sub-projects triggering an IPP or PF should also include local conflict resolution and grievance redress mechanisms in the respective safeguard documents. These will be developed in participation with the affected communities in culturally appropriate ways and will ensure adequate representation from vulnerable or marginalized groups and sub-groups (see sections C and D for more details).

B. ENVIRONMENTAL MANAGEMENT FRAMEWORK

36. The SOS will support activities in various sites globally. The exact sites are not yet known, but will be chosen based on biodiversity status and threats, conservation needs, social and political environment, and current or planned investment by other donors. Investments are likely to target protected areas, biological corridors and other key landscapes that provide sufficient and safe habitats for targeted threatened species.

37. The SOS will address priority conservation objectives and is thus expected to have a highly positive environmental impact. Resources will be directed to important biodiversity issues while ensuring no or minimum adverse environmental effects. Sub-projects should not adversely affect natural habitats and forests resources. The SOS will not fund any activity that involves the removal, alteration or disturbance of any physical cultural resources (defined as movable or immovable objects, sites, structures, and natural features and landscapes that have archeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance). These may, however, be present in sub-project areas and the screening criteria and review process of this ESMF aims to ensure that they are identified and adverse effects are avoided.

38. Minor environmental impacts of SOS-financed activities may occur from small-scale infrastructure construction (e.g. boundary markers, guard posts, checkpoints), land and resource use changes, and tourism activities. The review process for identifying and assessing safeguard impacts of sub-project activities and assessing impact mitigation measures, as described in this ESMF, aims to ensure that the World Bank's safeguard policies on environmental assessment (OP 4.01), natural habitats (OP 4.04), physical cultural resources (OP 4.11) and forests (OP 4.36) are followed.

Review of Environmental Issues

39. The applicant is required to include in the sub-project Letter of Interest a brief description of any activities that may involve environmental impacts, any known environmental sensitivities, and any sites with known or potential archeological, paleontological, historical, religious or unique natural values.

40. Sub-projects with medium or significant and irreversible impacts on the environment that are not easily mitigated are not eligible. In the event of sub-projects with potential minor and manageable environmental impacts, an environmental review should be undertaken (see table B.1 for more guidance; see also the World Bank's Environmental Assessment Policy and Sourcebook for guidance on determining level of impacts). The review examines the sub-project's potential negative and positive environmental impacts and defines any measures needed to prevent, minimize or mitigate adverse impacts and improve environmental performance. This would in most cases be a simple review through reference to existing reports and studies (if available), and through discussions with local communities and other stakeholders, if needed. In some cases a more detailed review may be needed.

41. The findings and results of environmental review are described in the sub-project full proposal. Applications that do not provide adequate environmental data should not be considered for financing until they meet the requirements. Sub-project proposals with minor and manageable environmental impacts should include the following basic elements in the application:

- A description of the possible adverse effects that specific sub-project activities may occur (see table 3 for some basic guidance on potential environmental impacts;
- A description of any planned measures to avoid or mitigate adverse impacts, and how and when they will be implemented;
- A system for monitoring the environmental effects of the project;
- A description of who will be responsible for implementing and monitoring the mitigation measures; and
- A cost estimate of the mitigation measures (the costs for environmental management will be included in the of sub-project proposal).

42. The scope of any environmental review and mitigation measures will be determined by the SOS in consultation with the applicant through the sub-project screening and approval process. If needed, the SOS may request further information or a more detailed environmental review prior to approving a project. Guidance may be sought from the World Bank, if needed.

Mitigation Measures

43. The main environmental impacts for eligible sub-projects would be minor impacts from construction of infrastructure (e.g. checkpoints, guard posts, trails), potential increase in recreational use of protected areas, and change in natural resource management/use.

44. The small-scale construction of infrastructure may have minor, short-term direct impacts on vegetation and local species-mainly due to soil excavation, dust, and noise. Increased recreational use of project sites may produce a direct impact because of under-management of tourist sites and facilities, possible overuse of campsites or trails,

increased waste, harvesting of live wood for campfires, purposeful disturbance of wildlife, accidental fires, disturbance of flora and fauna, trespassing into fragile areas, and non-maintenance of trails leading to slope erosion.

45. Since only sub-projects with minor impacts are eligible, these are easily mitigated through the application of sensible site selection criteria, good construction practices and diligent management practices in the operational phase. This may include proper siting of infrastructure to avoid and minimize impacts, construction contract procedures for dealing with “chance finds,” control of dust generation and prevention, waste management and technology for toilet facilities like leaching fields, organic composting, and septic tanks (see Table B.1).

46. There is a possibility that sub-project activities may result in damage to physical cultural property unless these are identified. Sub-project proposals with activities that may occur in areas with possible physical cultural resources will specify procedures for identifying physical cultural property and for avoiding impacts on these, including:

- Consultations with the appropriate authorities and local inhabitants to identify known or possible sites during sub-project planning;
- Siting of sub-project activities to avoid identified sites (including identifying such areas in protected and natural resource management planning and zonation);
- “Chance finds” procedures will include cessation of work until the significance of a “find” has been determined by the appropriate authorities and local inhabitants, and until fitting treatment of the site has been determined and carried out;
- Construction contract procedures will include the same procedures for dealing with “chance finds;”
- Buffer zones or other management arrangements to avoid damage to cultural resources such as “sacred” forests and graveyards. Local communities to which these areas belong should decide access procedures and should not be excluded from accessing these areas.

47. The ESMF stresses community participation since local knowledge is important in identifying, designing and planning the implementation of practical mitigation measures. It is especially important where the success depends on community support and action, both in implementing mitigation measures and in monitoring their success.

Table B.1: Potential environmental impacts and standard mitigation measures

Sub-project activity	Potential impacts	Standard mitigation measures	Monitoring and indicators
Construction of basic infrastructure (e.g. shelters, trails)	Minor, short-term potential impacts on already disturbed and small areas of vegetation – mainly due to soil excavation, dust and noise	Consult local communities to determine appropriate siting of infrastructure to minimize impacts Ensure trails are ‘fit-for-purpose,’ restricting width to the needs to foot patrols or tourists. In areas where trail bikes are used, the means of controlling access will be instituted. Obtain any permits required by national and local regulations prior to construction Choose most appropriate timing for construction to avoid or minimize impacts Infrastructure will be designed in accordance with local traditions, local architecture, and good environmental practices Appropriate management/disposal of waste+ debris	Incidental take of species is recorded (indicator species identified and monitored) Communities’ free, prior and informed consent is recorded Debris does not litter the site
Change in natural resource use and management (e.g. restoration of gallery forest, re-engineering water flows in wetlands)	Environmental impacts would almost always be positive; however, in a few cases unintended impacts may accidentally occur, such as introduction of invasive species, and human/wildlife conflicts (e.g. resulting in crop loss)	Consult with local communities to determine appropriate land and resource management regimes Use only native species for restoration Consider compensation and/or avoidance mechanisms to minimize crop loss and conflict	Indicator species are monitored Communities free, prior and informed consent is recorded
Reintroduction of captive-bred threatened species	Introduction of disease into the wild	Undertake health checks prior to release System for avoiding and mitigating disease outbreaks	Monitor introductions and disease outbreaks
Increase in recreational use of protected areas	Impact on habitat and wildlife through increased noise and disturbance, waste, accidental fires, harvesting of rare species or natural resources Lack of maintenance of trails leading to erosion on slopes Social impacts on local communities	Support training and TA to develop skills for effective tourism management Promulgate rules and guidelines for visitors Provide waste and toilet facilities	Monitoring number of tourists Monitor habitat disturbance Communities free, prior and informed consent is recorded
Fire suppression	Impact on fire-dependent ecosystems	Perform prescribed burns to nurture fire-dependent species	Monitor fire-dependent indicator species response
IAS removal (by mechanical means only; pesticide-use ineligible for support)	Native species accidentally removed	Provide training on IAS and native species differentiation Isolate native species through demarcation	Monitor native indicator species for ecosystem response

C. INDIGENOUS PEOPLES PLANNING FRAMEWORK

48. This Indigenous Peoples Planning Framework (IPPF) aims to ensure that the World Bank's policy on indigenous peoples (OP/BP 4.10) as well as IUCN policies and resolutions concerning indigenous peoples are applied to SOS-financed sub-projects affecting indigenous peoples. A parallel Process Framework in Section D describes requirements to address social impacts from restrictions of access to natural resources as per the involuntary resettlement policy (OP 4.12).⁵

49. The World Bank and IUCN policies concerning indigenous peoples recognize the distinct circumstances that expose indigenous peoples to different types of risks and impacts from development projects. As social groups with identities that are often distinct from dominant groups in their national societies, indigenous peoples are frequently among the most marginalized and vulnerable segments of the population. As a result, their economic, social, and legal status often limit their capacity to defend their rights to lands, territories, and other productive resources, and restricts their ability to participate in and benefit from development. At the same time, the policies recognize that indigenous peoples play a vital role in sustainable development and emphasizes that the need for conservation should be combined with the need to benefit indigenous peoples in order to ensure long-term sustainable management of critical ecosystems and protected areas.

50. The specific objectives of OP 4.10 are to avoid adverse impacts on indigenous peoples and to provide them with culturally appropriate benefits. Key aims of the IUCN Policy on Social Equity include "recognizing social, economic and cultural rights of indigenous peoples such as their rights to lands and territories and natural resources and, respecting their social and cultural identity, their customs, traditions and institutions. Ensure full and just participation of indigenous peoples in all conservation activities supported and implemented by IUCN." The WCC resolution 1.53 on Indigenous Peoples and Protected Areas as well as other WCC resolutions concerning indigenous peoples include similar objectives and provisions, including recognition of indigenous peoples' rights to free, prior and informed consent to activities affecting them.

51. To meet these objectives, this IPPF describes the policy requirements and planning procedures that applicants for SOS grants and subsequently grantees will follow during the preparation and implementation of SOS sub-projects.⁶

⁵ The procedures for addressing the indigenous peoples and involuntary resettlement policies are partly based on the approach for the GEF-funded Second Critical Ecosystem Partnership Fund (CEPF II) which supports similar types of sub-projects. To inform these social safeguard issues for CEPF II, a desk review was undertaken of CEPF I sub-projects with the objectives to assess their potential social impacts, to consider measures to address such impacts, and to consider eligibility criteria for the screening process for future projects. Lessons from CEPF II have also been incorporated into this ESMF for the SOS.

⁶ For more guidance on OP 4.10 see the Guidebook to the World Bank Indigenous Peoples Policy (forthcoming); see also the full policy text at www.worldbank.org (search OP 4.10 or operational policies). For more background and guidance on IUCN policies and resolutions concerning indigenous peoples see the IUCN website and the IUCN World Commission on Protected Areas and WWF Principles and Guidelines on Indigenous and Traditional Peoples and Protected Areas (IUCN and WWF, May 1999).

Indigenous Peoples and the SOS

52. Many areas with threatened species and other biodiversity values overlap with lands or territories traditionally owned, customarily used, or occupied by indigenous peoples. In this way SOS sub-projects can provide valuable long-term opportunities for sustainable development for indigenous peoples and other local communities. On the other hand, sub-projects supported by SOS may also adversely affect indigenous peoples and the lands and resources on which they depend. Potential impacts and risks may include (these are illustrative only, and does not exclude other impacts in particular cases):

- Loss of customary rights to land and natural resource use areas as well as areas used for social, cultural and spiritual purposes (see also section B and D of this ESMF). Such rights would need to be identified and recognized in specific sub-projects.
- Changes in land and natural resource use that does not take into consideration traditional resource use practices. Activities that support land and natural resource use changes based on unfounded assumptions that these are unsustainable may inflict both adverse social (e.g. decreased food security) and environmental consequences (e.g. over-exploitation of remaining land use areas). Such activities should only be undertaken based on a thorough understanding of both biological and social evidence, and through consultations with local communities.
- Loss of culture and social cohesion. Given indigenous peoples' social and political marginalization and their distinct cultures and identities, which are often intertwined with their land and natural resource use practices, interventions may adversely affect their culture and social organization, whether inadvertently or not. While indigenous communities may welcome and seek change, they can be vulnerable when such change is imposed from external forces without their full participation and consent
- Inequitable benefits and participation. Given their social and political marginalization, indigenous peoples may not reap the benefits of conservation projects. The costs (e.g. in time and resources) of participating in project activities may also outweigh the benefits to local communities. Participation design may not include appropriate capacity building (when needed), appropriate representation of indigenous peoples and other vulnerable groups in decision-making bodies, or take into consideration local decision-making structures and processes. This may lead to alienation of local communities or conflicts with and/or between local communities.

Policy Requirements

53. The OP 4.10 and IUCN policies and resolutions apply to sub-projects that affect indigenous peoples, whether adversely or positively. Such sub-projects need to be prepared with care and with the participation of affected communities. Policy requirements include: screening for indigenous peoples; a social assessment to assess risks and opportunities and to improve the understanding of the local context and affected communities; a process of free, prior, and informed consultation with the affected indigenous peoples' communities in order to fully identify their views and to obtain their consent to sub-project activities affecting them;⁷ and

⁷ The World Bank's policy requires a process of free, prior, and informed consultations leading to broad community support to a Bank-financed project (OP 4.10, paragraphs 10-11). IUCN has adopted the concept of free, prior and

development of a sub-project specific Indigenous Peoples Plan (IPP) with measures to avoid adverse impacts and enhance culturally appropriate benefits.

54. The level of detail necessary to meet the requirements of this planning framework is proportional to the complexity of the proposed sub-project and commensurate with the nature and scale of its potential effects on the indigenous peoples, whether adverse or positive. This is determined by the SOS in consultation with the applicant based on a subjective assessment of project activities, circumstances of local communities, social risks and sub-project impacts. Most SOS supported sub-projects would have minor, if any, affects on indigenous peoples and would not necessarily require all elements and the same level of detail required for sub-projects with more impacts. Table C.1 provides an overview of possible elements for determining the level of detail necessary. It is illustrative only, and should not replace good technical judgment on a sub-project basis.

informed consent based on the ILO Convention 169 Concerning Indigenous and Tribal Peoples in Independent Countries and the United Nations Declaration on the Rights of Indigenous Peoples (see for instance the Resolution of the IUCN World Conservation Congress 4th Session: 4.052 Implementing the United Nations Declaration on the Rights of Indigenous Peoples). To meet both World Bank and IUCN policies, a process of free, prior and informed consultations leading to affected indigenous peoples consent to sub-project activities is required for the SOS.

Table C.1: Elements for determining level of OP 4.10 requirements

Policy requirements: Type of project:	Screening	Social Assessment	Free, prior and informed consultations	Indigenous Peoples Plan	Monitoring and Evaluation
In area with no indigenous peoples	Yes; to confirm that there are no IPs	No	No	No	No
Small projects and projects with no or very minor impacts on indigenous peoples (e.g. surveys, studies, public awareness)	Yes	Yes; but usually minor desk review to assess risks and impacts would suffice	Yes; e.g. to inform about sub-project and obtain affected communities' agreement to project activities	No; but in most cases project proposal should include some measures concerning indigenous peoples, e.g. mechanism for consultations during implementation. Some projects with impacts may need a simple IPP	Yes; to assess and monitor impacts and other issues concerning affected indigenous peoples during implementation
Medium-sized and large projects and projects with impacts on indigenous peoples (e.g. activities that strengthen PA management, patrolling and enforcement, promote changes to natural resource use and management, and demarcate boundaries)	Yes	Yes; e.g. to assess impacts, inform IPP and project design. Level of detail depends on impacts and circumstances of indigenous peoples	Yes; to assess impacts with affected communities, inform IPP and project design, and to obtain consent from affected indigenous peoples	Yes; level of detail depends on impacts and circumstances of indigenous peoples	Yes; including M&E of IPP implementation

Screening for indigenous peoples.

55. SOS applicants are required to screen for the presence of indigenous peoples early during project preparation. Indigenous peoples are identified using the characteristics described in OP 4.10, namely a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identify by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, social, economic, social or political institutions that are separate from those of the dominant society and culture; and (iv) an indigenous language, often different from the official language of the country or region (OP 4.10, paragraph 4).

56. The screening process can be based on literature review and secondary sources, but would usually also include consulting experts on the local context. Screening may also involve consultations with affected communities, indigenous peoples organizations, NGOs, and government representatives, as appropriate. In situations of uncertainty, disagreements or controversy the SOS may seek guidance from the World Bank.

57. *Social assessment.* Once it has been determined that indigenous peoples are present in the project area, the applicant assesses the particular circumstances of the affected communities and assesses the project's positive and adverse impacts on them. The social assessment is also used to identify means to avoid or mitigate adverse impacts and ensure that sub-project activities are culturally appropriate, will enhance benefits to target groups, and is likely to succeed in the given socioeconomic and cultural context. In this way the social assessment informs the preparation of the sub-project design and, if required, the Indigenous Peoples Plan.

58. As stressed before, the level of detail of the assessment depends on project activities and their impacts on local communities (see also table C.1). If the sub-project is small and has no adverse impacts, this assessment may be done as part of sub-project preparation by the applicant. The findings are described in the sub-project's full proposal, together with a short description of the local communities and social context. The assessment would confirm that the sub-project does not have any adverse impact on indigenous communities, and identify any particular issues to consider in project design and during project implementation concerning indigenous peoples. This assessment is discussed with local communities during the free, prior and informed consultations (see below).

59. For larger or more complex sub-projects with potential adverse impacts, the social assessment may be a separate exercise done by the applicant or contracted experts, as appropriate. A social assessment report is prepared and summarized in the full proposal. The assessment will include participatory discussions with local communities. As appropriate for the level of complexity of the proposed sub-project and commensurate with the nature and scale of its potential effects on the indigenous peoples, the social assessment should include the following elements (see also OP 4.10 Annex A):

- A description, on a scale appropriate to the project, of the legal and institutional framework applicable to indigenous peoples;

- Baseline information on the demographic, social, cultural and political characteristics of the affected indigenous communities, and the land and territories which they traditionally own, or customarily use or occupy and the natural resources on which they depend;
- Description of key project stakeholders and the elaboration of a culturally appropriate process for consultation and participation during sub-project implementation;
- An assessment, based on consultation with the affected indigenous peoples' communities, of the potential adverse and positive effects of the sub-project. Critical to the determination of potential adverse impacts is an analysis of the relative vulnerability of, and risks to, the affected indigenous communities given their distinct circumstances, ties to land and dependence on natural resources, as well as their lack of opportunities relative to other social groups in the communities, regions, or national societies they live in; and
- Identification and evaluation, based on consultation with the affected indigenous peoples' communities, of measures to ensure that the indigenous peoples receive culturally appropriate benefits under the project and measures necessary to avoid adverse effects, or if such measures are not feasible, identification of measures to minimize, mitigate, or compensate for such effects.

60. *Free, prior and informed consultation.* The applicant undertakes a process of free, prior and informed consultation with the indigenous peoples communities during sub-project preparation to inform them about the project, to fully identify their views, to obtain their consent to sub-project activities affecting them, and to inform the sub-project design and, if required, the Indigenous Peoples Plan (IPP).

61. The extent of consultations depends on the project activities, their impacts on local communities and the circumstances of the indigenous peoples. As a minimum (e.g. for sub-projects with no impacts or no direct interventions with the indigenous communities), local communities are informed about the sub-project, asked for their views on the sub-project, and assured that they will not be affected during project implementation. For sub-projects affecting indigenous communities, whether positively or adversely, a more elaborate consultation process is required. This may include, as appropriate:

- Inform affected indigenous communities about project objectives and activities
- Discuss and assess possible adverse impacts and ways to avoid or mitigate them
- Discuss and assess potential project benefits and how these can be enhanced
- Discuss and assess land and natural resource use and how management of natural resources may be enhanced
- Identify customary rights to land and natural resource use and identify possible ways of enhancing these or at least safeguarding them
- Identify and discuss (potential) conflicts with other communities and how these might be avoided
- Discuss and assess community well-being and food security and how this might be affected or enhanced through project interventions
- Elicit and incorporate indigenous knowledge into project design, as appropriate
- Facilitate and ascertain the affected communities' consent to sub-project activities affecting them

- Develop a strategy for indigenous peoples' participation and consultation during sub-project implementation, including for participatory monitoring and evaluation.

62. The consultations should be conducted in a manner that is culturally appropriate taking into consideration the indigenous communities' decision-making processes. All sub-project information provided to indigenous peoples should be in a form appropriate to their needs. Local languages should usually be used and efforts should be made to include all community members, including women and members of different generations and social groups (e.g. clans and socioeconomic background). Time is essential and consultations with indigenous peoples may take longer than consultations with other communities and stakeholders. The consultations should occur without any external manipulation, interference, or coercion. Communities should have prior access to information about the intent and scope of the sub-project, and should be allowed to have discussions amongst themselves before agreeing to project activities.

63. Consent in the free, prior and informed concept of the ILO Convention and UN Declaration may be construed as granting veto power to indigenous peoples over the sub-project. However, the UN Permanent Forum on Indigenous Issues states that "... in most countries, neither indigenous peoples nor any other population group actually have the right to veto development projects that affect them. The concept of free, prior and informed consent is therefore a goal to be pursued, and a principle to be respected to the greatest degree possible in development planning and implementation."⁸ When seeking affected indigenous peoples consent for the sub-project, it should be ensured that all relevant social groups of the community have been adequately consulted. The affected indigenous peoples own decision making process should determine the approach for ascertaining that they have provided their agreement to the sub-project activities. Consensus building approaches are often the norm, but decision-making processes vary between indigenous communities.

64. The applicant is responsible for the consultation process. If the indigenous communities are organized in community associations or umbrella organizations, these may also be consulted. In some cases, it may be necessary to include in the process independent entities that have the affected communities' trust. The experience of (other) locally active NGOs and indigenous peoples experts may also be useful.

65. The consultations should be documented and agreements or special design features providing the basis for the affected indigenous peoples consent to the sub-project should be described in the full proposal and, if required, the Indigenous Peoples Plan; any disagreements raised should also be documented, including how they were solved or addressed.

66. *Indigenous Peoples Plan.* Based on the consultations and social assessment, the sub-project is designed to address issues pertaining to indigenous peoples. If a sub-project may potentially have adverse impacts, or have direct interventions with indigenous communities, an Indigenous Peoples Plan is prepared. Whether a sub-project require an IPP is determined by the SOS in consultation with the applicant, and if needed in consultation with the World Bank.

⁸ United Nations, 2008. Resource Kit on Indigenous Peoples' Issues. NY: United Nations, Department of Economic and Social Affairs (available at: <http://www.un.org/esa/socdev/unpfii/en/publications.html>).

67. If a sub-project also requires a Process Framework addressing involuntary restrictions on access to natural resources, these two documents should be prepared in tandem and with the participation of affected indigenous communities. In cases where indigenous peoples are the sole or the overwhelming majority of direct project beneficiaries a stand-alone IPP is not required; instead the elements of an IPP can be included in the overall sub-project design and, if applicable, the Process Framework.

68. The contents of the IPP depend on the project activities and impacts on indigenous peoples. A suggested outline is provided in Annex 1. As a minimum the IPP should include a description of the indigenous peoples affected by the sub-project; summary of the proposed sub-project; detailed description of the participation and consultation process during implementation; description of how the sub-project will ensure culturally appropriate benefits and avoid or mitigate adverse impacts; a budget; mechanism for complaints and conflict resolution; and the monitoring and evaluation system that includes monitoring of particular issues and measures concerning indigenous communities. The following elements and principles may be included in the IPP, as appropriate:

- Specific measures for implementation, along with clear timetables of action, budget and financing sources. The IPP measures should also be incorporated into the general project design as appropriate. Emphasis should be on enhancing participation and culturally appropriate benefits. Adverse impacts should only be contemplated when absolutely necessary and when agreed to by the affected communities
- Formal agreements reached during the free, prior, and informed consultation process during project preparation
- Clear output and outcome indicators developed with the affected indigenous peoples
- Project design should draw upon the strengths of indigenous peoples communities and their local institutions and should take into account their languages, cultural and livelihood practices, social organization and religious beliefs
- Efforts should be made to make use of, and incorporate, indigenous knowledge and local resource management arrangements into project design
- Special measures for the recognition and support of customary rights to land and natural resources may be necessary. This is particularly the case for sub-projects that support the development of management plans and other forms of land and natural resource use planning. Sub-projects that support policy development may also affect indigenous peoples' customary rights
- Special measures concerning women and marginalized sub-groups in the communities may be necessary to ensure inclusive development activities
- Capacity building activities for the indigenous communities to enhance their participation in project activities may be useful or necessary
- Capacity building of the grantee (and any other implementing agency) concerning indigenous peoples issues may be necessary
- If the grantee does not possess the necessary technical capacities concerning working with indigenous peoples, the involvement of experienced local community organizations and NGOs may be appropriate; they should be acceptable to the affected indigenous peoples
- Grievance mechanism taking into account local dispute resolution practices

- Monitoring and reporting arrangements, including mechanisms and benchmarks appropriate to the sub-project and affected communities. Participatory monitoring and evaluation exercises adapted to the local context, indicators, and capacity should be included

69. *Institutional arrangements, monitoring and disclosure.* The applicant and subsequently grantee is responsible for implementing the policy requirements described in this ESMF and in the World Bank and IUCN policies. This includes monitoring and evaluation of sub-project implementation, including implementation of an IPP.

70. The SOS will monitor implementation of the ESMF. It will review and approve sub-project specific IPPs and other measures concerning indigenous peoples. During sub-project preparation and implementation, the SOS may request further information concerning the sub-project's effects on indigenous peoples, and request further assessment or consultations as well as work on the IPP.

71. IPPs prepared for sub-projects under this Indigenous Peoples Planning Framework should be disclosed in a culturally appropriate manner in draft form to affected communities prior to approval by the SOS and again after sub-project approval and prior to implementation. Language is critical and the IPP should be disseminated in the local language or in other forms easily understandable to affected communities – oral communication methods are often needed to communicate the proposed plans to affected communities.

72. See section A.6 and A.7 for further requirements concerning disclosure of the IPP and other documentation as well as grievance mechanism for issues pertaining to this Indigenous Peoples Planning Framework.

Annex C.1: STANDARD OUTLINE FOR AN INDIGENOUS PEOPLES PLAN

73. The Indigenous Peoples Plan (IPP) is prepared in a flexible and pragmatic manner, and its level of detail varies depending on the specific sub-project and the nature of effects to be addressed.

74. The IPP includes the following elements, as needed:

- a) A summary of the legal and institutional framework applicable to indigenous peoples in the area and a brief description of the demographic, social, cultural, and political characteristics of the affected indigenous peoples' communities, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend.
- b) A summary of the social assessment.
- c) A summary of results of the free, prior, and informed consultation with the affected indigenous peoples' communities that was carried out during project preparation and that led to their consent to the sub-project.
- d) A framework for ensuring free, prior, and informed consultation with the affected indigenous peoples' communities during project implementation.
- e) An action plan of measures to ensure that the indigenous peoples receive social and economic benefits that are culturally appropriate, including, if necessary, measures to enhance the capacity of the project implementing agencies.
- f) When potential adverse effects on indigenous peoples are identified, an appropriate action plan of measures to avoid, minimize, mitigate, or compensate for these adverse effects.
- g) The cost estimates and financing plan for the IPP.
- h) Accessible procedures appropriate to the sub-project to address grievances by the affected indigenous peoples' communities arising from project implementation. When designing the grievance procedures, the applicant takes into account the availability of judicial recourse and customary dispute settlement mechanisms among the indigenous peoples.
- i) Mechanisms and benchmarks appropriate to the sub-project for monitoring, evaluating, and reporting on the implementation of the IPP. The monitoring and evaluation mechanisms should include arrangements for the free, prior, and informed consultation with the affected indigenous peoples' communities.

D. PREPARING A PROCESS FRAMEWORK FOR INVOLUNTARY RESTRICTIONS

75. This Framework outlines the requirements necessary to mitigate social impacts from restrictions of access to natural resources in protected areas as per the World Bank's involuntary resettlement policy (OP/BP 4.12). IUCN's policy on social equity (see section A.3) includes similar concerns and objectives which are covered through the application of this Framework and general good sub-project design. When indigenous peoples are affected, this Framework should be applied together with the Indigenous Peoples Planning Framework (section C).

76. The objective of this Framework is to avoid, minimize, or mitigate potentially adverse effects of restrictions of access to natural resources, and ensure that affected communities are consulted with and participate in meaningful ways in project activities affecting them.

77. The Framework describes the requirements and planning procedures for grant applicants and subsequently grantees in the preparation and implementation of sub-projects, as well as the role of the SOS in ensuring compliance with the Framework and the World Bank and IUCN policies.

The SOS and Access Restrictions

78. The Bank's policy on involuntary resettlement is triggered for sub-projects that include involuntary restrictions of access to natural resources resulting in adverse impacts on the livelihoods of local communities. This may include sub-projects that support efforts to improve enforcement of existing restrictions, e.g. on wildlife hunting, non-timber forest products, and production areas, and sub-projects that support the development and implementation of management plans for protected areas or other conservation activities. The Framework does not apply to projects that provide incentives to change livelihood and natural resource use practices on a voluntary basis. The SOS does not support activities that require resettlement, land acquisition or the taking of shelter and other assets.

79. Applicants and the SOS Secretariat shall determine application of the involuntary resettlement policy, and if so the scope of safeguard measures. The level of detail and scope is proportional to the size and complexity of the proposed sub-projects and its potential impacts on local communities. Most SOS sub-projects are relatively small and will have no or very limited impact. They may also include from the onset a participatory approach recognizing the need to balance the needs for conservation and species protection with the needs of local communities. Safeguard requirements for such sub-projects may thus be limited, in some cases only requiring impact assessments and consultations during project preparation documented in the full proposal, and ongoing monitoring of potential impacts during implementation. Other sub-projects would require the preparation of a Process Framework during preparation and a Plan of Action during implementation to address social on local communities. Table D.1 provides an overview of possible elements for determining the level of detail necessary. It is illustrative only, and should not replace good technical judgment on a sub-project basis.

Table D.1: Elements for determining level of OP 4.12 requirements

Policy requirements: Type of project:	Assess sub-project social impacts	Consultations with local communities	Process Framework (and Plan of Action during implementation)	Monitoring and Evaluation
Sub-projects with no restrictions of access to natural resources	No; but it is good practice to conduct some social analysis for most sub-projects	No; but it is good practice to consult with local communities for most sub-projects	No	No
Sub-projects with limited restrictions of unsustainable and illegal activities with no direct impacts on local communities	Yes; to assess impacts and inform sub-project design	Yes; but could be limited to a sample of representatives of local communities	No. Sub-project full proposal should describe the limited restrictions and the results of the impact assessment and consultations. It may also include measures to ensure that sub-project will not adversely affect local communities' livelihood or customary rights	Yes. To assess and monitor any impacts; should these occur, the applicant is required to address the impacts and may be required to prepare a Process Framework and/or Plan of Action(s)
Sub-projects with restrictions affecting local communities' livelihood and well-being	Yes; to assess impacts and inform sub-project design and Process Framework	Yes. Level of detail and scope is proportional to project activities and their impacts on local communities	Yes. Level of detail and scope is proportional to project activities and their impacts on local communities	Yes, including implementation of the Process Framework and Plan of Action(s)

Policy Requirements

80. The involuntary resettlement policy aims to avoid impacts from restrictions of access to natural resources. Where this is not feasible it aims to minimize and compensate for such impacts. Affected persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them to levels prior to project implementation (OP 4.12, paragraph 2). The requirements of the World Bank's policy for projects with restrictions of access to natural resources impacting the livelihood of local communities include:

- The development of a sub-project-specific Process Framework during sub-project preparation that describes the project and implementation process, including: (a) how specific components of the project were prepared and will be implemented; (b) how the criteria for eligibility of affected persons will be determined; (c) how measures to assist the affected persons in their efforts to improve or restore, in real terms, to pre-displacement levels, their livelihoods while maintaining the sustainability of the sub-project objectives will be identified; and (d) how potential conflicts involving affected persons will be resolved. The Framework also provides a description of the arrangements for implementing and monitoring the process.
- The development of a Plan of Action during sub-project implementation that describes the agreed restrictions, management schemes, measures to assist the affected persons and the arrangements for their implementation. This could be in the form of a natural resource use agreement or protected areas management plan provided such an instrument includes the elements of the policy requirements.

81. A key element of the policy requirements is the informed participation of affected communities in developing and implementing measures to address resource use restrictions. Affected communities have the right to participate in deciding on the nature and extent of the resource restrictions, the eligibility criteria, and the measures to mitigate impacts arising from resource restrictions. They should actively participate in implementation of safeguard measures.

Preparation of a Process Framework

82. During sub-project preparation the applicant prepares a Process Framework with the informed participation of affected communities. The applicant screens for possible affected communities and scopes for issues that may affect sub-project implementation and local communities. Social analysis or surveys during preparation may not be necessary, but could be undertaken, to inform the Process Framework. In either case, some social analysis is included as part of the implementation of the Process Framework to assess the local context, particularly the circumstances of local communities and their land and natural resource use and management systems and the impacts sub-project activities may have on them. As appropriate the applicant will draw on social, legal and other technical expertise when preparing the Framework.

83. Consultations with affected communities are undertaken to inform the Framework. Depending on the scope of sub-project impacts, it may be appropriate to only consult a sample of potentially affected communities. However, a draft Framework should be disclosed to all potentially affected communities prior to submitting the full proposal for final approval by the SOS. Typically, the applicant will prepare a draft Framework that will then be shared and discussed with local communities and other relevant stakeholders. Based on the consultations, a final Framework and general sub-project design will be prepared. The SOS may provide guidance on development of the Framework and will review and approve the final Framework along with the full sub-project proposal. Guidance from the World Bank may also be sought.

Contents of the Process Framework

84. The level of details of the Process Framework may vary depending on project activities, characteristics of restrictions and their impacts, and the number of persons affected. It is not meant to include the final impact assessment and measures to address impacts, but a process to determine and develop these during sub-project implementation (these will then be described in the Plan of Action; see below). The Framework will describe the project and how restrictions of access to natural resources and measures to assist affected communities will be determined with the participation of affected communities. It will include the following elements:

85. *Project background.* The Framework will describe the sub-project and its local context (including an overview of local communities and other relevant stakeholders and their respective use of natural resources in the sub-project area), how the sub-project was prepared, including consultations with local communities and other stakeholders, and the findings of any social analysis or surveys that informed design. It will describe sub-project activities and their potential impacts.

86. *Participatory implementation.* Will detail the participatory planning process during sub-project implementation for determining restrictions, mutually acceptable levels of resource use, management arrangements, and measures to address impacts on local communities. The roles

and responsibilities of stakeholders and the methods of participation and decision-making should be described; decision-making may include the establishment of representative local structures, the use of open meetings, and involvement of existing local institutions. Methods of consultation and participation should be in a form appropriate for the local communities.

87. Decisions should be based on well-founded understandings of the biological and socioeconomic contexts, including the real threats to biodiversity and threatened species. Some form of participatory social assessment should usually be conducted during sub-project implementation to inform the decision-making process. Such an assessment would help develop an understanding of: (a) the cultural, social, economic, and geographic setting of the communities in the sub-project areas; (b) the types and extent of community use of natural resources, and the existing rules and institutions for the use and management of natural resources; (c) identification of village territories and customary use rights; (d) local and indigenous knowledge of biodiversity and natural resource use; (e) the threats to and impacts on the biodiversity from various activities in the area of both local communities and other stakeholders (e.g. external poachers and traders, development activities); (f) the potential livelihood impacts of new or more strictly enforced restrictions on use of resources in the area; (g) communities' suggestions and/or views on possible mitigation measures to such impacts; (h) potential conflicts over the use of natural resources, and methods for solving such conflicts; and (i) strategies for local participation and consultation during sub-project implementation, including implementation of a Plan of Action and monitoring and evaluation.

88. Decisions concerning restrictions of resources should be made based on a well-founded understanding of socioeconomic and biological contexts, including of existing biodiversity and natural resources and threats to these. Thus, biological and ecological assessments should usually be undertaken in parallel with the social assessment during sub-project implementation. Threats analysis is a useful tool to ascertain that restrictions will be informed by real threats rather than assumptions about the impacts from local communities' natural resource use practices, which sometimes can be based on stereotypical views not reflecting the reality.

89. It is important to also pay particular attention to land tenure issues, including traditional land rights and obligations and use of natural resources by different local communities. For instance, areas used to collect non-timber forest products and for shifting cultivation, including fallow areas under traditional farming systems, should not be exposed to restrictions unless this is necessary for the conservation of important biodiversity and protection of threatened species and until appropriate agreements and alternatives can be found with local communities.

90. *Criteria for eligibility of affected persons.* The Framework describes how local communities will participate during sub-project implementation in establishing criteria for eligibility for assistance to mitigate adverse impacts and improve livelihoods. In cases with significant consultations and social analysis during preparation, these criteria may be included in the Framework itself. However, in most cases they will be developed, or refined, during implementation. This would typically be done as part of the participatory social assessment process described above.

91. The eligibility criteria would determine which groups and persons are eligible for assistance and mitigation measures. That is, the criteria may exclude certain affected persons or

groups from assistance because their activities are clearly illegal, unsustainable and destructive (e.g. wildlife poachers, dynamite fishers). The criteria may also distinguish between persons utilizing resources opportunistically and persons using resources for their livelihoods, and between groups with customary rights and non-residents or immigrants.

92. The Framework should identify vulnerable groups and describe what special procedures and measures will be taken to ensure that these groups will be able to participate in, and benefit from, sub-project activities. Vulnerable groups are groups that may be at risk of being marginalized from relevant project activities and decision-making processes, such as groups highly dependent on natural resources, forest dwellers, indigenous peoples, groups or households without security of tenure, mentally and physically handicapped people, people in poor physical health, and the very poor.

93. *Measures to assist the affected persons.* The Framework should describe how groups or communities will be involved in determining measures that will assist affected persons in managing and coping with impacts from agreed restrictions. The common objective is to improve or restore, in real terms, their livelihoods while maintaining the sustainability of the sub-project objectives for conservation and protection of threatened species. However, in some circumstances affected communities may agree to restrictions without identifying one-for-one mitigation measures as they may see the long-term benefits of improved natural resource management and conservation. Possible measures to offset losses may include:

- Special measures for recognition and support of customary rights to land and natural resources;
- Transparent, equitable, and fair ways of more sustainable sharing of the resources;
- Access to alternative resources or functional substitutes;
- Alternative livelihood and income generating activities;
- Health and education benefits;
- Obtaining employment, for example as park rangers or eco-tourist guides; and
- Technical assistance to improve land and natural resource use, and marketing of sustainable products and commodities.

94. These measures should be in place before restrictions are enforced, although they may be implemented as restrictions are being introduced or enforced. They are described, along with agreed restrictions and levels of natural resource use, in the Plan of Action developed during sub-project implementation.

95. *Conflict resolution and complaint mechanism.* The Framework shall describe how conflicts involving affected persons will be resolved, and the processes for addressing grievances raised by affected communities, households or individuals regarding the restrictions, criteria for eligibility, mitigation measures and implementation of these elements of the Process Framework. Roles and responsibilities concerning conflict resolution and grievances of stakeholders, including grantee, affected communities and government agencies, will be described. Procedures should take into account local dispute resolution practices and institutions.

96. *Implementation Arrangements.* The Framework should describe the implementation arrangements, including the roles and responsibilities concerning sub-project implementation of

different stakeholders, such as the grantee, affected communities, and relevant government agencies. This includes agencies involved in the implementation of mitigation measures, delivery of services and land tenure, as appropriate and to the extent that these are known at the time of project preparation. These will be detailed in the Plan of Action.

97. Monitoring and evaluation arrangements will also be described in the Framework, with more specific details for the Plan of Action designed during implementation. The Framework should include a budget and financing plan for its implementation.

Plan of Action

98. During sub-project implementation, a Plan of Action is developed together with affected communities to describe agreed restrictions, natural resource use and management schemes, measures to assist the affected persons and the arrangements for their implementation. The action plan can take many forms. It can describe the nature and scope of restrictions and levels of resource use agreed to, persons affected and eligible for assistance, mitigation measures, cost estimates and financing plan, conflict resolution mechanism, and monitoring and evaluation arrangements. It may also take the form of a broader natural resource agreement or protected areas management plan, provided that such a document includes the above listed elements.

99. The following elements and principles may be included in the Plan of Action, as appropriate:

- Sub-project background and how the plan was prepared, including consultations with local communities and other stakeholders;
- The socio-economic circumstances of local communities;
- The nature, scope and timing of restrictions;
- The anticipated social and economic impacts of these restrictions;
- The communities or persons eligible for assistance;
- Specific measures to assist affected people, along with clear timetables of action;
- Budget and financing sources;
- Boundaries and use zones of protected area or other conservation area;
- Implementation arrangements, roles and responsibilities of various stakeholders, including government and non-government entities providing services or assistance to affected communities;
- Arrangements for monitoring and enforcement of restrictions and natural resource management agreements;
- Clear output and outcome indicators developed in participation with affected communities (e.g. of mitigation measures);
- Special measures concerning women and vulnerable groups;
- Capacity building of the grantee or other implementing agencies;
- Capacity building activities for the affected communities to enhance their participation in the implementation of the Plan of Action and other relevant sub-project activities;
- Grievance mechanism and conflict resolution taking into account local dispute resolution practices and norms; and

- Participatory monitoring and evaluation mechanism adapted to the local context and capacity. Monitoring will include the extent and significance of adverse impacts as well as the outcome of mitigation measures.

Institutional arrangements, monitoring and disclosure

100. The applicant, and subsequently the grantee, is responsible for implementing the policy requirements described in this ESMF and in the World Bank and IUCN policies. This includes monitoring and evaluation of sub-project implementation.

101. The SOS will monitor implementation of this Framework. It will review and approve sub-project specific Process Frameworks. During sub-project preparation, the SOS may request further information concerning sub-project's effects on local communities, and request further assessment or consultations as well as work on the Process Framework. The SOS will also review and approve any Plan of Actions being developed during sub-project implementation.

102. Sub-project specific draft Process Frameworks should have been disclosed to affected communities prior to approval by the SOS. The final Framework should also be disclosed to affected communities prior to implementation. Plan of Actions prepared during implementation of sub-projects should be publicly disclosed to affected communities. In all cases disclosure should occur in a manner meaningful and understandable to the affected people.

103. See section A.6 and A.7 for further requirements concerning disclosure of the Framework and other documentation as well as grievance mechanism for issues pertaining to this Framework for Involuntary Restrictions.

Annex 11: Project Preparation and Supervision
GLOBAL: Save Our Species

	Planned	Actual
PCN review	February 2009	February 13, 2009
Initial PID to PIC	February 2009	February 2, 2009
Initial ISDS to PIC	February 2009	February 2, 2009
Appraisal	March 2010	March, 2010
Negotiations	January, 2011	January, 2011
Board/RVP approval	March, 2011	
Planned date of effectiveness	April 2011	
Planned date of mid-term review	February 1, 2013	
Planned closing date	December 31, 2015	

Key institutions responsible for preparation of the project:
International Union for the Conservation of Nature (IUCN, SOS Secretariat), the World Bank

Bank staff and consultants who worked on the project included:

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Andrea Stumpf	Lead Counsel	LEGCF
Kathleen Mikitin	Consultant	ENV
Yuan Tao	Counsel	LEGEN

Annex 12: Documents in the Project File
GLOBAL: Save Our Species

Project Concept Note
Project Concept Note Data Sheet
Project Information Document (Concept Stage)
Integrated Safeguards Data Sheet (Concept Stage)
PCN Safeguards Meeting Minutes
Concept Review Package
Minutes of Concept Review
PPG Agreement
PPG Final Package for Signature
PPG Amendment
GEF letter to the Fonds de Dotation
Milestone extension approval letter
Work Program Entry GEF SEC review
Project Appraisal Document Data Sheet
Project Information Document (Appraisal Stage)
Integrated Safeguards Data Sheet (Appraisal Stage)
Process Framework for Involuntary Restrictions
Indigenous Peoples Framework
Environmental and Social Management Framework
GEF Council Comments
GEF approval to work program
Quality Enhancement Review package
Quality Enhancement Review meeting minutes

Bank Staff Assessments

Aide-memoire (January 2009, mission @ HQ)
Back-to-office reports (April 2009 @ Paris; August 2009 @ Cambridge)

Other

Proposed timeline and preparation roles and responsibilities
Stakeholder Consultation Reports (Gland May 2009; Antigua July 2009; China July 2009;
Cambridge August 2009)

Annex 13: Statement of Loans and Credits
GLOBAL: Save Our Species

Project ID	FY	Purpose	Original Amount in US\$ Millions				Cancel.	Undisb.	Difference between expected and actual disbursements	
			IBRD	IDA	SF	GEF			Orig.	Frm. Rev'd
Total:			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

GLOBAL: STATEMENT OF IFC's
Held and Disbursed Portfolio In Millions of US Dollars

FY Approval	Company	IFC Committed				IFC Disbursed			
		Loan	Equity	Quasi	Partic.	Loan	Equity	Quasi	Partic.
2003	AIM-ACCION	0.00	3.00	0.00	0.00	0.00	2.34	0.00	0.00
2004	BANQUE BELGOLAIS	60.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2004	BTC Pipeline	125.00	0.00	0.00	125.00	125.00	0.00	0.00	125.00
2002	CIPEF IV	0.00	21.06	0.00	0.00	0.00	5.41	0.00	0.00
2005	FIM Bank	0.00	4.00	6.00	0.00	0.00	4.00	6.00	0.00
2003	Global MEF	0.00	0.00	4.00	0.00	0.00	0.00	4.00	0.00
1996	IFC	0.00	0.00	0.00	5.83	0.00	0.00	0.00	4.12
1994	Index Fund	0.00	9.02	0.00	0.00	0.00	9.02	0.00	0.00
2003	Novica	0.00	1.50	0.00	0.00	0.00	1.50	0.00	0.00
2005	OrientExp Hotels	25.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2005	Pimco Debt Fund	0.00	13.95	13.00	0.00	0.00	13.95	13.00	0.00
2005	Planet Finance	0.00	2.80	0.00	0.00	0.00	0.99	0.00	0.00
2000	ProCredit World	0.00	1.73	0.00	0.00	0.00	1.73	0.00	0.00
2002	ProCredit World	0.00	0.38	0.00	0.00	0.00	0.38	0.00	0.00
2003	ProCredit World	0.00	4.58	0.00	0.00	0.00	4.58	0.00	0.00
2006	ProCredit World	0.00	13.53	0.00	0.00	0.00	13.53	0.00	0.00
2003	ShoreCap Intl	0.00	2.50	0.00	0.00	0.00	1.13	0.00	0.00
2004	Small Cap Fund	0.00	9.00	0.00	0.00	0.00	9.00	0.00	0.00
2004	TCW GEM VII	0.00	25.78	0.00	0.00	0.00	25.78	0.00	0.00
Total portfolio:		210.00	112.83	23.00	130.83	125.00	93.34	23.00	129.12

		Approvals Pending Commitment			
FY Approval	Company	Loan	Equity	Quasi	Partic.
2005	GTFP	0.50	0.00	0.00	0.00
2002	GWRF	0.00	0.01	0.00	0.00
2006	InfraCo	0.03	0.00	0.00	0.00
2006	MFI-PCH	0.00	0.01	0.00	0.00
2005	MicroCred	0.00	0.00	0.00	0.00
2003	Global MEF	0.00	0.00	0.00	0.00
2004	IntesaBci EM	0.00	0.00	0.05	0.00
2005	ACCION Facility	0.00	0.01	0.01	0.00
Total pending commitment:		0.53	0.03	0.06	0.00