

1. The CI-GEF Project Agency undertakes environmental and social safeguard screening of each proposed project to determine whether an ESIA is required and if so, the appropriate extent and type of ESIA (see Policy #1 and Appendix I for more details). The CI-GEF Project Agency classifies the proposed project into one of three categories, depending on the type, location, sensitivity and scale of the project and the nature and magnitude of its potential environmental and social impacts. The descriptions of the categories and lists of types of projects identified in Appendix I are meant to serve as guidance to proposal reviewers and are not meant to be exhaustive.
2. All proposed activities will undergo safeguard screening to determine eligibility under CI-GEF ESMF policies, the type of ESIA that they are subject to and if proposed project activities trigger any of the safeguards policies.
3. **The Executing Entity** is responsible for providing responses to each of the questions outlined in this form when submitting a PIF to the Project Agency for consideration.
4. **The Project Agency is responsible for conducting** all aspects of the safeguard screening process, from initiation to making the final decision on whether or not an ESIA is necessary and, if so, at what level along with whether a project-level plan is required if a safeguard is triggered.

I. PROJECT DATA SUMMARY		
Country: Indonesia	CI Project ID:	
Project Title: Ecosystem Approach to Fisheries Management (EAFM) in Eastern Indonesia (Fisheries Management Areas (FMA) -- 715, 717, 718)	GEF Project ID:	
Name of the Executing Entity(ies): Yayasan Keanekaragaman Hayai Indonesia/Indonesian Biodiversity Foundation (Kehati)		
Length of Project: <i>months</i>	Start date:	End date:
<p>Introduction: (location, main issues to be addressed by project)</p> <p>The Bird's Head Seascape, located in West Papua Province, Indonesia, sits within the Coral Triangle and is the very global epicenter of marine biodiversity. The seascape has the highest recorded marine biodiversity on the planet. Its vibrant ecosystems are the life support system to highly vulnerable indigenous. Over the last few decades these ecosystems, their biodiversity, and the communities that depend on them have been under increasing threat from illegal and destructive fishing, primarily by fishers originating from outside of Papua.</p> <p>The Bird's Head Seascape initiative was established in 2004 to address these issues and ensure that the regions biodiversity was protected in such a way that empowered local communities and enhanced their livelihoods, food security and traditional way of life.</p> <p>Now, 12 years later, with local management and governance systems now in place, we are executing a transition, transferring responsibility for the management of the MPA network and key Seascape functions to capable local co-management bodies and institutions, while simultaneously working to secure their financial sustainability.</p> <p>A key component of the plan is the creation of the Blue Abadi Fund, a \$38 million endowment, to secure the future of the Seascape. This GEF project will provide \$2.7 million to capitalize the Blue Abadi fund.</p>		

Project Background: (description of physical, biological and socioeconomic context, including Indigenous Peoples and reference to how gender may play a role)

(Excerpt from Blue Abadi Business Plan)

Located in the heart of the 'Coral Triangle', the Bird's Head Seascape (BHS) encompasses over 22.5 million hectares (ha) of sea and small islands in eastern Indonesia off West Papua Province. It stretches from Cenderawasih Bay in its eastern reaches to the Raja Ampat archipelago in the west and the Fakfak-Kaimana coastline in the south, and sits firmly in the global epicenter of marine biodiversity.

To date, surveys have confirmed over 600 scleractinian corals (approximately 75 percent of the world's total) and over 1,750 species of coral reef fish. The Seascape also includes Abun, the world's largest nesting beach for the highly endangered Pacific leatherback sea turtle, as well as critical habitats for other globally threatened marine species, including whale sharks, whales and dolphins.

The region is also rich in 'blue carbon' habitats including mangroves and seagrass beds which are increasingly being recognized for their importance not only as critical nursery habitats for fish and function in coastal flood protection, but also in their role sequestering carbon. Papua contains the world's most extensive and diverse mangrove communities and more than half of Indonesia's 4,000,000 ha of mangroves.

These reefs and mangrove forests are the life support system for indigenous Papuans, providing food, jobs, and protection from storms and rising seas for more than 760,000 people. The communities are made up of kinship groups living in the same area and, while the size and membership of the different communities varies considerably, all are very much attached to the inherited property, or tenure system, that has provided them with sustenance for generations. For centuries, the region's pristine forests, mangroves, and coral reefs were relatively untapped by development due to their remote location, low human population density, and the traditional cultural beliefs of Papuans.

Over the last twenty years, development that started in western Indonesia has moved increasingly eastward towards Papua, leading to rapid change. Papua's abundant natural resources have become a major target for new development investments, many focusing on short-term exploitation such as destructive fishing and overfishing, oil and gas exploration, nickel mining, illegal logging, poorly planned roads and other infrastructure development.

In the coastal communities throughout the BHS, fisheries provide a main source of income and food. Prior to the 1960s, and still extensively practiced today, traditional subsistence fishing – predominantly using handlines from small canoes – was the only form of fishing in the region. The introduction of commercial fisheries – both legal and illegal – in the 1960s heralded a rapid decline in fishery resources due to over-exploitation. The introduction of destructive fishing methods such as bomb fishing, cyanide and compressor fishing in the 1980s further contributed to the decline of fishery resources. By the 1990s, some fisheries were reporting a decline of up to 90% in catch per unit effort.

As these fisheries became depleted, due primarily to outside poaching, most households became 'food insecure', with 13% of households experiencing severe recurrent involuntary hunger.

As extractive pressures in Papua have increased, Papuan communities, which were already among the poorest in Indonesia, expressed increasing concern that their traditional tenure ownership and cultural practices were weakening, particularly as transmigrant workers relocated to Papua. Although Papuan communities technically have tenure rights over their reefs under traditional customary law, they felt they had few tools or available options to address the illegal harvesting of their marine resources and were increasingly turning to destructive fishing themselves.

During this time of increasing extractive pressure, Indonesia was undergoing the process of rapid decentralization. Starting in 1999, Papua's provincial and regency governments gained greater autonomy over the management of their natural resources. The decentralization process led to the formation of new regency

governments in Papua, particularly on the coast and around small islands, including the Raja Ampat Regency and the Kaimana Regency. Local officials had limited understanding of the potential environmental or social impacts of their decisions, and had almost no understanding of how healthy ecosystems sustain human populations.

West Papua was at a critical juncture.

Rapid increases in efforts to profit from the region's relatively untapped forests, coastal zones, and coral reefs were threatening to have an enormous impact on traditional livelihoods and values as well as on the region's globally outstanding biodiversity. Meanwhile, local communities were increasingly marginalized and local governments, while politically empowered, lacked the capacity to critically evaluate the economic development options available and sustainably manage their natural resources.

The Bird's Head Seascape Initiative was born in 2004 from this context and at its core was designed to empower local communities to regain control of their marine resources and then to co-manage them with capable local governments within their own unique cultural context.

At the core of the initiative was the establishment of a multiple-use network of ecologically-connected marine protected areas (MPAs), supported by and embedded in local and national legislation, and co-managed by local communities and local government agencies. Since the start of the initiative, the BHS coalition focused on designing, establishing, and facilitating the effective management of this MPA network as well as supporting cross-cutting policies, governance, environmental education, monitoring, capacity building, livelihoods, and financing initiatives.

As a result, the BHS today contains Indonesia's first functioning MPA network at a Seascape scale, a network of 12 ecologically-connected MPAs that collectively manage almost 3.6 million ha of critical coastal and marine habitats. This MPA network includes over 30% of Papua's critical marine habitats and contributes over a fifth of Indonesia's national MPA coverage. The majority of the MPAs in the BHS were designated through a bottom-up, community driven process and are co-managed in a way that integrates the principles of both modern large-scale MPA management as well as traditional community-based management. Within the MPAs, 20-30% of all critical habitats have been established as "no-take" zones to support fisheries replenishment, with the majority of the remaining area set aside exclusively for the sustainable use of local communities and tourism.

Now, 12 years later, with local management and governance systems now in place, we are executing a transition, transferring responsibility for the management of the MPA network and key Seascape functions to capable local co-management bodies and institutions, while simultaneously working to secure their financial sustainability. A key component of the plan is the creation of the Blue Abadi Fund, a \$38 million endowment, to secure the future of the Seascape. This GEF project will provide \$2.7 million to capitalize the Blue Abadi fund.

Project Objectives: Through the capitalization the Blue Abadi Fund in West Papua Province (FMA 715 and 717), permanently support a network of local institutions working to protect coastal ecosystems, increase fisheries production, and enhance EAFM for the benefit of small-scale local fishers and their communities.

Project Components and Main Proposed Activities:

Outcome 1: Financing provided to the Blue Abadi Fund for critical coastal ecosystem protection and EAFM in West Papua Province (FMA 715 and 717), results in Indonesia's first sustainably financed MPA network, serving as a national and regional model for sustained marine resource management, as well as in positive impacts to ecosystem health, fisheries production, and the livelihoods and food security of local fishers and their communities.

Output 1.1 The Blue Abadi Fund and the broader sustainable financing strategy for the Bird's Head Seascape in West Papua Province provide reliable funding in perpetuity for a network of local institutions working towards conservation and fisheries management in West Papua Province and generate important lessons learned on sustainable financing for marine resource management across Indonesia's FMAs and nationally.

Activity 1.1.1 Capitalize and operationalize the Blue Abadi Fund for the Bird's Head Seascape in West Papua Province, to be governed by a local governing body that prioritizes representation from indigenous communities and all genders.

Activity 1.1.2 Compile and disseminate lessons learned generated from the establishment and operationalization of the Blue Abadi Fund, to inform FMA and national processes.

Output 1.2 Governed by a local governing body and administered by Kehati, the Blue Abadi Fund makes annual funding disbursements to local Indonesian institutions in West Papua Province (in FMA 715 and 717) to support fisheries production through the direct protection of critical marine ecosystems and the advancement of local EAFM for small-scale coastal fisheries.

Activity 1.2.1 The Blue Abadi Fund disburses funds to MPA management authorities in order to enforce fisheries management regulations established throughout West Papua's 3.6 million hectare MPA network, including spatial fisheries management, traditional management practices (ex: sasi), gear restrictions, vessel restrictions, and species-specific regulations. Within this MPA network, 20-30% has been fully protected as no-take zones to support fisheries replenishment, with the remainder set aside for sustainable use by local fishers only.

Activity 1.2.2 The Blue Abadi Fund disburses fund to local institutions for capacity development activities for local fishers and government MPA and fisheries managers, including to indigenous communities and all genders.

Activity 1.2.3 The Blue Abadi Fund disburses funds via a small grants facility to support innovative sustainable fisheries pilot projects led by Papuan organizations, with particular consideration for women-led projects.

Compliance with Environmental Conventions:

Explain how your project's objectives, outcomes and outcomes align with the main conventions that CI adheres to. These include UNCBD, UNFCCC, RAMSAR Convention, CITES, and UNCCD.

The work in the Bird's Head Seascape is well aligned with all of these conventions, with the exception of UNCCD, which is irrelevant for this work. The MPA network aims to protect critical marine biodiversity and is a direct contribution to protected area coverage under UNCBD. Blue carbon pilot projects in the seascape work to mitigate carbon emissions as recognized by the UNFCCC. While no wetland areas in West Papua are explicitly recognized under RAMSAR, the seascape initiative is working directly to protect critical wetland ecosystems, including extensive mangrove forests. The program works to protect many CITES protected endangered species, including (but not limited to) Pacific leatherback sea turtles, manta rays, dugongs, and ceteceans.

Compliance with Country Legal and Institutional Frameworks:

1. Explain how your project aligns/will align with national laws and/or frameworks related to the environment (this may include national ESIA or EIA laws, etc.)

CI-GEF Project Screening Form

2/16/2016

The project is in full compliance with Indonesian national, provincial, and regency laws. The MPAs were declared under various legal mechanisms, with some being declared by the national government (Ministry of Forestry and Ministry of Marine Affairs and Fisheries). Others were first declared at the local level, first by Papuan traditional councils (recognized by the Indonesian constitution), then by regency governments, then by the provincial government, and eventually endorsed by the Ministry of Marine Affairs and fisheries.

An ESIA/EIA was not required under Indonesian law for this project.

2. When national legal and institutional frameworks are inadequate, the proposal should include a statement explaining how this problem will be addressed, either as part of the project or by a third party.

N/A

3. When national legal and institutional frameworks do not apply to or impact the project and its objectives, the reason for that conclusion needs to be stated.

N/A

Project Justification (e.g., Alignment with Country and CI Institutional Priorities, GEF Focal Area Strategies):

The sustainable transition of Bird's Head Seascape, including the development and capitalization of the Blue Abadi Fund, is a central component of the Indonesia country strategy, which is one of CI's geographic priorities.

The Bird's Head Seascape has the highest recorded marine biodiversity on the planet and its vibrant ecosystems are the life support system to highly vulnerable indigenous communities. As such the project is well aligned with GEF focus on biodiversity protection and the inclusion of indigenous communities.

GEF Focal Area(s): Biodiversity; International Waters

GEF Project Amount: USD

Other Financing Amounts by Source:

Safeguard Screening Form Prepared by: Laure Katz

Date of preparation: March 3, 2016

Comments:

II. PROJECT ELEGIBILITY QUESTIONS		
Answer the following questions to determine if the project is eligible for CI-GEF funding		
Will the project:	Yes	No
1. Propose to create significant destruction or degradation of <i>critical natural habitats</i> ¹ of any type or have significant negative socioeconomic and cultural impacts that cannot be cost-effectively avoided, minimized, mitigated and/or offset?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Propose to create or facilitate significant degradation and/or conversion of <i>natural habitats</i> of any type including those that are legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value, or recognized as protected by traditional local communities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Propose to carry out <i>unsustainable</i> harvesting of natural resources -animals, plants, timber and/or non-timber forest products (NTFPs)- or the establishment of forest plantations in <i>critical natural habitats</i> ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Propose the introduction of exotic species that can certainly become invasive and harmful to the environment, for which is not possible to implement a mitigation plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Contravene major international and regional conventions on environmental issues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Involve <i>involuntary resettlement, land acquisition, and/or the taking of shelter and other assets</i> belonging to local communities or individuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Propose the use of pesticides that are unlawful under national or international laws?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Involve the removal, alteration or disturbance of any <i>physical cultural resources</i> ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. Will the project include the construction and/or operation of dams?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

III. PROJECT ELEGIBILITY ASSESSMENT
If you answer YES to any of the questions above, your project IS NOT ELIGIBLE for funding
If you answer NO to all of the questions above, please proceed to answer the safeguard questions below

¹ Habitats considered essential for biodiversity conservation, provision of ecosystem services and the well-being of people at the local, national, regional or global levels. They include, among others, existing protected areas, areas officially proposed as protected areas, areas recognized as protected by traditional local communities, as well as areas identified as important for conservation, such as Key Biodiversity Areas (KBAs), Alliance for Zero Extinction (AZE) Sites, Important Bird and Biodiversity Areas (IBAs), Biodiversity Hotspot, Ramsar Sites, areas identified as important for ecosystem services such as carbon storage, freshwater provision and regulation, etc.

IV. SAFEGUARD QUESTIONS

The sections below will help the CI-GEF Project Agency to determine whether your project triggers any of the CI-GEF safeguard policies. As a Project Agency implementing GEF funding, CI is required to assess all applications to determine if safeguards are triggered, and if so, whether or not appropriate mitigation measures are included in project design and implementation. For further information on CI application of safeguards please refer the Appendix section of this form.

SECTION 1: ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA)

Has a full or limited ESIA that covers the proposed project already been completed?

- NO** → Continue to Section 2 (*do not fill out Table 1.1 below*)
- YES** → No further environmental and social assessment is required **if** the existing documentation meets the CI-GEF Project Agency “*Environmental and Social Management Framework (ESMF)*” policies and standards, and environmental and social management recommendations and/or plans are integrated into the project. Therefore, you should undertake the following steps to complete this screening process:
1. Use Table 1.1 below to assess existing documentation. It is recommended that this assessment be undertaken jointly by the CI-GEF Project Agency and the Executing Entity;
 2. Ensure that the development of the full Project Document incorporates the recommendations made in the existing ESIA; and
 3. Submit this template, along with other relevant documentation to the Project Agency.

TABLE 1.1: CHECKLIST FOR ASSESSING QUALITY ASSURANCE OF EXISTING ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA)

1. Is the assessment a:		
<input type="checkbox"/> A FULL ESIA		
<input type="checkbox"/> A LIMITED ESIA	Yes	No
2. Does the assessment meet its terms of reference, both procedurally and substantively?	<input type="checkbox"/>	<input type="checkbox"/>
3. Does the assessment provide a satisfactory assessment of the proposed project?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does the assessment contain the information required for decision-making?	<input type="checkbox"/>	<input type="checkbox"/>
5. Does the assessment describe specific environmental and social management measures (e.g., avoidance, minimization, mitigation, compensation, monitoring, and capacity development measures)?	<input type="checkbox"/>	<input type="checkbox"/>
6. Does the assessment identify capacity needs of the institutions responsible for implementing environmental and social management issues?	<input type="checkbox"/>	<input type="checkbox"/>
7. Was the assessment developed through a consultative process with key stakeholder engagement, including issues related to gender mainstreaming and Indigenous Peoples?	<input type="checkbox"/>	<input type="checkbox"/>
8. Does the assessment assess the adequacy of the cost of and financing arrangements for environmental and social management issues?	<input type="checkbox"/>	<input type="checkbox"/>

9. For any "no" answers, describe below how the issue has been or will be resolved or addressed

SECTION 2: PROTECTION OF NATURAL HABITATS
Will the project cause or facilitate any significant loss or degradation to <u>natural habitats</u>, and their associated biodiversity and ecosystem functions/services?
<input checked="" type="checkbox"/> NO → Continue to Section 3
<input type="checkbox"/> YES → Continue to Table 2.1. below

TABLE 2.1: CHECKLIST FOR PROTECTION OF NATURAL HABITATS	Yes	No
1. Is the project located or expected to be located near or in existing protected areas?	<input type="checkbox"/>	<input type="checkbox"/>
<i>If your answer was yes, please provide the following information:</i>		
a. Name, area, management category, governance arrangement, and current management activities of protected areas being affected by the project:		
b. Description of project activities that will affect existing protected areas:		
2. Is the project located within any other type of <u>critical natural habitat</u>?	<input type="checkbox"/>	<input type="checkbox"/>
<i>If your answer was yes, please provide the following information:</i>		
a. Description of the critical natural habitat to be affected by the project:		
b. Description of project activities that will affect critical natural habitats:		
3. Will the project affect species identified as threatened at the local and/or global levels?	<input type="checkbox"/>	<input type="checkbox"/>
<i>If your answer was yes, please provide the following information:</i>		
a. Name and conservation status of the species that will be affected by the project:		
b. Description of project activities that will affect threatened/endangered species:		
4. Will the project implement habitat restoration activities:	<input type="checkbox"/>	<input type="checkbox"/>

If your answer was yes, please provide the following information:

a. Type and extent of habitats to be restored:

b. Description of project activities for habitat restoration:

c. Description of the contribution of the project in restoring or improving ecosystem composition, structure, and functions/services:

SECTION 3: VOLUNTARY RESETTLEMENT AND/OR RESTRICTIONS TO ACCESS/USE OF NATURAL RESOURCES

Will the project involve the voluntary resettlement of people and/or direct or indirect restrictions of access to and use of natural resources?

NO → Continue to Section 4

YES → Continue to Table 3.1. below

TABLE 3.1: CHECKLIST FOR VOLUNTARY RESETTLEMENT		Yes	No
1. Will the project involve the <u>voluntary</u> resettlement of people?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><i>If your answer was yes, please provide the following information:</i></p> <p>a. Name of communities, description of livelihood, ethnicity, and estimated number of people to be resettled:</p> <p>b. Means by which the community(ies) provided or will provide consent for the resettlement, ensuring that vulnerable/marginal groups such as women are thoroughly consulted:</p> <p>c. Description of the activities that will be carried out for the resettlement:</p>			
2. Will the project introduce measures to restrict people from accessing or using resources that they have been using prior to the implementation of the project?		<input type="checkbox"/>	<input checked="" type="checkbox"/>

If your answer was yes, please provide the following information:

I answered no to this question because the project will not introduce any new restrictions to access. It will however fund the ongoing management of previously established protected areas that when established did legally enact restrictions on the access of natural resources to local Papuan fishers, thus reducing the access of poachers from outside of Papua. As such I will describe in the subsequent questions the process by which these restrictions were put in place over the last decade.

a. Name of resource, tenure status, type of use and extent (quantity) of the resources being used, and, if applicable, who tends to use the resources (men, women, youth, etc.):

- Coastal fisheries, including but not limited to mixed reef fish, forage fish (caught with liftnets), and invertebrates (sea cucumber, trochus, and lobster) under the tenurial ownership of Papuan indigenous communities. Prior to the development of the Marine Protected Area (MPA) network, fishing was rampant throughout west Papua's territorial waters, with over 95% of the biomass being extracted, being harvested by non Papuan fishers, often illegally and with the use of destructive gear types such as bomb fishing. This overharvesting has led to as much as a 90% decline in some fisheries resources resulting in significant implications for local food security. In 2010, over 50% of coastal families in the project area were food insecure.
- Sharks and rays in coastal waters of Raja Ampat, West Papua, under the tenurial ownership of Papuan indigenous communities, were being harvested by long-lining fishing vessels, almost entirely operated and owned by nonpapuans.

b. Description of project activities that will affect access to natural resources and their potential positive and negative impacts on the environment and people, and how they will be gender-sensitive if necessary:

In 2007-2010, the Bird's Head Seascape coalition worked with local indigenous communities throughout West Papua and the local governments to establish a network of MPAs covering a total of 3.6M ha. Within these MPAs, 20-30% of critical habitats (coral reefs, mangroves, and sea grass beds) were set aside as no-take-zones. The remaining areas within the MPAs were restricted for the exclusive use by local fishers. The waters outside the MPAs were prioritized for sustainable fishing by fishers with valid fishing permits. These regulations and the subsequent enforcement systems that were enacted to ensure they were followed, led to a reduction in illegal poaching by fishers originating from outside of Papua by 90% in the MPAs.

In addition, the local government of Raja Ampat enacted a law making its territorial waters a shark and ray sanctuary, making the capture of any sharks and rays in their waters illegal. This regulation, and its enforcement, has restricted for shark-fanners.

c. Means by which the community(ies) provided or will provide consent for the restriction to access and use resources:

Local indigenous communities were directly involved in the design, declaration, and management of these MPAs, their zoning systems, and enforcement systems. MPA and zone boundaries follow traditional tenure lines and were established through bottom up processes by the Papuan indigenous traditional councils (Adat). The closure of no-

take areas, was done through the Papuan tradition of sasi, and endorsed and celebrated by the Papuan communities who own these resources.

d. Means by which the community (ies) or affected people will be compensated:

Local Papuan fishers have benefited from the closures of no-take-areas by gaining exclusive rights to sustainably fish in the rest of the MPA areas. As illegal poaching has been reduced, fish biomass has increased in the MPAs, and local fishers are now catching 2.5 times the amount of fish with the same level of effort before the MPAs were established. As such, no additional compensation is provided to these communities.

No compensation has been provided to the fishers originating from outside of Papua whose previous illegal harvesting of Papua's fisheries resources has now been restricted through local law.

SECTION 4: INDIGENOUS PEOPLES ²

Does the project plan to work in lands or territories traditionally owned, customarily used, or occupied by indigenous peoples?

NO → Continue to Section 5

YES → Continue to Table 4.1. below

TABLE 4.1: CHECKLIST FOR INDIGENOUS PEOPLES	Yes	No
1. Will the project activities directly or indirectly affect indigenous peoples?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

² According to CI Policy on Indigenous Peoples, "CI identifies indigenous peoples in specific geographic areas by the presence, in varying degrees, of: a) Close attachment to ancestral and traditional or customary territories and the natural resources in them; b) Customary social and political institutions; c) Economic systems oriented to subsistence production; d) An indigenous language, often different from the predominant language; and f) Self-identification and identification by others as members of a distinct cultural group".

If your answer was yes, please provide the following information when applicable:

- a. Name of communities, description of livelihood, ethnicity, estimated number of people to be affected by the project:

Approximately 52,000 individuals are resident in more than 142 coastal communities within Bird's Head Seascope MPAs. The population resident in each MPA varies, from approximately 1,500 in Buruway MPA to more than 26,000 in Teluk Cenderwasih National Park.

The population of the BHS MPA Network is predominantly Christian (72%) with a smaller minority of households identifying as Muslim (27%). The Seascope is ethnically diverse, with more than 145 distinct ethnic identities reported by individuals resident in the BHS MPAs between 2010 and 2015. Major ethnic groups include Wandamen (including Bintuni, Wamesa, Wandamen-Windesi, Windesi), Biak (including Biak-Numfor, Numfor), Ma'ya (including Sailolof, Salawati, Samate) and Waigeo (including Ambel, Amber). There are small minorities of individuals reporting ethnic identities associated with elsewhere in West Papua, Papua and Maluku Provinces.

Approximately one quarter (26%) of households in BHS MPA Network rely on marine capture fisheries as their primary occupation (i.e., the most important way a household meets their needs). An additional 41% of households in the BHS MPA Network rely on fishing as a secondary occupation, supplementing other income-generating activities (e.g. agriculture), meaning that two-thirds of coastal households in the MPA Network rely on marine fisheries to some extent to meet their needs.

Though the majority of coastal households in the BHS MPA Network do not fish as their primary occupation, marine resource dependence is relatively high. Most households (67%) rely on marine capture fisheries to some extent to meet their needs and fishing generates more than half the cash income received by 31% of households in the Seascope. At the same time as providing a source of income, marine fisheries are also a substantial component of local diet. Almost three-quarters of households consume fish on at least a weekly basis (74%), and just over a quarter do so daily (27%). Importantly, more than two-thirds of households (69%) rely on marine fish for more than half dietary protein, suggesting either few alternatives to marine protein or a strong cultural preference for the consumption of fish.

- b. Description of the project activities and their impacts on indigenous peoples, including if the project is likely to impact particular subgroups of indigenous people such as women or youth:

This project will provide funding to the Blue Abadi Fund, which will permanently endow the Bird's Head Seascope partners to continue their conservation work in the seascope. The seascope strategy that will be funded has been designed from the very start to support not only biodiversity conservation, but to also empower Papuan indigenous communities to regain the right to manage the marine resources under their tenurial ownership for their long-term benefit. As such, indigenous communities have been central to every part of the initiative, from design, establishment, and management of the MPAs. Rigorous social impact monitoring is tracking the impacts of the Bird's Head Seascope's MPA network on the economic well-being, food security, political empowerment, cultural empowerment, and school enrollment of local Papuan communities. We are evaluating impact on subgroups of indigenous peoples, migrants, women and children. Led by the State University of Papua (UNIPA), there is a system in place to regular analyze these impacts, report back to communities and government and practice adaptive management to increase positive impact and address issues as they are identified. UNIPA will be funded by the Blue Abadi Fund to continue this social impact monitoring.

c. Means by which the project will respect free, prior and informed consent (FPIC) with the affected communities, while ensuring that marginalized subgroups are included:

As stated above, indigenous communities have been well integrated, and actually at the heart of the Bird's Head Seascape initiative to date. To ensure that FPIC is also respected during the establishment of the Blue Abadi Fund, the Bird's Head Seascape coalition established a Papuan Advisory Council (PAC) to advise and approve all aspects of the Bird's Head Seascape sustainable financing strategy. The PAC was established with representatives of Papuan People's Assembly, the traditional indigenous council (Dewan Adat), the Papuan Church, and West Papuan Government, the State University of Papua, and Papuan stakeholder groups. The PAC was formally endorsed through a provincial government decree and have met bi-monthly for the last year to provide inputs and approval for each element of the Blue Abadi Fund.

Once the Blue Abadi Fund is established, indigenous communities will be included in the governance of the fund in two ways. The fund will be governed by a fund committee of 9 volunteer members. One of these members will be nominated by the Papuan People's Assembly to represent the interests of Papua's indigenous communities. In addition, a local Community Advisory Group will be established with representatives from numerous indigenous groups and local stakeholders to provide additional advice to the fund committee. As explained more in the gender section, special consideration will be given to ensure that indigenous women are also adequately represented.

Lastly, the Blue Abadi Fund will only provide subgrants to Indonesian organizations that formally respect FPIC in their program activities.

d. Description of the approach to be implemented to ensure that indigenous peoples receive culturally appropriate benefits that are negotiated and agreed upon with them:

See above

e. Description of the approach to be implemented to ensure the fair participation of indigenous people in the design and implementation of the project:

See above

SECTION 5: PEST MANAGEMENT

Does the project plan to implement activities related to agricultural extension services including the use of approved pesticides (including insecticides and herbicides) or alien invasive species³ management?

NO → Continue to Section 6

YES → Continue to Table 5.1. below

TABLE 5.1: CHECKLIST FOR PEST MANAGEMENT	Yes	No
1. Will the project include the use of approved pesticides and other chemicals?	<input type="checkbox"/>	<input type="checkbox"/>
<p><i>If your answer was yes, please provide the following information:</i></p> <p>a. Name, description and proposed use of approved pesticides/chemicals:</p> <p>b. Description of how the Executing Entity will conduct the assessment of the nature and degree of associated risks, taking into account the proposed use and intended users:</p> <p>c. Description of positive and negative impact on the environment, non-targets, and people:</p> <p>d. Description of how the Executing Entity will train communities to responsibly manage products, equipment, and containers to avoid harm to human health or broader environmental contamination:</p> <p>e. Description of how the Executing Entity will avoid the use of herbicides and pesticides near water sources and their contamination with pesticide residues when cleaning the equipment used:</p> <p>f. Description of how the Executing Entity will ensure that pesticides used would be properly applied, stored, and disposed of, in accordance with practices acceptable to the CI-GEF Project Agency:</p>		
2. Will the project include the use of ecologically-based biological/environmental integrated pest management practices (IPM) and/or Integrated Vector Management (IVM)?	<input type="checkbox"/>	<input type="checkbox"/>

³ *Invasive alien species* (IASs) are plants, animals, pathogens and other organisms that are non-native to an ecosystem, and which may cause economic or environmental harm or adversely affect human health. In particular, they impact adversely upon biodiversity, including decline or elimination of native species - through competition, predation, or transmission of pathogens - and the disruption of local ecosystems and ecosystem functions (CBD, 2006).

If your answer was yes, please provide the following information:

- a. Description of approach to be used:

- b. Description of potential positive and negative impacts of the approach to be used in the project:

- d. Description of how the Executing Entity will assess the risk of the danger to non-target species:

- e. Description of how the Executing Entity will train communities to responsibly implement these approaches:

SECTION 6: PHYSICAL CULTURAL RESOURCES

Does the project plan to remove, alter or disturb any physical cultural resources (PCRs) ⁴?

- NO** → Continue to Section 7
- YES** → Continue to Table 6.1. below

TABLE 6.1: CHECKLIST FOR PHYSICAL CULTURAL RESOURCES (PCR)	Yes	No
1. Will the project plan to work in areas that fall into categories under PCR, including archaeological, paleontological, historical, architectural, and sacred sites including graveyards, burial sites, and sites with unique natural values?	<input type="checkbox"/>	<input type="checkbox"/>
<p><i>If your answer was yes, please provide the following information:</i></p> <ul style="list-style-type: none"> a. Name, description of the known physical cultural resources to be affected by the project, and cultural importance to local community(ies): b. Description of project activities to be implemented and their positive and negative impacts on PCRs: c. Description of the mitigating measures to be implemented by the Executing Entity: d. Description of how the Executing Entity will handle issues related to consultations, siting, change-finds procedures, construction contracts and buffer zones: 		

⁴ PCRs are defined as movable or immovable objects, sites, structures, and natural features and landscapes that have archeological, paleontological, historical, architectural, religious, aesthetic, sacred sites or other cultural significance.

SECTION 7: GENDER MAINSTREAMING

1. Describe how the Executing Entity will ensure that gender is mainstreamed throughout the project according to the CI-GEF Gender Mainstreaming Guidelines (see Appendix VIII of the ESMF for more information):

Gender has already been mainstreamed into the design of the Blue Abadi Fund, including its operations manual and the procedures for establishing the fund committee. Kehati, the executing agency, and fund administrator will also build gender mainstreaming guidelines into the requirements for all subgrantees that receive funds from the Blue Abadi Fund. A gender consultant is currently further drafting a full gender mainstreaming plan for the Blue Abadi Fund that will be attached to the ProDoc for this project.

2. Is there a risk that the project may infringe on men's or women's human rights⁵? Explain how these risks will be managed.

No.

3. Is the project likely to create, aggravate or perpetuate inequalities/conflicts between men and women within households and communities? Explain how this situation will be managed.

The project is unlikely to create or aggravate inequalities/conflicts between men and women within households and communities, but does have the potential to perpetuate these inequalities/conflicts. As such, the program has rigorous social impact monitoring with key pieces of gender disaggregated data to monitor impact (and thus adjust programming to minimize/eliminate negative impacts), and has worked to ensure the participation of women in the governance of the project long-term. While there is still work to be done to equally incorporate women in all seascape activities, the gender mainstreaming plan provides tangible steps to move towards greater gender equity within the program.

4. Is the project likely to impact men or women (positively or negatively) in different ways? Explain how these differences will be managed:

As with a project involving people and their use of natural resources, there is the potential for the project to impact men and women in different ways. They use, value, and manage resources differently. The project fully acknowledges those differences and has been designed to both understand the specific differences in which women and men in Papua are impacted by the program (through focal group discussions and the social impact monitoring discussed above).

SECTION 8: ADDITIONAL INFORMATION

1. Stakeholders Participation: Describe any stakeholders important to the project and how you have involved or plan to involve them in the planning and implementation of the project.

Indigenous communities: Described in detail above.

Local regency governments: The regency governments are key stakeholders and implementers of the Bird's Head Seascape. They are represented on the Papuan Advisory Council that has been actively involved in the

⁵ See Universal Declaration of Human Rights <http://www.un.org/en/documents/udhr/>

design of the Blue Abadi fund and they will be represented on the Community Advisory Group that will advise the Blue Abadi Fund Committee.

Tour Operators and Homestay Association: The Raja Ampat tour operators and local homestay association are key seascape stakeholders. They have been deeply engaged in the redesign of the Raja Ampat tourism entry fee system which provides critical co-financing for the Blue Abadi Fund. There will be one private sector representative (most likely from the tourism industry) on the Blue Abadi Fund Governance Committee.

Local fishers: Local fishers are largely accounted for via the strategies for engaging indigenous communities. However, as fishing cooperatives form, these more formal groups will be additionally engaged with representation on the Community Advisory Group as appropriate.

Local Papuan Conservation Organization: Many local Papuan organizations focused on marine conservation in the Seascape will be funded by the Blue Abadi Fund. These organizations have been engaged regularly through annual Bird's Head Seascape partner meetings in addition to targeted outreach activities by CI, TNC, or WWF. Because the organizations are potential recipients of Blue Abadi Funds, they will not be represented on the fund committee, but will have opportunities for annual consultations with Kehati to provide inputs on annual seascape workplans.

2. External Assumptions: Describe any important external factors (risks) that may affect your project during implementation and how you will mitigate these potential risks.

(Risk Section from the Blue Abadi Business Plan)

GOVERNMENT REDUCES MPA FUNDING

The new MPA management authorities have been designed to reduce bureaucracy and ensure visitor fees are considered government revenues to be directly allocated towards MPA management. Disbursements from the fund will be contingent on government match. The BHS coalition is additionally working to build a local constituency equipped to advocate for effective government management and funding of the MPAs near- and long-term.

BLUE ABADI FUND GENERATES INSUFFICIENT RETURN

The Blue Abadi fund will be managed by professional and experienced investment managers. Fund managers will work closely with various fund stakeholders to establish investment guidelines that take into account near-term and long-term needs, balance risk and security, and take advantage of a wide array of investment vehicles to hedge and otherwise minimize exposure to systemic and idiosyncratic risk. Despite this, some fluctuation in annual returns is inevitable. Though projected costs are smoothed over time, the endowment has been calculated to cover some volatility in costs, leaving a small buffer in most years. Moreover, managers will be obligated to leave excess returns untouched, adding to endowment principle and increasing buffer size, unless certain conditions are met. The Blue Abadi Governance Board will be well-equipped to prioritize granting and minimize impact from reduced funds on any key partner. Lastly, as the fund is one of several revenue sources, partners will be prepared for some volatility and ready to seek emergency funding from other sources, if necessary.

INADEQUATE FUNDS RAISED FOR BLUE ABADI FUND

The Blue Abadi Fund is scheduled to be capitalized in a single close deal in January 2017. If less than \$30 million has been committed for fund capitalization, the deal close will be postponed until the target is reached. If the close is postponed and/or it closes with less than the full \$38 million required, the international NGOs will continue annual fundraising to cover as much of the gap in MPA management costs as possible until the fund is fully capitalized. The BHS coalition will continue to work towards increasing revenues from other sources.

EFFICACY OF MPAS DECREASES

The international NGOs will continue to support the MPA teams, providing ongoing technical support in the development and implementation of SoP's, institutional standards and other performance guidelines and checks. Furthermore, disbursements from the fund will be contingent on performance to help mitigate this risk.

FUEL PRICES INCREASE

Fuel prices in Indonesia, while still subject to limited subsidies, are now linked to market prices. This exposes the BHS to volatility in global oil markets. Fuel is one of the largest cost drivers (after personnel) for the BHS as it is in conservation and MPA management more generally, accounting for roughly 15% of total conservation costs in the BHS. A 20% rise in fuel prices lifts total costs by 4%, or an average of USD 55,000 over a ten-year period. Conservation managers are directly seeking ways to minimize fuel costs and price volatility through bulk purchasing of fuel and through the development of MPA management approaches that require significantly less fuel, where feasible.

DISRUPTIVE EVENT IMPACTS TOURISM

Conservative estimates were used to model growth in tourism arrivals, decaying from a base growth rate of 10% while historical growth rates have hovered around 30%. Even with no growth, fee generation is expected to cover two thirds of the Raja Ampat MPA network management costs in 2015. Fund disbursements will be flexible in order to cover core MPA management costs in the case of a significant reduction in visitor fees. Despite this, a no-growth scenario would likely require some reprioritization of expenditures from the fund as well as local government. A sudden and dramatic drop in tourism arrivals would put considerable stress on financing, however prior experience with extreme events in Indonesia (such as the 2002 and 2005 Bali bombings) has demonstrated rapid recovery in tourism arrivals.

NEW THREATS EMERGE

West Papua is changing rapidly, with new challenges and threats emerging regularly. Even as the MPAs reach "steady state", there will be no steady state around them and so we anticipate there still being a significant need for the international NGOs to ensure rapid response to the changing circumstances. The international NGOs are transitioning to leaner, more focused teams, but we believe those teams will still play a vital role for the foreseeable future to design solutions and mobilize capacity and resources to address urgent emerging threats.

JURISDICTION OF MPAS CHANGES

The three most significant possible jurisdictional changes are a) the transfer of Cenderawasih Bay National Park from the Ministry of Forestry to the Ministry of Marine Affairs and Fisheries, leading to a reduction in national level funding; b) the splitting of the Raja Ampat Regency into multiple regencies; and c) the transfer of regency level MPA networks to provincial level management. The BHS coalition is carefully

monitoring all potential policy and jurisdictional shifts, engaging with all appropriate levels of government, and developing contingency plans for each possible scenario.

POTENTIAL PUBLIC PERCEPTION OF GREENWASHING

All private sector partners will be vetted by the Papuan Advisory Council. No endorsements, logos or licenses will be allowed in association with corporate investment.

3. Long-term Sustainability/Replicability: Describe how project components or results will continue or be replicated beyond the initial project. Note that this may include elements of project design, tools utilized during the project, or project results.

This project is at its essence a project about sustainability and thus has been designed to ensure that its impact is lasting forever. While the Bird's Head Seascape is unique, the Blue Abadi fund and many of the governance systems that were pioneered in West Papua to allow for it to be successful are highly replicable throughout Indonesia and in some cases regionally and globally. Lessons from the process will be documented and shared not only for other project sites in this CFI-Indonesia project, but disseminated much more widely in the conservation community.

4. Social Context: Describe the broad socio-economic context of, and local communities living in, the area of the proposed project, with emphasis on men's and women's different roles, responsibilities and needs of natural resources that the project seeks to focus on.

Already covered in the social context section within the indigenous people's section. Additional information is available within the State of the Seascape report upon request.

5. Describe how the project will work in this context and with the local communities, if relevant.

Already covered in the social context section within the indigenous people's section.