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REQUEST FOR INFORMATION (RFI)

RFI NUMBER	:	**RFI-492-18-PACIFIC-001**
ISSUANCE DATE	:	May 18, 2018
RESPONSE DUE DATE & TIME	:	May 30, 2018 at 2:00PM Philippine Standard Time
RESPONSE EMAIL ADDRESS	:	manila-roaa-rfa@usaid.gov

Subject: Request for Information (RFI) – Feedback on USAID/Philippines' PNG Biodiversity Program

The United States Agency for International Development's Mission to the Philippines (USAID/Philippines) is developing a new program aimed at strengthening the management of environmental resources in Papua New Guinea (PNG) to promote conservation of the country's exceptional biodiversity and, in the process, enhance the resilience of its people. The program will contribute to USAID's Results Framework for the Pacific Islands, particularly Intermediate Result 2: Environmental Resilience of Papua New Guinea Strengthened (See Annex 1). The ultimate goal of the program is to reduce significant threats to key biodiversity hotspots in PNG by supporting communities in managing their customary lands. To achieve this goal, the new program will work at both national and local levels to develop the systems and capacities needed to provide communities with the legal, technical, and financial resources required to achieve the sustainable management of natural resources in their customary lands and waters. Subject to availability of funds, USAID anticipates that this activity or activities will be implemented over a period of 5 (five) years.

Through this Request for Information (RFI), USAID is seeking information, comments, feedback and recommendations from interested parties (US or non-US organizations) on the attached Program Description (Attachment 1). Interested parties are invited to address the questions listed in Attachment 2 of this RFI.

This is not a solicitation or a call for applications. Any application(s) submitted in response to this request will not be considered. Please do not submit applications, proposals, resumes or promotional materials, as they will be discarded, and not considered.

Responses to this RFI should be submitted to USAID via email to manila-roaa-rfa@usaid.gov with subject line "RFI- USAID/Philippines' PNG Biodiversity Program", no later than the date and time stated above. Responses shall include the following information: Names and contact numbers of the sender/contact person and company name. Only electronic submissions will be accepted.

U.S. Agency for International Development
Annex 2 Building
U.S. Embassy
1201 Roxas Boulevard
1000 Ermita, Manilla, Philippines

Tel: (632) 301-6000
Fax (632) 301-6213
http://philippines.usaid.gov

USAID reserves the right to use any and all information provided by respondents for its own purposes. Proprietary information must not be sent. The issuance of this request in no way restricts the Government's ultimate approach in designing the new program. Respondents are advised that USAID is under no obligation to acknowledge receipt of the information, answer questions or provide feedback to respondents with respect to any information submitted. Any information submitted in response to this notice is voluntary and does not commit the Government to any expense or obligation. Responding to this RFI does not give an advantage to any organization, nor does it preclude any organization from consideration, under any solicitation that may be subsequently issued.

USAID does not intend to publish the results of the responses to this RFI.

Thank you for your assistance and interest in USAID/Philippines programming.

Sincerely,

Nathan Hilgendorf
Agreement Officer
Regional Office of Acquisition and Assistance

ATTACHMENT 1

Program Title: The USAID Papua New Guinea (PNG) Biodiversity Program

Summary

Overall program goal
USAID seeks to reduce the primary drivers and threats to biodiversity in Papua New Guinea (PNG) by strengthening management of customary lands and waters that include terrestrial and marine areas of exceptional biodiversity. To support this goal, a five-year, USD 15-20 million (estimated) program is planned to work at the national and local levels to strengthen the policies and build the capacity needed to implement systems supporting improved customary management of lands and waters. The program will also implement activities that reduce significant threats to biodiversity in priority areas.

Background and Problem Description
PNG has an estimated population of 8.5 million people, 85 percent of whom live in remote rural areas with limited access to government services.

PNG hosts exceptional biological and cultural diversity and has established traditions for managing its rich natural resources through devolved customary rights. It ranks in the top twenty most biologically diverse countries in the world, and is home to an estimated 5-7% of the world's total number of animal and plant species. Much of this biological diversity is unique globally because the country's climate and varied topography have led to a high rate of endemism. It also is linguistically and culturally one of the most diverse countries in the world, with 840 of the world's 7,097 living languages still spoken.

The decentralized government structure presents uneven governance capacity at various levels despite increased effort at financial devolution to provincial and district level governments in the last 5 years. Although this has been planned, government funds have been significantly reduced due to the decline in government funding and changing priorities. This affects implementation of policies and legislative reforms.

Rural areas are organized into clan-based structures, which determine resource ownership and manage 97 percent of land, coastal, and nearshore marine areas based on customs (kastoms) and social and spiritual belief systems. Rural communities are largely unaware of their legal rights over land and natural resources and depend on tribal leaders to navigate the complicated system. National laws recognize and empower customary groups to determine the use and management of land. However, in practice, corruption and weak governance impede the enforcement of laws. Further, governance challenges arise from the ability of tribal leaders, often aided by profiteering intermediaries, to sign away communal lands for short-term personal benefit. Intermediaries consist of other clan members, opportunists from within the community, or those with influence outside the community.

PNG's economy is heavily dependent on natural resources. The predominant sectors are agriculture, fisheries, and forestry, which engage most of the labor force (most of which is informal), and the energy and minerals extraction sectors, which account for most of the country's GDP and export earnings. There is significant competition for land and natural resources from consumptive industries such as logging; mining; large scale agroforestry for palm oil; subsistence fishing; small scale agroforestry for coffee, cacao, tea, betel nut, vanilla, coconuts, fuelwood, and insect farming and trade; creation and sale of cultural art and handicrafts; and cultivation of fish, poultry and pigs.

Context Analysis

Attempts to address threats to biodiversity through traditional conservation and development paradigms that have worked in other parts of the world most likely will fail in PNG unless they are adapted to local cultures and contexts. Customary landowners have strong traditional knowledge and cultural ties to land and seas, and they depend on natural resources for livelihoods and food security. With relevant resources and support, customary landowners are especially well positioned to manage priority biodiversity areas. Civil society and some private sector entities are engaged actively in supporting localities to conserve biodiversity. Unfortunately, there are many examples of the private sector engaging in unscrupulous deals to benefit from customary ownership. Because of this, customary land managers must have adequate knowledge of their legal rights over communal lands to prevent inequitable and abusive land acquisitions and unsustainable resource exploitation. Working with communities to improve conservation provides new and expanded opportunities to forge partnerships with civil society and the private sector that will improve sustainability in the area.

Conservation interventions in PNG must be deliberative, iterative, carefully considered, led by PNG nationals, supported over many years, and must yield immediate and long-term benefits to local communities and partnering institutions. In addition, operational costs in PNG are extraordinarily high across the board, leading to very high conservation costs compared with other parts of the world. Biodiversity conservation in PNG is also exceedingly challenging and slow.

Conservation activities should be participatory and inclusive, address threats to biodiversity or a driver of one (or more) threats, and address the priorities of the local communities. More information on threats to biodiversity and the drivers of threats to biodiversity is provided below. Activities also need to align with national government priorities. For biodiversity conservation projects to succeed, they need to establish and maintain relationships with multiple landowners who have traditional rights (often contentious and poorly defined) over any given tract of land or sea.

It is important to understand underlying cultural norms and practices and introduce gender sensitive solutions or strategies that will promote equality and prevent GBV or violence in general. Gender inequality is a major development issue in PNG that hinders the success of biodiversity conservation programs. Women typically have low status in most contexts and in most communities across PNG. Family and sexual violence is sadly widespread. Gender inequality is deeply rooted in cultural norms and practices. The

advocacy of gender equality is a challenge to the traditional cultural mindsets and power structures that govern the use of resources. In most PNG societies women have use rights to cultivate land, gather forest products and to fish for or collect marine and aquatic resources. However, regardless of clan/community structures, women are rarely considered to have ownership rights over productive resources, nor can they typically participate in decision making about natural resource management.

Appreciating the complexity of PNG, USAID developed a situation model to guide the design of the PNG Biodiversity program (Annex 2). A situation model is a graphical representation of a problem or context analysis and highlights the major forces that influence the condition of biodiversity. The model identifies the targeted ecosystems and species (focal interests), the underlying threats to their conservation, and the drivers of those threats. Situation models serve as foundations for selecting approaches, and for formulating detailed theories of change that illustrate how the interventions can reduce threats and conserve biodiversity. The situation model also identifies how biodiversity conservation enhances human well-being.

Biodiversity focal interests

PNG supports a diverse array of marine, inland water, and terrestrial ecosystems, ranging from coral reefs to rainforests and alpine grasslands. In the situation model, the country's extraordinary biodiversity was captured as three different biodiversity focal interests: marine ecosystems, forest ecosystems (including mangroves), and freshwater ecosystems.

All of these focal areas are large, complex and highly biodiverse. Marine areas include reef systems, shallow banks and very deep offshore areas encompassing slope, abyssal plains, trenches and ridges, seamounts and deep ocean vents. The island of New Guinea is within the Coral Triangle, the most species-rich marine region in the world. In addition to about 600 species of corals (about 6% of the world's total), there are more than 2,200 species of reef fish (37% of the world's total).

The forests and inland waters of PNG cover 80% of the country, and comprise the third largest expanse of tropical forest in the world. These landscapes are internationally recognized for their high biodiversity and ecological importance, both locally and globally. Host to one of the richest assemblages of vertebrates on earth, the forests of PNG harbor at least 1,786 species of birds, mammals, reptiles, and amphibians – over 5 percent of the world's total. Each of these focal areas house unknown numbers of yet undiscovered and undescribed species.

Threats to the biodiversity focal interests

Based on assessments conducted for USAID by the U.S. Department of the Interior, the highest threats to these biodiversity focal interests are clear cutting of forests, unsustainable fishing, and climate change. Other highly ranked threats are unsustainable, selective cutting of timber and pollution, as well as threats to freshwater ecosystems from invasive species and excessive subsistence fishing. Lesser threats that contribute to biodiversity decline include unsustainable tourism practices, hunting for bushmeat, illegal wildlife trade, and dam construction.

Illicit trade in wildlife and native plants has increased in recent years, driven partly by increasing income across Asia. Illegal trade threatens national and regional security, undermines economic development, and affects public and ecosystem health. PNG's logging industry has been the subject of allegations of illegal and unsustainable logging practices for decades. Illegal practices are thought to be widespread in PNG, with the weight of available information suggesting that the majority of timber production is illegal due to licenses being issued or extended in breach of regulations, extensive breaches of harvesting regulations by concessionaires, and the abuse of licenses for commercial agricultural plantations through Special Agricultural Business Leases (SABLs).

Proximate drivers of the threats to biodiversity

The situation model identifies five proximate drivers of threats to biodiversity:

- Unsustainable land use practices related to oil palm expansion, commercial timber extraction, and development;
- Poor practices related to the extractive industries of mining and oil and gas;
- Unsustainable fishing practices, including illegal fishing, use of destructive methods, and over-harvesting;
- Unsustainable uses of land and forest resources by communities for subsistence agriculture, fuel wood, and construction; and
- Weakly regulated development that increases demand for power and irrigation, and generates solid waste.

PNG is rich in mineral, forest and fisheries resources and the economy is heavily dependent on their extraction and export. The formal sector tends to be focused mainly on large-scale export of natural resources (minerals, oil and gas, timber and fish). The informal sector is dominated by subsistence and semi-subsistence activities of the majority rural population, although formal and informal small and medium business enterprises are increasing in rural areas.

Pressure on the natural systems for materials, fish, bushmeat, and other foods has significantly increased to the point of no longer being sustainable. Small and large-scale development and exploitation including timber harvest, mining, and agroforestry (e.g., oil palm plantations) have also increased. While small-scale development and exploitation in many areas appear to be sustainable, the overall struggle for further economic development has degraded the environment significantly. In accessible rural areas, large-scale land conversion from logging and mining has devastated forests. Resources from forests have been lost in full or diminished for an extended period, significantly compromising the ability of clans and communities to meet their needs through traditional practices. Additionally, the economic benefits realized by the communities from such exploitative practices have often been short-lived, causing uneven resource distribution, environmental degradation and cultural erosion within communities. The sustainability and profitability of these emerging and expanding economies are highly dependent on global markets for raw materials and goods, and are associated with volatile markets that can lead to revenue crashes from declining commodity prices. The resulting

loss of economic benefits and security for communities primarily results from the failure to reinvest proceeds from the extractive industries to broaden or grow the livelihoods as a whole. This highlights the need for communities to earn supplemental income through alternative practices in order to maintain economic and food security.

In addition, PNG government agricultural specialists have emphasized the trend toward development of existing and new cash crops to sustain local communities in the face of economic, population, and climate change pressures on subsistence livelihoods, as well as the potential for a loss of traditional knowledge about native crops and the biodiversity value they possess.

Currently, communities in PNG are exploring various avenues to increase economic wealth and sustainability, including both non-consumptive and consumptive use practices, recognizing the importance of bringing in income for household economic and food security. The most notable non-consumptive use is community-based and general ecotourism, most commonly for bird-watching enthusiasts, traditional cultural events and demonstrations, trekking, and scuba diving. Other forms of non-consumptive use benefits include developing formalized conservation areas that include benefits for local communities from access fees and jobs as caretakers and guides. Protected areas, conservation areas, and conservation projects have the greatest opportunity for success when there is significant collaboration at all stages of conservation planning and buy-in from local communities. There are some encouraging examples, notably in Varirata National Park and the Kokoda Initiative.

Small-scale agroforestry and gardens, especially those that are integrated with natural biotic communities and on traditional communal land, can affect local forests and biodiversity, but can also be sustainable, especially if local community support exists. One such example is the YUS Tree Kangaroo Conservation Program (TKCP), which is based in the YUS Conservation Area in the Huon Peninsula. The TKCP works with 50 villages with 12,000 people across a 150,000 hectare landscape. The program protects wildlife, biodiversity, people, and culture through environmental education, land use planning, effective management and the realization of economic benefits for local communities through sustainable farming and export and sale of fair-trade coffee and cocoa.

<u>Intermediate drivers of the threats to biodiversity</u>
PNG has a very complex and costly decentralized system of government and faces many related challenges. While endowed with a wealth of natural resources, the country struggles to provide basic education, health, and infrastructure services. Intense disputes between politicians often gridlock Parliament while inadequate resources, understaffing, and corruption erode services provided by different levels of government. The risk of domestic corruption is likely to be enhanced as PNG's rapid economic growth continues, fueled by large-scale foreign investment in the mining and petroleum sectors. There is little attempt to hide the sources of illicitly gained funds because of the perceived low risk of penalty.

Numerous laws and policies have been established to protect PNG's natural ecosystems and biodiversity as well as its people and culture.[1] While overarching policy is developed at the national level by the Government of PNG (GoPNG), legislation is promulgated and enacted at the national, provincial and local levels. Implementation policy can subsequently be developed at each respective level. Ideally, the GoPNG develops a national policy statement, and then promulgates legislation and implementing policy to enact the specific policy statement. Provincial Districts and local level governments (LLG) then promulgate corresponding step-down legislation and policy to enact the national legislation and policy at their respective levels. However, it is evident that step-down legislation and policy are often not developed at the respective provincial, district and LLG levels. This is most often the result of a lack of awareness of the national legislation and policy, lack of capacity and funding at the subnational level, and lack of technical expertise, training and resources to develop corresponding legislation and policy. Further, the promulgation of legislation and policy at the national level is an arduous process, takes many years, and can often be ineffective without corresponding legislation and policy at the sublevels.

Given the extent of territory managed under customary systems, unless there is corresponding legislation and policy that the communities are aware of, concur with, and implement, national-level legislation and policy is likely to be ineffective. Additionally, awareness and training of specific legislation and policy, their respective mandates, and implementation provisions is often lacking at all levels of government. This is recognized as one of the primary deficiencies in implementing legislation and policy. It is also important to note that multiple government entities have responsibilities contributing to the PNG biodiversity mandate. Notable among them are the Conservation and Environment Protection Authority (CEPA), Department of Lands and Physical Planning, National Forest Authority, Climate Change and Development Authority, National Fisheries Authority, and others. There is often insufficient coordination and collaboration among and between government entities and sectors, both horizontally and vertically, to implement laws and policies, especially those related to natural resource conservation. As a result, laws and policies have not been formulated or implemented effectively in PNG.

Although clearly a product of other policy and enforcement drivers, the designation, evolving policy and legislation, and management associated with protected areas (PAs) are important for biodiversity conservation in PNG. Anthropogenic conversion of natural habitats has been shown to be the greatest threat to biodiversity and one of the primary reasons for establishing PAs, but the rate of PA establishment is failing to keep pace with the rate of loss. Moreover, the unique cultural and land tenure characteristics of PNG make most "traditional" PA models either ineffective or inadequate. Fostering the effective design, establishment, and long-term management of PAs in PNG is uniquely challenging, with strong evidence that biodiversity loss is not being mitigated by the PA system in PNG.

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[1] Examples of laws and policies that guide the protection of PNG's biodiversity include the National Goal of Papua New Guinea's constitution; Vision 2050; the National Strategy for Responsible for Papua New Guinea (StaRS); and the Protected Area Policy.

In the past, "conservation" and "development" have been viewed by many in PNG as alternative and conflicting pursuits for obtaining economic and community-based security, but in more recent years, there appears to be a shift nationally towards more sustainable development and agriculture as reflected in the National Strategy for Responsible Sustainable Development for Papua New Guinea. This strategy has a policy goal that would position PNG as a leader in responsible sustainable development as a prosperous middle-income country by 2030, and among the top 50 countries on the Human Development Index by 2050. This shift in perspective has resulted from increased regulatory efforts, lessons learned from past practices, greater awareness and environmental education at all levels, and the influence of outside conservation organizations.

Other drivers of the threats to biodiversity

On-going population growth, cultural shifts, and in some areas, loss of or diminished local ecosystem services have resulted in unsustainable pressures on ecosystems, the expansion of villages, and societal migration to other rural or urban areas. These changes, plus desires for a more robust local or village economy, modern development, health care, and goods and services have facilitated access to more remote areas by expanding infrastructure such as roads. It is likely that this trend will continue as populations grow and their reliance on food production and resource extraction increases. Lack of public financial accountability and transparency also hinder sustainable natural resource management and conservation. State capture, where powerful private sector interests exert undue influence over state leaders, officials and procurement processes, has had devastating repercussions for national development and the natural environment.

PNG Biodiversity Program Goal and Intermediate Results

Overall program goal

USAID seeks to reduce the primary drivers and threats to biodiversity in PNG by strengthening management of customary lands and waters that include terrestrial and marine areas of exceptional biodiversity. To support this goal, a five-year, USD 15-20 million (estimated) program is planned to work at the national and local levels to strengthen the policies and build the capacity needed to implement systems supporting improved customary management of lands and waters. The program will also implement activities that reduce significant threats to biodiversity in priority areas.

1. Site-level goal: **Conserve biodiversity in priority areas by demonstrating conservation actions that reduce key threats.**

1.1 Intermediate Result 1: Facilitate the development and implementation of a sustainable system that provides customary owners with the legal advice, technical information, and financial resources needed to effectively reduce significant threats to high biodiversity areas.

Illustrative activities

- Build civil society organization and private sector capacity to support localities to expand and strengthen management of customary lands and waters. For example: capacity building may be needed to build skills in program development and management; community engagement and outreach; data collection and analysis; organizational development and strategic planning; and/or strengthening of financial and administrative systems. Engage civil society to conserve biodiversity on customary lands, and to continue to fill that role. The financial processes and management capacity of many civil society organizations, especially local entities engaged in site-based conservation activities, is inadequate to manage the administration and reporting requirements of most donors. The objective of this approach is to build the capacity of local entities (though technical assistance, strategic partnerships, etc.) to the point at which they can successfully secure and manage funding themselves.

- Support the emergence of national and regional conservation leaders that can advocate for conservation objectives, and strengthen, coordinate and give voice to grassroots organizations and localities engaged in conservation. While PNG has technical experts capable of implementing conservation programs, these experts are few in number compared with the requirements of implementing complex programs. Their ability to participate fully in collaborative conservation and resource management efforts is thus limited.

- Enhance the adoption of the best available science and information for improved management. Papua New Guinea's immense biodiversity remains inadequately studied and there is a great need to enhance the capacity for information gathering to support conservation activities on customary lands and waters. The lack of reliable data has hindered conservation planning, decision making, and management actions, presenting an obstacle to improved environmental governance and protected area management. In the absence of robust, verifiable data, the impact of encroaching threats to biodiversity will remain unknown. Activities may include:

    - Identifying gaps in data required for management decisions
    - Documenting trends impacting species and ecosystems
    - Building the capacity of localities and local entities to collect, analyze and report on data

- Strengthen provincial and local understanding of relevant environmental protection laws and policies and access to legal assistance. Localities must also have adequate knowledge of the laws and policies that allow them to progress toward protected area status. Assisting localities with the often complex legal and ecological considerations associated with sustainable land management for their own welfare can also yield substantial conservation benefits, including development of well-managed protected areas. Interventions will enhance local

understanding of relevant laws, policies, and regulations, due process, and resources available for support.

- Improve customary land delineation and increase participatory land-use planning within customary lands and waters at priority sites. Land use and marine planning at community and national levels can help reduce threats from logging, agroforestry, mineral extraction, and overfishing as well as provide options for long-term sustainable land management in PNG. Land use and marine planning can help communities identify areas suitable for agriculture, fishing or hunting, village sites, and conservation (protected areas). At a national level, coordinated use of biological and geospatial data can identify suitable lands and marine areas for biodiversity conservation and areas better suited for resource extraction. Planning can help reduce alienation of customary lands to development incompatible with conservation, such as expansion of palm oil plantations, industrial logging, fishing, and mining. Unclear or contested ownership and tenure arrangements over land, sea, and natural resources enable companies to gain temporary access, by circumventing customary decision-making processes. Lack of planning is a barrier to taking the future value of intact biodiversity areas into account in deciding to cede access (at least temporarily) to extractive industries. Geospatial delineation and gazetting of customary lands as well as land-use planning are still uncommon. There is a strong need for improved and expanded participatory delineation and land-use planning and for securely and centrally storing the data.

- Raise awareness about the value of biodiversity conservation, the threats to it, and the drivers. It is uncommon in PNG for people to view biodiversity (or individual species or ecosystems) as having an intrinsic value, nor are people motivated by the idea (without experiencing it) that biodiversity is threatened. As such, the approach to raising awareness will need to be cognizant of the context and speak to other values such as utilitarian and cultural priorities. Likewise, most Papua New Guineans have not felt resource scarcity, which can contribute to an understanding of the need to conserve biodiversity. An aim of this also could be to build support for political action for GoPNG to enforce its own laws.

1.2 Intermediate Result 2: Facilitate the development and implementation of incentives for customary owners to conserve high biodiversity areas.

For conservation to gain traction and become sustainable in PNG, localities must experience tangible results from it. Due to the heterogeneity of systems of customary land management in PNG, the exact structure of the sustainable system of support will depend on the place and context. The sustainable system of support could be comprised of a number of components to facilitate incentives; some possibilities are described briefly below.

a. Identification of external partnerships. Identification and development of partnership(s) with the private sector can support conservation activities with co-benefits such as health or education services. Partnerships could be with

companies operating in the natural resources sector with the objective of improving best practices to reduce threats to biodiversity in key biodiversity areas.

b. Enhance livelihood options. This component can include development of new or existing conservation enterprises based on appropriate market research. The potential economic benefits of biodiversity to livelihoods and food security can be a big motivator for people to engage in conservation. For there to be improved conservation as a result of a conservation enterprise, there needs to be clear linkages between livelihood/economic benefits and conservation goals.

2. National-level Goal: **Strengthen the enabling conditions for effective customary stewardship of natural resources by increasing transparency and accountability, building the capacities of government staff, enhancing relevant policies, and fostering diverse and robust constituencies for biodiversity conservation.**

2.1. Intermediate Result 1: Build national and provincial government staff capacity to support improved customary management of lands and waters for biodiversity conservation.

The need to enhance the capacity of PNG's people and institutions in environmental and biodiversity topics and practices was a common thread in stakeholder interviews informing this design. Developing a cadre of people across PNG, from individuals in rural communities to employees of provincial and government agencies, conversant with environmental and biodiversity conservation topics and practices (and supporting disciplines such as finance and project management), will reduce threats to biodiversity across the landscape, provide sustainable opportunities for rural communities, and create long-term conditions for successful conservation in PNG.

In cases where the legal system must inevitably intervene, having a judiciary that is fully cognizant of the ecological, social, and economic impacts of illegal appropriations and natural resource abuses may more likely result in judgments that protect and perpetuate the biodiversity of PNG as well as citizens' rights and welfare. In-country stakeholders and regulators repeatedly described the overwhelming need for education and training for legislators, regulators, and implementers at all levels of government, from communities to national institutions, concerning existing laws, their specific mandates related to natural resource conservation, how to consistently coordinate across government agencies, and how to implement and enforce existing laws and regulations. Such education and training also can better equip staff throughout national and local government to evaluate and address deficient or absent regulatory tools.

2.2. Intermediate Result 2: Build diverse and robust constituencies to advocate for shared conservation goals.

Strong alliances and champions for conservation in government, private sector and civil society institutions can achieve increased transparency, accountability and greater inclusive decision-making related to the use of natural resources. Proposed interventions should result in substantive change in stakeholder attitudes and behaviors supportive of

conservation and improved management of natural resources. Interventions need to take the cultural context and different value systems in PNG into account in developing effective messaging.

2.3. Intermediate Result 3: Strengthen systems for transparent and accountable decision-making about natural resource ownership and allocations, including accessible systems for redress.

Geographic Scope

Papua New Guinea is home to biodiversity that is important to the lives and livelihoods of those who live there. Much of the biodiversity is considered globally important due to a range of factors including being home to a broad range of biome types, species richness, species endemism, and representativeness. Certain landscapes and seascapes provide critical regional or global regulating functions, or support ecosystem services such as flood protection, climate regulation, carbon sequestration, water availability and circulation, food security, or cultural and spiritual benefits. The PNG Biodiversity program should work in key biodiversity areas that are vulnerable to threats by heavy impact infrastructure and extractive activities.

The following also should be taken into consideration in site selection:

1. Sites are selected based on best available evidence about biological significance and presence of threatened and endangered species.
2. Entity(ies) have well-established, long-standing relationships with the site.
3. The site has a strong potential to demonstrate short and long-term impact, which could mean that there have already been successes already there on which to build.
4. The activities are aligned with existing or proposed government policies, plans, and priorities at the national and provincial level.
5. The activities have community support or evidence that the community will be supportive.
6. Sites are physically accessible.
7. There are prospective partnership opportunities. USAID encourages partnership(s) with private sector organizations to leverage U.S. government resources.

Relationship to USAID/Pacific Islands' Results Framework

The program will advance USAID/Pacific Islands' goal to support more resilient and healthy populations. Many of the potential beneficiaries of this program are the extreme poor and traditionally disadvantaged groups in PNG. Most people and the economy of PNG depend on natural resources for their health and livelihoods. By linking conservation with development outcomes, localities can protect natural resources that are critical to their well-being while improving their livelihoods and gaining other co-benefits such as services.

USAID's Results Framework (see Annex 1) outlines its approach for programming in the Pacific Islands. Three objectives feed into the goal stated above. The PNG biodiversity program is aligned most closely to Development Objective 1 (DO) "Environmental Resilience of Pacific Island Countries Increased."

This program will contribute directly to "IR2: Environmental Resilience of Papua New Guinea Strengthened." The PNG Biodiversity program will improve management of key biodiversity spots on customary lands and build capacity for improved biodiversity conservation to reduce threats to biodiversity. The program also will strive to raise the visibility of U.S. cooperation.

Relationship to Other USAID Programs
USAID recognizes PNG's remarkable biodiversity and the threats to it. The Agency's Biodiversity Policy, which was released in 2014, identified PNG as one of the priority countries for assistance in biodiversity conservation.

Over the last seven years, the U.S. Government has supported the GoPNG to strengthen community resilience and provided technical assistance to access multilateral finance mechanisms. In October 2017, USAID provided support to four organizations operating in PNG to conduct community ecosystem-based adaptation activities to improve biodiversity conservation and community resilience.

PNG has also received biodiversity conservation assistance from the USAID Regional Development Mission for Asia to support the Coral Triangle Initiative to strengthen capacity for improved fisheries management. Through the Mangrove Rehabilitation for Sustainably-Managed Healthy Forests (MARSH) activity, USAID/Philippines provided assistance to improve mangrove forest management and built natural resource management capacity at the local and national levels. The program is expected to build from and collaborate with USAID's past and existing activities to maximize impact and ensure interventions are complementary.

Relationship to USAID Biodiversity Policy
In order to ensure that USAID meets the intentions of the legislative directive to support biodiversity conservation, the Agency has established requirements, referred to as the Biodiversity Code, for the use of biodiversity funding[2]. All USAID programs and activities that use biodiversity funds must comply with these requirements or Code. The Code has four key criteria, all of which must be met if the activity is considered a direct biodiversity program:

1. The program must have an explicit biodiversity objective;
2. Activities must be identified based on an analysis of drivers and threats to biodiversity and a corresponding theory of change;
3. Site-based programs must have the intent to positively impact biodiversity in biologically significant areas; and

[2] https://www.usaid.gov/biodiversity/impact/requirements

4. The program must monitor indicators associated with a stated theory of change for biodiversity conservation results.

USAID's investment in the PNG biodiversity program will be funded with biodiversity funds; thus, this activity must adhere to all four requirements above.

Relationship to Other Donors
PNG relies on aid funds to implement its priority activities to augment the country's shortage of domestic resources for development needs. There have been reductions in donor funding to direct biodiversity conservation activities in PNG in recent years. This program will need to liaise and synergize with related donor programs.

Development partners investing directly in biodiversity conservation in PNG include Global Environment Facility (GEF), the United Nations Development Program (much of which is funded by the GEF), the Asian Development Bank, the Australian government, and the Japanese government. The PNG Biodiversity program must build on and collaborate with other donors' activities to maximize impact and ensure interventions are complementary.

Alignment with Government of PNG
Proposed activities should align with the GoPNG's Protected Area Policy, which includes most of the country's medium-term biodiversity objectives. They also should directly support the National Biodiversity Strategy and Action Plan, the National Strategy for Responsible Sustainable Development for Papua New Guinea and the 2015 Papua New Guinea Development Cooperation Policy.

Program Design Approach and Indicators
USAID recognizes that this is a generalized situation model and the degree and types of interventions will vary according to the proposed activities and site location(s). Following award, a refined situation model, theories of change to map the interventions, and a monitoring, evaluation and learning plan that identifies indicators to track results will be developed.

A theory of change (TOC) can then be developed that articulates the relationships between what the program intends to do and the changes and results it hopes to achieve. In the TOC, the intermediate results expected to come from each intervention are depicted as well as the links to those results with the project's expected higher-level outcomes. These TOCs can identify critical assumptions of causality to be tracked during project implementation, as well as the appropriate indicators to test those assumptions. Indicators linked to TOCs help to demonstrate progress towards outcomes and should form the basis of the project's Monitoring, Evaluation and Learning (MEL) plan.

The PNG biodiversity program must measure and report indicators to effectively communicate program results, learn from program activities, and apply evidence-based adaptive management. USAID recommends the use of custom indicators that measure

key results. Custom indicators must be associated with a stated TOC and will be developed in coordination with USAID following the issuance of the award.

Additionally, the PNG biodiversity program may need to measure and report on a number of required-as-applicable "standard" indicators; these standard indicators allow USAID to aggregate and communicate results across our investments. Relevant potential standard indicators will be identified after the award is issued.

Monitoring, Evaluation and Learning (MEL)

Responsibilities of USAID's implementing partner:

The implementing partner will be responsible for MEL to inform management decisions by assessing whether projects are being implemented as planned, reaching targeted groups, achieving expected outputs and outcomes, and documenting, for purposes of adaptive learning and management, implementation gaps/challenges, and good practices and innovative implementation approaches. Aside from the project's work plan, the implementing partner will develop an MEL Plan. Key components of the MEL Plan typically include:

1. The activity's monitoring approach, including relevant performance indicators of activity outputs and outcomes;
2. Plans for collaborating with any external evaluations planned by the Mission or Washington OU;
3. Any proposed internal evaluations;
4. Learning activities, including knowledge capture at activity close out;
5. Estimated resources for these MEL activities that are a part of the implementing partner's budget; and
6. Roles and responsibilities for all proposed MEL actions (ADS 201.3.4.10 A on Activity MEL Plan).

Related to Number 1, the MEL shall describe various approaches to monitor performance and context; and shall discuss the complementary monitoring approach, e.g., complexity-aware monitoring, that may be used for monitoring. For Number 3, the MEL will also include internal evaluations, to be conducted and/or commissioned by the implementing partner, for its own management decision-making, institutional learning, and accountability purposes.

USAID Responsibilities

USAID is responsible for guiding the recipient's progress in achieving the objectives of the project and for verifying that the recipient's activities being funded by USAID complied with the terms and conditions of that award. The programmatic monitoring responsibilities of USAID include, but are not limited to, assessing compliance with policies of the Agency, such as: (i) Branding and Marking Strategy; (ii) drafting and implementation of the gender action plan; (iii) MEL including the conduct of Data Quality Assessments; and (iv) Asset Inventory.

USAID will also review the financial reports and documentations of the implementing partner to verify that USG funds are spent as intended. USAID will monitor compliance on (i) cost-sharing requirements (if applicable); and (ii) obtaining any host country tax exemptions for which the implementing partner is eligible.

Under USAID Evaluation Policy, the primary responsibility for evaluations that assess the overall performance and results from a project or activity rests with USAID. While the implementing partner often provides supporting data and analysis, such evaluations will be designed, implemented and independently contracted by the Mission to assure objectivity and rigor. This project may be evaluated externally by a third-party evaluation contractor to be commissioned by USAID. "Evaluations may be mid-term, final, ex-post, or conducted at any time that is appropriate for the decisions that the evaluation is designed to inform" (ADS 201.3.5.13 on Evaluation Requirements). The MEL Plan should incorporate provisions for the conduct of necessary, albeit unplanned, evaluations (ADS 201saf Evaluation Triggers can be used as a reference).

For a performance evaluation, the notional evaluation questions may include:

- To what degree has the project achieved its objective and deliverables, and what contributed to the achievements and non-achievements?
- What is the efficiency of the project in achieving its stated purpose using least-cost or cost-effectiveness analysis?
- What are the good practices and innovations that the program supported at the community, LLG and national levels? What strategies are in place to help make these good practices sustainable?
- What are the key issues and lessons learned, both positive and negative arising from the performance review that are relevant to the future programs/operations of USAID?
- To what degree has the project addressed its identified gender gaps/issues?

Gender

The Assistance provided and the results achieved should be responsive to gender considerations and beneficial to both women and men. USAID has long recognized that development outcomes are more sustainable and effective when women are included as equal participants. The USAID Gender Equality and Female Empowerment Policy[3] outlines three overarching gender-related outcomes: 1) reduced gender disparities in access to, control over and benefit from resources, wealth, opportunities and services – economic, social, political, and cultural; 2) reduced gender-based violence and mitigation of its harmful effects on individuals and communities; and 3) increased capability of women and girls to realize their rights, determine their life outcomes, and influence decision-making in households, communities, and societies.

Once sites/regions where activities will take place have been selected, the project must conduct a gender analysis, including gender-based violence, with a set of recommendations to operationalize the above overarching gender-related outcomes. The

[3] https://www.usaid.gov/sites/default/files/documents/1865/GenderEqualityPolicy_0.pdf

set of recommendations will translate into a gender action plan, and will figure into the project's work plan and MEL Plan.

The project's gender action plan will include the following considerations:

- Training for the project staff, partners and cooperators on gender awareness, gender analysis and gender-responsive planning;
- Collection of sex-disaggregated data for baselines and monitoring of all people-level indicators and use of gender analysis tools to identify potential gender gaps and constraints; and
- Gender-responsive consultations to encourage the active participation of women, men and Lesbian, Gay, Bisexual, Transgender, Queer, Questioning and Intersex (LGBTQI) individuals; and ensure that the voices of women are heard and reflected in project plans and activities.

The preparation of the Gender Plan of Action should be guided by the USAID Gender Policy:
http://www.usaid.gov/our_work/policy_planning_and_learning/documents/GenderEqualityPolicy.pdf.

The project is required to adopt any of USAID's output and outcome indicators[4], as appropriate, on gender equality, female empowerment, and gender-based violence in USAID's Gender Policy. Progress of all related activities will be measured and verified using gender-sensitive performance indicators that will be part of the MEL. All people-level indicators must be disaggregated by sex and analyzed and reported in project narratives.

Project activities will be implemented in a manner that promotes fair, equitable, and meaningful inclusion of both men and women in all project activities. As part of the application process, the applicant should include women, men and LGBT, individuals in their staff and among target groups in a representative manner as possible. Where appropriate, the project will ensure increased and safe participation of women (from the participating institutions) in project implementation.

Environmental Guidelines

Work performed under this project should be in accordance with USAID's environmental regulations defined in 22 Code of Federal Regulations (CFR) 216[5], and in accordance with applicable local environmental laws and regulations. After an award is made, an environmental assessment screening will be performed to identify potential adverse impacts on the environment and develop appropriate control measures to mitigate those negative impacts.

[4] USAID Output and Outcome Indicators are listed in 2012 USAID Gender Policy
[5] https://www.usaid.gov/our_work/environment/compliance/22cfr216

ATTACHMENT 2

USAID welcomes comments on any section in the Program Description. Of particular interest to USAID are the following:

1. Recommendations to strengthen any perceived weaknesses in the draft program description;

2. Comment on the logical causal links depicted in the situation model and program description. Has USAID missed or wrongly depicted these causal links?

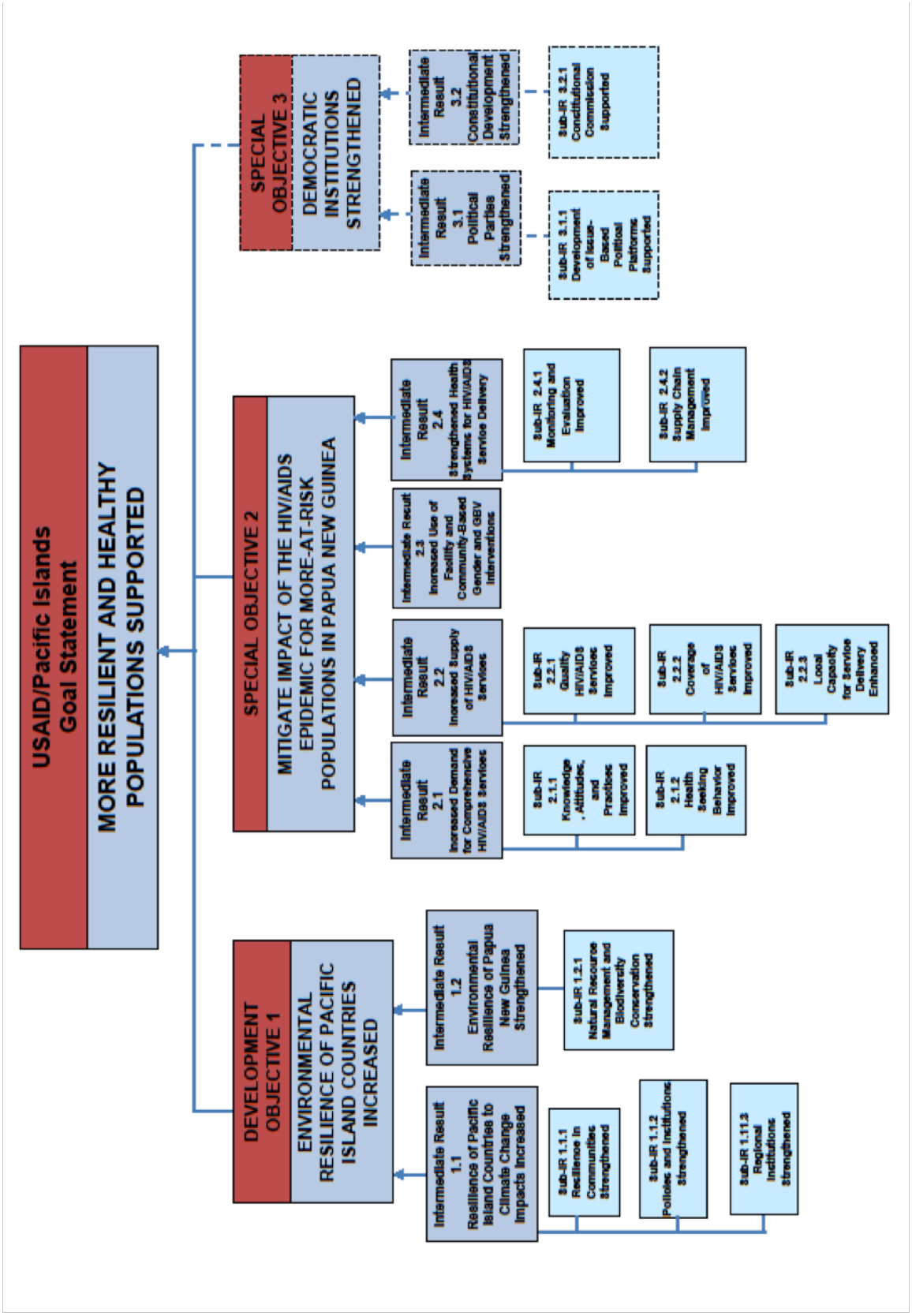
3. Comment on what should be the priority intermediate results and activities, which the program should focus on to deliver the most impact to the overall goal.

4. Are there any existing development programs that address the issues in this program description? USAID would appreciate learning about innovative programming that have been tested and show promise in addressing similar issues in PNG or potential overlaps in programming that would duplicate efforts?

5. Is the program description adequately described to attain the proposed objectives? Do you have recommendations to strengthen any perceived weaknesses in the draft program description? Are there any approaches that are missing?

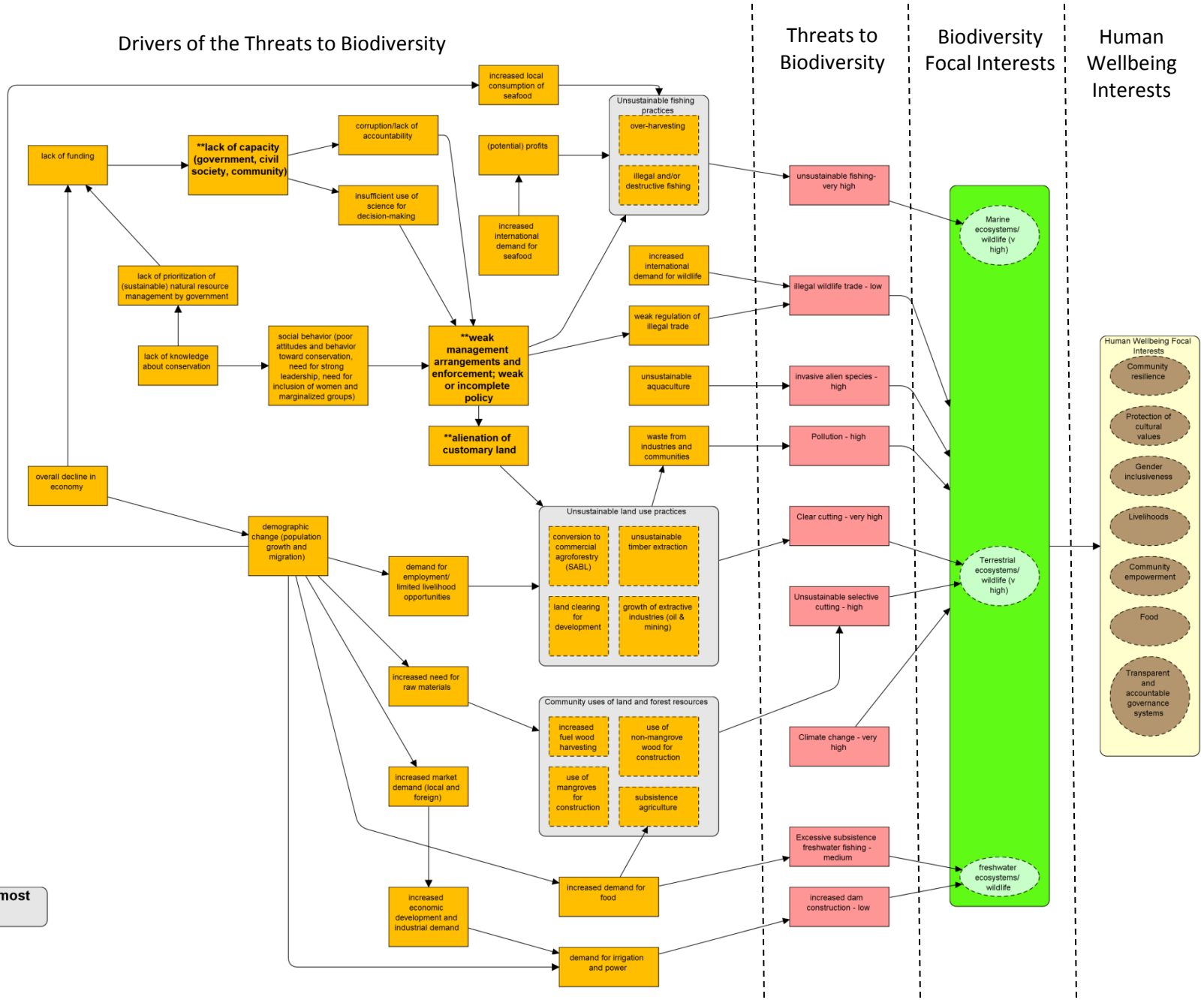
6. Are there any significant socio-political, economic, economic or geographical factors that may call for a different approach from what is described in the program description?

Annex 1


USAID/Pacific Islands Goal Statement
MORE RESILIENT AND HEALTHY POPULATIONS SUPPORTED
SPECIAL OBJECTIVE 3
DEMOCRATIC INSTITUTIONS STRENGTHENED
Intermediate Result 3.2 Constitutional Development Strengthened
Sub-IR 3.2.1 Constitutional Commission Supported
Intermediate Result 3.1 Political Parties Strengthened
Sub-IR 3.1.1 Development of Issue-Based Political Platforms Supported
SPECIAL OBJECTIVE 2
MITIGATE IMPACT OF THE HIV/AIDS EPIDEMIC FOR MORE-AT-RISK POPULATIONS IN PAPUA NEW GUINEA
Intermediate Result 2.4 Strengthened Health Systems for HIV/AIDS Service Delivery
Sub-IR 2.4.1 Monitoring and Evaluation Improved
Sub-IR 2.4.2 Supply Chain Management Improved
Intermediate Result 2.3 Increased Use of Facility and Community-Based Gender and GBV Interventions
Intermediate Result 2.2 Increased Supply of HIV/AIDS Services
Sub-IR 2.2.1 Quality HIV/AIDS Services Improved
Sub-IR 2.2.2 Coverage of HIV/AIDS Services Improved
Sub-IR 2.2.3 Local Capacity for Service Delivery Enhanced
Intermediate Result 2.1 Increased Demand for Comprehensive HIV/AIDS Services
Sub-IR 2.1.1 Knowledge, Attitudes, and Practices Improved
Sub-IR 2.1.2 Health Seeking Behavior Improved
DEVELOPMENT OBJECTIVE 1
ENVIRONMENTAL RESILIENCE OF PACIFIC ISLAND COUNTRIES INCREASED
Intermediate Result 1.2 Environmental Resilience of Papua New Guinea Strengthened
Sub-IR 1.2.1 Natural Resource Management and Biodiversity Conservation Strengthened
Intermediate Result 1.1 Resilience of Pacific Island Countries to Climate Change Impacts Increased
Sub-IR 1.1.1 Resilience in Communities Strengthened
Sub-IR 1.1.2 Policies and Institutions Strengthened
Sub-IR 1.1.3 Regional Institutions Strengthened

Situation Model for the USAID PNG Biodiversity Program Design

Annex 2



** These are among the most critical drivers.