



COMPILATION OF COMMENTS
SUBMITTED BY COUNCIL MEMBERS
ON THE GEF
DECEMBER 2019
WORK PROGRAM

NOTE: This document is a compilation of comments submitted to the Secretariat by Council members concerning the project proposals presented in the GEF December 2019 Work Program

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**DECEMBER 2019 GEF WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS
(REFERENCE: GEF/C.57)**

IMPACT PROGRAMS

- 1. Global - (Argentina, Brazil, China, Costa Rica, India, Indonesia, Morocco, Rwanda, Sierra Leone): Sustainable Cities Impact Program, UNEP/ADB/UNDP/WB (GEF Program Financing: \$146,742,453) (GEF ID: 10391)**

✓ **France Comments**

- The Sustainable Cities IP seems interesting in its succinct presentation, both for its holistic and cross-cutting aspects, including its emphasis on nature-based solutions, renewable energies, public transport, etc., without forgetting the capacity building, and good practice dissemination through a new platform.
- However, the France regrets that the selection process, which by construct favored the most dynamic and proactive cities, excluded cities which have not been able to respond to the call for expressions of interest, precisely because they are poorly equipped in their communities.
- Yet, as the Africapolis site of the OECD shows, it is Africa that experiences today, and will even more so tomorrow, experience the highest urbanization rates, endogenous urban growth rates. This phenomenon mainly concerns secondary cities when the only 2 African cities included in the program are the capitals Freetown and Kigali. No city was selected for example in the extremely populated Nigeria, where Onitsha is an example of secondary city of 8M that grew very quickly, and which few people have heard of.
- It seems important to integrate more secondary African cities.
- (Note that translation in English from French is by the GEF Secretariat)

✓ **United Kingdom Comments**

- SL is a high fiduciary risk environment, with a very weak local audit regime, and therefore adequate and active local programme management needs to be in place.
- If the GEF's Sustainable Cities programme will be working in SL it will need to do so in conjunction with the Cities and Infrastructure for Growth Sierra Leone (CIG) programme. CIG will be working with Freetown City Council. Also, the WB are about to start an urban resilience programme with Freetown.

✓ **Germany Comments**

Germany welcomes the program and appreciates the approach taken. The SCIP has the particular innovation potential to spearhead global work in the domain of integrated planning and land use for ecological transitions in cities, by providing related global platforms, as well as a narrative on co-benefits supported by strong practical cases.

Suggestions to be made for the finalisation of the project proposal/implementation of the project:

- Germany recommends including a specific section on potential for expanding the platform, and the programs activities to LDCs, as part of the theory and change and knowledge management. In its core function, the impact program should aim at going beyond supporting 24 cities in 9 countries, and particularly look at potential for supporting more LDCs – who are often characterised by high urban population growth and, at the same time, a lack of technical, financial and institutional capacities for sustainable planning of urban settlements.
- Germany recommends improving stakeholder-mapping in infrastructure-related issue areas such as transport and energy and clarifying the program’s added value. The SCIP should carefully evaluate the risk of “doubling” and rather seek complementarities with the breadth of ongoing initiatives on sustainable/low-carbon/resilient infrastructure in cities. SCIP could provide the necessary policy backing and capacity building support and, as such, a cross-sectoral entry point for initiatives that operate further downstream, such as project preparation facilities and bilateral/multilateral development banks.
- Germany welcomes the choice of UNEP as lead agency, especially given the topical focus of the initiative on land-use planning, urban metabolism, urban ecology, and the related UNEP platforms on resource efficient cities and GlobalABC. However, Germany would recommend including a dedicated section on cooperation with UN-Habitat. Its capacity building efforts for urban planners (such as Planners for Climate Action), knowledge resources, partner networks and global platform (UN-Habitat Assembly) should be leveraged to ensure a coherent and efficient approach.
- Lastly, Germany would recommend mainstreaming the issues of durability and follow-up funding for of each Child Project, as the proposal does not address this issue in sufficient detail.

✓ **Norway/Denmark Comments**

The program appears to involve an ambitious coordination effort between four different international organization (UNEP, ADB, UNDP, WB). If successful, the project can potentially benefit from having four agencies with different areas of expertise and outreach.

- Regarding various components including Comp. 1 where the outcome is “Local and/or national governments have strengthened governance, institutions, processes, and capacities to undertake evidence-based, sustainable, inclusive,

integrated planning and policy reform” and Comp. 4 where the outcome is “Policy making and action are influenced at local, regional and national levels to promote sustainable and inclusive cities”, the indicators proposed are broad and will likely be challenging to monitor and separate between correlation and causation, and/or determine the impact of. For example, indicator 8. “# of resolutions and/or commitments to advance urban sustainability and inclusiveness in high-level policy making events” – presumably not all resolutions will be equally impactful.

- Indicator 11. “# of cities that have shared their good practices and lessons learned with the SCIP GP” – what constitutes “shared” – sharing at a large conference, shared online, partially shared, or fully shared? Etc.
- Comp. 3 has a proposed outcome of “Local and national governments initiate innovative financing and business models for scaling-up sustainable urban solutions” where one of the indicators (7) is “USD leveraged through the innovative financial mechanisms and business models for scaling-up sustainable urban solutions”. – Is it clearly defined what constitutes “innovative financing”? Are blended-finance models still considered innovative? Can “traditional” financing still be considered valuable in this context?

Costs / fees / budget /leveraging effect

- USD 6,949,003 is budgeted for Program Management Cost (i.e. ca. 5%) presumably for implementing the various components.
- USD 13,205,219 in addition is requested from the various agencies (UNEP, UNDP, WB, and ADB), i.e. ca. 8.3% - is this on top of the fee above?
- Estimated co-financing is USD 1,689,754,351 so the potential leveraged resources is significant. However, the most significant of which is loans provided by WB to Indonesia and China, ADB to India, and the Governments of Argentina, Brazil, Costa-Rica and Indonesia. There is also a large co-investment by the Chengdu Environment Group in China. Only USD 11.5 is expected from private actors. This lack of private investors may be explained by the fact that it involves long-term investment with significantly complex interactions between sectors and without a standardized measurement, hence difficult for investors to measure the anticipated impact, and hence make decisions based on anticipated impact. Is the objective with the “innovative finance” above to increase the amount of private investment leveraged or to be innovative with existing public finance available? It is positive to note that the SCIP Global Platform aims to focus on a number of key areas for private sector engagement.

✓ Other comments

- The programmatic justification (i.e. the problems and barriers) is clearly and convincingly described.
- The baseline describes a number of existing approaches, initiatives, projects and tools to support cities to become more sustainable and able to respond to the challenges they are facing. In addition, business associations have developed

their own city-focus initiatives such as the World Business Council for Sustainable Development (WBCSD) which in turn has number of initiatives. Many of the MDBs are also channeling funds towards cities' needs. However, according to the PDF, "cities themselves find limited opportunities to share successes, lessons learned, and scale innovative approaches on integrated planning. Moreover, many of the just mentioned programs are fragmented" – has the program considered scaling up one of the existing platforms?

- The GEF created the Sustainable Cities Integrated Approach Pilot (SC-IAP) during the GEF 6 financing cycle which supports 24 cities across 11 countries through a USD 140 mill grant, leveraging USD 2.4 bn in co-financing and contributing more than 100 mill tons of CO2 emissions in GHG mitigation benefits. By comparison, the SCIP will support 24 cities across 9 countries for participation in the GEF 7 financing round through a USD 147 mill grant, leveraging 2.1 bn in co-financing and contributing more than 120 mill tons of CO2e in GHG mitigation benefits. Where does the USD 2.1 bn in co-financing come from? The table on co-financing estimates about 1.6 bn in co-financing. The SCIP also aims to improve management of over 1 million hectares for conservation and land restoration, and to benefit an estimated population of 58 million citizens. We note that the two programs appear similar in terms of volume, scope and impact.
- UNEP has been selected as the Lead Agency. The SCIP is conceptually founded on UNEP's research and understanding of integrated planning and management, specifically the International Resource Panel's work on decoupling and the Weight of Cities report. This may be sufficient for hosting relevant platforms, however, does the agency have the necessary outreach and capacity to be the Lead Agency given the countries covered under the program?
- The Weight of Cities states that by IRP, "cities can achieve some 30-55% reduction of GHG emissions, water and metal consumption and land-use compared to baseline projections, by leveraging connections and resource sharing across urban systems such as green buildings, district energy systems, bus rapid transport, and transition to renewables combined with strategy densification" – are there concrete examples of when this has been done?
- Which language(s) will knowledge products/experiences be shared in given the wide array of countries in the program? How will management of new platform tools be maintained when the project comes to an end?
- "The SCIP has a two-pronged approach, that brings together investments for integrated sustainable cities, with knowledge sharing and learning platform, to build momentum, raise ambitions, secure commitments and implement integrated solutions on the ground that require new behaviors by all actors. Through these two-tracks, a virtuous and reinforcing circle emerges, where capacity development informs the implementation of more innovative, inclusive, gender sensitive, sustainable and integrated projects, which in turn set an example for replication within the city, country and beyond, serving as an inspiration for others, an outlet for knowledge and further building capacity in its wake." Is this realistic?

- The risk and mitigation matrix is fairly high level. We have not noted references to cross-cutting issues such as anti-corruption, gender, environmental risks or human rights.

✓ **United States Comments**

- We look forward to tracking the experience of the Sustainable Cities Impact Program in linking the public and private sectors, as well as its future expansion to a greater number of cities across continental Africa. We suggest that the program consider developing additional programming on water-related goals, particularly those related to energy production, health care, gender equality, industry development, and subsistence.
- Additionally, we would want to ensure that this program takes into account the Government of Rwanda's plans for affordable housing and model communities and integrates programming, to the greatest extent possible, with those plans.

2. **Global (Brazil, India, Nigeria, Paraguay, Uganda): Food Systems, Land Use and Restoration (FOLUR) Impact Program Addendum, WB/UNEP/FAP (GEF Program Financing: \$67,922,022) (GEF ID: 10397)**

✓ **France Comments**

- France of course supports this project which aims at the sustainable management of land and forests and the greening / sustainability of value chains by targeting large producer countries.
- It would be interesting to explore potential coordination with the French national strategy to combat imported deforestation (SNDI), the European strategies on the subject, and with the alliance for tropical forests.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks to clarify the following aspects in the final project proposal: How will local governments and civil society organizations in the respective countries be strengthened as change agents of an enabling environment? What are country specific risks and mitigation strategies with regards to current political priorities and institutional capacities (esp. with regard to environmental, civil society and indigenous issues)? How is the LDN response hierarchy addressed (priority on avoiding land degradation) in order not to incentivize degradation through restoration support?
- In addition, Germany recommends taking into account ongoing initiatives of the German ONE WORLD - No Hunger Initiative regarding the Green Innovation

Centres for the Agriculture and Food Sector (i.a. in Nigeria, India) as well as regarding Soil Conservation and Soil Rehabilitation for Food Security (India).

✓ **Canada Comments**

- We recommend that Fundacion para la Conservacion del Bosque Chiquitano (FCBC) be invited to be a stakeholder in this GEF project. FCBC is a non-profit organization based in Santa Cruz de la Sierra, whose geographic scope includes the entire department of Santa Cruz and focuses on the ecosystems with the greatest environmental vulnerability, especially the Chiquitano Dry Forest, the Cerrado and the Chaco. FCBC has promoted the design and implementation of around 500 projects and initiatives at different scales, especially in the Chiquitania region, both with the public and private sectors and in close collaboration with the social actors and authorities of the region and with different local and national and international partner organizations.

✓ **United States Comments**

- We support the FOLUR program and these addenda and have some additional comments for improvement. First, our understanding of the phrase and concept of “food systems” and “transforming food systems” refers to a holistic, systems-approach to food and agriculture, including very prominently, nutrition and diet. The lack therefore, of mention of nutrition and diet in the projects is of concern, and we recommend that these important concepts not be isolated from broader transformative work on the biodiversity and ecosystem, and overall environment sustainability considerations of food system transformation discussions.
- Additionally, we will closely track the performance of both Nucafe and the Bugisu Co-op, which we believe will benefit from close monitoring.

OTHER PROGRAMS

3. **Regional (Angola, Burkina Faso, Comoros, Djibouti, Eswatini, Ethiopia, Madagascar, Malawi, Nigeria, Somalia): GEF-7 Africa Mini-grids Program, UNDP (GEF Program Financing: \$24,235,308) (GEF ID: 10413)**

✓ **Germany Comments**

Germany welcomes the proposal to address the need for affordable access to clean energy in Africa through a regional approach. The proposal is in line with objective 1 “Promote innovation and technology transfer for sustainable energy breakthroughs” of the GEF-7 Climate Change Focal Area, with the SDG 7 “Affordable and Clean Energy”, SDG 13 “Climate Action” and fits within the framework of the German Marshall Plan for Africa.

Germany requests that the following points be taken into account during the design of the final project proposal:

- Germany requests that the risk and co-financing sections of the document are revised to provide more information about how the project implementers intend to mobilize the proposed finance and what alternatives will be pursued in the event of delays or changes to the indicative funds. With around 344 Mio. USD, provided by 51 financiers, a well-managed and guaranteed flow of co-financing will be crucial to the project's success. However, at this stage, co-financing sources and amounts are still indicative, thereby giving no assurance that finances will be made available.
- Germany requests clear identification of relevant stakeholders for all countries and all program components, including regional and national agencies, technical stakeholders (implementation phase), strategic partners and relevant companies for e.g. capacity building. The program includes 11 African countries and numerous stakeholders. For some countries, relevant ministries and relevant technical implementation partners have been appointed, for others not.
- Germany requests a breakdown of component 2 activities, including more details on the project approach under Component 2. A large part of the program's allocated funding is for investments in this component (49% of total budget). However, the activities in this component are not sufficiently described. Given the importance to the project outcomes, Germany would also recommend further describing how project activities contribute to the project's overall theory of change.
- Experiences with implementing mini-grids in Africa have proven that high financial costs are linked to high financial risks in local markets. The proposal considers the risk, but Germany recommends that special attention should be given to financial risk reduction and risk-hedging approaches. The risk section should be revised accordingly. The lack of skilled technical staff is a further risk that requires greater consideration. Germany recommends a greater focus on capacity building for skilled technicians.

✓ **Norway/Denmark Comments**

Costs / fees / budget /leveraging effect

- USD 1,303,576 is budgeted for Program Management Cost (i.e. ca. 5%) presumably for implementing the various components
- USD 2,181,178 in addition is requested from the UNDP, i.e. ca. 8.3% - is this on top of the fee above?
- Estimated co-financing is USD 344,310,000 – of this only about USD 95 mill is loans (from WB, GCF, AfDB and GIZ), or ca. 28%. This is to be expected as there are still not strong business models for mini-grids without significant grant financing.

Other comments/questions

- Output 2.1 stipulates that “Pilots developed, including on productive use/innovative appliances and modular hardware/system design, leading to cost-

reduction in mini-grids” – are there not a lot of lessons that can be gained from existing mini-grid programs now?

- Output 3.3 “General market intelligence study on mini-grids prepared and disseminated amongst public officials and finance community” – how will this be different from existing market intelligence, for example:
 - https://www.esmap.org/mini_grids_for_half_a_billion_people
 - https://eepafrica.org/wp-content/uploads/EEP_MiniGrids_Study_DigitalVersion.pdf
 - <https://www.reeep.org/mini-grid-development-africa>

There is also at least one existing ‘community of practice’:

- http://ledsgp.org/community/africa-mini-grids-community-of-practice/?loclang=en_gb

Similarly, how will the knowledge tools (4.1) be different from/build on others?

- How will the implementers ensure that markets are not undermined? There are currently several mini-grids invested in by commercial actors (e.g. Norfund in Madagascar - <https://www.norfund.no/newsarchive/lighting-up-madagascar>) and the program should provide assurances that it will not undermine markets through (overly) subsidized new mini-grids (e.g. if a few villages are connected to a mini-grid which has been commercially invested in and pay a relatively high tariff, it can lead to discontent if another few nearby villages are connected to a new mini-grid that due to a higher level of grant financing pay a lower tariff).

✓ **Canada Comments**

- Mini-grids can have important impacts on development, including on energy access, agriculture, health and education. It would be interesting if the project could explore opportunities to make further linkages with rural development programs.
- The mini-grids program has value for engagement where there are market failures, and there should be entry points for the private sector. The project is also well-aligned with Ethiopia’s Growth and Transformation Plan and its objective of “Building Climate Resilient Green Industry” and “Expanding Energy Infrastructure and Ensuring its Quality”.

✓ **United States Comments**

- The proposal addresses social acceptance risk but offers the use of policy and financial de-risking measures as a way to reduce cost, thereby increasing social acceptance risk. It does not address the value of messaging or public promotions and education campaigns to lower that risk further. Also, the program mentions working groups, but does not elaborate on make-up of the groups or state a commitment that the working groups will include representatives from local and community consumer and user stakeholders. Reviewers suggest a mechanism to

ensure these groups include consumer stakeholders, indigenous representatives, and local authorities to educate and seek input on unexpected effects or consequences of the project at the local level.

- Finally, the program will promote a value chain approach to technology transfers that will integrate local labor and local industries / service providers in the development of solar PV-battery minigrids. Reviewers note that monitoring the value chain periodically to ensure sufficient local integration (or make the necessary adjustments) will be important to the success of the project. GEF may want to consult with experts at the U.S. Department of Energy's Office of Electricity, which works with U.S. state and local electricity officials and industry groups, to share data and best practices.

4. Global, Cambodia, Indonesia, Kazakhstan, Moldova, Morocco, Nigeria, South Africa, Turkey, Ukraine, Uruguay: Global Cleantech Innovation Programme (GCIP) to Accelerate the Uptake and Investments in Innovative Cleantech Solutions, UNIDO (GEF Program Financing: \$17,972,633) (GEF ID: 10408)

✓ **Germany Comments**

Germany welcomes this innovative proposal that aims to foster clean tech start-ups and SMEs through capacity building, access to finance, policy and regulatory strengthening and learning and exchange, building on the lessons learnt from a previous project. The proposal is aligned with the relevant GEF focal strategy and comprehensive.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks to review the risks section of the document as to identify environmental risks for relevant strategies and develop associated mitigation measures. The proposal currently considers environmental risks to be low without providing detail. However, some (e.g. blockchain) have concerning carbon footprints, unless they are powered exclusively by renewable energies, which is rarely the case. Industrial processes related to battery-based technologies can have harmful environmental impacts if these are not mitigated through environmental regulation and risk mitigation measures, which are often not effectively enforced.
- In this context, Germany also suggests to review the technologies alignment with local climate risks, when deployed. The GIZ "Climate Expert" tool could provide a relevant frame to do so in a local context.
- Germany suggests further broadening the scope to support low-tech and lower-tech approaches to energy, resource efficiency or waste management that do not exclusively rely on strong IT skills. It might not be the local SMEs' lack of access to finance and entrepreneurial capacities alone that hinder their development and scaling up.
- Germany also suggests seeking synergies with KfW's SME and start up support

program for energy-efficient production processes, as well as the GIZ project on the promotion of smallest, small and medium-sized enterprises in Morocco. Germany further invites consideration of potential additional synergies with research institutes (e.g. by leveraging the partnership with Climate-KIC); such partnerships might be able to provide some of the IT technology needed or help to bring technologies to maturity and to foster market readiness.

✓ **United States Comments**

- We are supportive of this project, through there were initial concerns that the program appears to be duplicative of other major UN programs and IERNA efforts. Reviewers noted that as long as UNIDO, IRENA, the World Bank, Clean Energy Ministerial, CSLF, IEA, OECD, USAID, the EU, GiZ, and other major donors who are active in this space coordinate and de-conflict their efforts, or receive funding for their efforts from the program, it seems fine to promote innovation in clean technologies.
- The Secretariat clarified that the GCIP uniquely combines an array of comprehensive and interlinked services to promote innovative cleantech solutions in developing countries and emerging economies. There are no known overlaps with any existing UN programmes or initiatives. Rather, the GCIP may collaborate with these institutions and initiatives so as to enhance GCIP the impact services.
- Other reviewers are supportive of this initiative and think it is well-designed for Cambodia. However, there is concern about partnering with UNIDO who has struggled with implementing programs in the past.

5. Regional (Bahamas, Cuba, Dominica): Implementing Sustainable Low and Non-Chemical Development in SIDS (ISLANDS), UNEP (GEF Program Financing: \$10,000,000) (GEF ID: 10387)

✓ *No comments received*

STAND-ALONE FULL-SIZED PROJECTS

NON-GRANT INSTRUMENTS

6. Global: The Food Securities Fund: A Fund to Finance Sustainable Supply Chains at Scale in Emerging Markets, (NGI) - CI (GEF Project Financing: \$13,461,468) (GEF ID: 10322)**

✓ **France Comments**

- Some existing funds seem to be based on the same mechanisms: IFAD's ABC fund, GAFSP 's Missing Middle initiative, Mirova's LDN fund. It is necessary to ensure the complementarity with these funds. In addition, the SAFIN network

(FIDA) brings together the various actors / funds / initiatives working to improve access to financial services for MSMEs in the agricultural sector.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **United Kingdom Comments**

- GEF should plan and be able to articulate an exit strategy from this investment, as it is not built in to the fund structure. That being said, evergreen funds of this type are a potentially valuable innovation, the leverage ratio is high, and the choice of sector - sustainable agriculture - is encouraging from a development impact perspective.
- We are interested in understanding about the involvement of multinational agribusinesses companies. What is the motivation behind their first loss guarantee?

✓ **Germany Comments**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks to clarify how project activities and the theory of change contribute to achieving output 1.2.3: “At least 20 developing and emerging countries included in the Food Securities Fund’s loan portfolio. The Food Securities Fund will have an initial focus on Sub Saharan Africa”. This assessment should clearly identify barriers to this output and describe how project activities address them.
- Germany would ask to clarify and provide additional detail on the engagement strategy with private investors. What is the approach used to mobilize investment specifically into Sub-Saharan Africa? What is the added value of the fund?
- Germany asks that a dedicated section on “additionally” is included into the document, and that indicators and screening criteria are defined to ensure that utilized GEF-funding is used to “crowd-in” private investment.

✓ **Norway/Denmark Comments**

In general, we view the FSF investment strategy as relevant for the target group and the markets in which it will operate, and as an innovative approach to addressing food security.

Investment strategy:

- Investment vehicle. FSF’s main product is a working capital loan with a tenure up to 12 months to match the full agricultural cycle. We note that affordable financing is extremely scarce for aggregators in most developing countries. In cases where financing is available, it is usually through informal channels

carrying very high interest rates. Or, where bank financing is an option, collateral is usually required making bank financing out of reach by most aggregators. The FSF is one of very few, if not the only fund, that is targeting aggregators with working capital financing product. The loans are relatively short, and appropriate for the target group. What other type of flexibilities are/or can be built into the loan product (e.g. grace periods, repayment options, accrued interest)?

- Security. FSF is offering unsecured loans. This is a critical feature that makes the loan product very attractive since most aggregators won't have security to pledge. In the event a borrower can pledge security, how will this affect loan pricing?
- Foreign exchange (FX) risk. All loans will be denominated in USD. This limits FSF's exposure to currency risk, however, putting the FX burden on the borrower. Given the short loan tenure, the risk should not be considered to have high probability nor impact. Although, in the event of disbursing loans in currency fragile countries, could FSF consider FX risk sharing with the borrower, i.e. splitting cost of a currency hedge?
- Interest rate. Loans will be priced ranging from 9 – 15% per annum. The interest rate appears to be slightly lower than other US denominated loans we have seen in the African agribusiness lending environment. Local currency loans can bear interest rates of up to 18-22% (secured). FSF rates appropriately reflect the risk. With that said and taking into account the large guarantee facility from USAID, the risk to FSF is considerably reduced. Can rates potentially be pushed slightly lower to become even more competitive in the market and reach the entities that need it the most?
- Allocation strategy. Although the prospectus is limiting exposure to 30% in any one investment, internal guidelines has max exposure in any country, commodity, value chain partner ("VCP"), or aggregator at 25%. We assess this to be very high and would like to see this adjusted down. Even at 25% concentration, the fund will be highly exposed and sensitive to e.g. changes in market prices, political risk in a given country, and all the risks related to agricultural primary production (i.e. weather, diseases). We would suggest decreasing this to 15% to be more conservative.
- First loss/risk sharing. FSF is managing a guarantee facility from USAID with a max. exposure up to \$37.5 million. This feature is a defining competitive advantage in terms of fundraising and product offering. The guarantee facility will likely attract additional private sector capital as their risk will be considerably reduced. From the borrower perspective, FSF is able to offer an attractive guarantee. However, as the portfolio grows, dependency on USAID becomes more obsolete. Is the guarantee facility only a strategy while the fund is building its track record? Without the credit facility, how will this affect both interest rate and collateral requirements?
- Co-investment options. Currently, FSF does not allow for co-investments. We would like a provision for co-investment opportunities. In the future, there will

almost certainly be projects that will align with investors interest. This provision can catalyze additional capital and further strengthen and de-risk the portfolio.

Fund organization:

- Fee structure. The Fund is domiciled in Luxembourg (with feeder fund in the US). The fund is registered and appears to have a strong organizational structure. The feeder fund enables the fund to raise capital from US investors. This element is key as US investors are a key target group for fundraising. For information purposes, we should be informed of the fee structure related to compliance and regulations (i.e Vistra). Are these costs expensed directly to the fund account or subtracted from the quarterly management fee?

Fund governance:

- Roles and responsibilities. With a contribution of almost \$15 million, GEF will be the largest investor. How will GEF be represented in the fund governance? Will GEF take a board seat? Could it take a board seat and be represented by an outside board member?
- IC composition. Ensure that IC is represented by experienced investors with agribusiness backgrounds.
- Reporting. Limited information has been shared on fund reporting.

Investment terms:

- Redemption options. The Fund is an open-ended fund and can receive investments at the end of each quarter. This structure allows for greater flexibility for the fund manager and the investor. The fund manager is not constrained by an investment period or forced exits upon fund liquidation; and the investor can redeem their investments on a schedule set by the fund manager. Nevertheless, it also exposes the fund to great liquidity risk as investors can call their investments. We need to know what the redemption options, schedule, and restrictions are (e.g. total amount allowed to redeem, penalty for early redemption). Current notice period is 60 days. This is investor friendly but may cause cash flow disruptions. Having at minimum 3-months (ideally 6-month) redemption notice would be a good risk mitigation measure. Also, the board should reserve the right to block a redemption request depending on liquidity ratios and amounts.
- Management fees & hurdle rate. The Fund is charging 0.5% of net asset value (NAV) quarterly management fee (2% annually). This is typical and competitive with other debt funds. The fund manager does not have a hurdle rate and given Clarmondial is a first-time fund manager, a hurdle rate of 3 or 4% might be appropriate and at the same time give incoming investors more confidence.
- Share class. There is only one equity share class. FSF could consider creating other share classes in order to attract a wider range of potential investors. For example:

- Share class X: higher investment amount, more flexible redemption terms and lower management fee.
- Share class Y: lower investment amount, stricter redemption terms and higher management fee.
- Share class Z: management's contribution, no redemption, no management fee

Fund performance:

- Track record. The Fund is not yet operational and has not yet made any investment. Moreover, Clarmondial is a first-time fund manager with limited experience managing an investment portfolio. GEF should take on additional leadership in resource mobilization for FSF.
- Co-financing target. FSF is targeting \$772.500.000 co-financing over the next 8 years. As of now, FSF only has \$1.000.000 in firm commitments. As such, we view the co-financing target as too ambitious. We ask FSF to provide a more detailed plan on how they will reach their target.

Other key questions/issues to consider:

- Reflow of capital. How will reflow of capital to GEF be managed? Will reflow of capital be recycled into the FIF?
- Ability to fundraise. Clarmondial has been fundraising for the FSF since 2016. Food security funds are generally challenging to raise, and often need a few anchor investors to get the ball rolling. Given FSF long fundraising timeline, we suspect lack of private sector interest in this type of investment vehicle. We need more information on FSF fundraising history.
- Ability to source deals. How is the team's ability to source and originate investment deals? An extensive network and catchment area for deals is critical for a successful fund. Need an assessment of the team's ability to source deals.
- Financial analysis. There is no financial analysis included. We need to see examples of fund compositions.
- Team profiles. The most important aspect to assess prior to making a decision is the team. Limited team assessment is provided, and no team profiles are included.

✓ **Canada Comments**

- There is a significant gap in the project in terms of providing skills/knowledge around sustainable agricultural practices and being able to evaluating that those are the ones including the in project, specifically:
 - It is not clear how local "aggregators" define or will ensure that the products they aggregate are sustainable or reduce negative externalities.
 - It is not clear how farmers are acquiring skills/knowledge. To complete the logic of the outcomes, it is possible that the "goods and services"

provided to farmers is referring to extension services that deliver information and training on sustainable agricultural practices that reduce negative externalities, but this is not spelled out. If this is not the case, there needs to be a better explanation of how farmers will acquire the skills to improve their production practices to improve biodiversity, restore land and reduce carbon emissions.

7. Regional (Albania, Bosnia-Herzegovina, Montenegro, North Macedonia, Serbia, Turkey): Circular Economy Regional Programme Initiative (Near Zero Waste) (NGI), EBRD (GEF Project Financing: \$13,761,468) (GEF ID 10328)**

✓ **United Kingdom Comments**

- UK colleagues feel that using loans with a results-based interest rate mechanism would not achieve the outcomes projected in the policy paper.
- Albania has regularly drafted and passed environmental protection laws and is partially aligned with the EU acquis (body of common rights and obligations that are binding on all EU countries), but then the government has not made provision within its budget and so implementation/infrastructure and oversight is poor. There is little evidence that transgressing these environmental standards results in prosecution or sanctions. So, enforcement is a major issue that needs to be addressed.
- There seems to be an assumption that there is a network of eco-businesses/eco-infrastructure in existence that simply needs investment. There are some eco-businesses in Albania, which need support but whether this project would be attractive or act as an incentive is unlikely. We understand that the German government has used loans and even grants in the past in support of waste management projects in Albania and although the projects were agreed in principle, the funds were never drawn, and the projects never initiated. This suggests that the problem is not funds, but other factors.
- There are over 199 non-compliant landfills and dumpsites in Albania, which is a major problem particularly those near water sources. It is noted that only 65% of waste is collected and there is no recycling of demolition waste. Economic instruments to promote recycling and prevent waste generation remain limited. There is little political or economic incentive for the local municipalities to close these sites in favour of properly constructed, properly maintained sites, which are perceived to be expensive and adding to the burden of a population already struggling economically, so even where properly organised waste management (whether publicly or privately owned) is in place it is not being used.
- It is noteworthy that municipalities cannot borrow funds to deal with waste management projects locally. They require exceptional permissions from the Finance Ministry with the government acting as surety making the process bureaucratic and less accountable to the local population.

- There is evidence of administrative corruption and criminal gangs using companies with environmental credentials to draw in funds or launder funds but not trading to the required standards set out in their business plans or the law. In some cases, they are not trading at all. There have also been instances of interference in media investigations into these companies resulting in investigative journalists being dismissed. The claim of interference is disputed but should not be discounted.
- Added to all this Albania is currently in a state of political paralysis. There are major disputes surrounding the establishment of the Constitutional Court and legitimacy of the government and there is an absence of effective opposition. Again, this impacts significantly on the oversight and enforcement of environmental standards.
- It is also important to note that Albania experienced a 6.4 earthquake on 26 November 2019, which resulted in 52 deaths, several thousand injuries and displaced persons. The relief effort has taken precedence, and so, currently, the environment and waste management as an issue has slipped from the political agenda in Albania.
- General UK Comment: There are lots of interesting references in here – engaging with the circular economy agenda, results-based financing and the project seems to have defined clear KPIs and targets. What is not clear is who the customer is, presumably companies yet to be identified operating in the target countries?

✓ Germany Comments

Germany requests that the Secretariat sends draft final project documents for Council review four weeks prior to CEO endorsement.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany requests alignment of the full proposal with the waste hierarchy as set out in the EU Waste Framework Directive. In that sense, the expected outputs under component 1 should specify a minimum/maximum number of investments in technologies/business models that predominantly ‘reduce’, ‘reuse’, ‘recycle’ or ‘recover’ material waste.
- Germany recommends giving more importance to promoting gender equality by including a quantitative target for gender involvement (such as adhering to a gender quota for technical assistance measures or implementing a set amount of trainings for women in the sector).
- Germany recommends further defining the definition of ‘truly biodegradable’ under output 2.2.
- Germany recommends refining the assessment of potential synergies and identification of suitable coordination options for the full proposal to avoid duplication and maximise complementarity of efforts. Among others, EBRD

should coordinate with the German bilateral project “Integrated waste management and marine litter prevention in the Western Balkans”.

✓ **United States Comments**

- We are very supportive of this effort to scale-up circular economy initiatives in Serbia. The United States Environmental Protection Agency (U.S. EPA) has recently supported the creation of the Serbian Center for Excellence for Circular Economy and Climate Change and visited Serbia on behalf of the Municipal Solid Waste Initiative of the Climate and Clean Air Coalition (CCAC), which supported the formation of the Center for Excellence to promote best practices for waste reduction.
- We encourage the GEF and EBRD to remain sensitive to the evolving political and economic landscape around circular economy projects in Serbia. These include the ongoing policy debate around a proposed bottle deposit system, and the new waste management strategy for 2019 to 2024 drafted by the Serbian Ministry of Environmental Protection (MEP).
- Efforts to support capacity within the Group for Circular and Green Economy recently formed by the MEP may be helpful. We would also suggest greater involvement by CSOs and local communities in the process of targeting industries for funding or provide assistance in identifying the greatest opportunity for source reduction and waste minimization, and specifically advocate that their involvement go beyond receiving information resulting from the project. Finally, is there the opportunity to invest in existing infrastructure and industry to increase efficiency and reduce inputs into production? It could help add emphasis to the concept of re-using what exists instead of having to use significant natural resources to build new infrastructure and industrial facilities.

8. Regional (Argentina, Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Paraguay, Peru, Uruguay): Agtech for Inclusion and Sustainability: SP Ventures' Regional Fund (Agventures II) (NGI), IADB (GEF Project Financing: \$ 5,000,000) (GEF ID 10336)**

✓ **France Comments**

- France recommends taking young people into account when designing the project (assuming that they will be the target audience for this program). The indicators selected for the project must correspond to those specified in the corresponding paragraph, namely: land degradation, CC mitigation, chemicals and waste. For example, regarding chemicals, would it be a reduction or a ban on their use?

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **United Kingdom Comments**

- AgTech has a potentially important role for adaptation. This is something the UK would encourage. We were surprised not to see anything on deforestation given some of the geographies. Will this be a possible addition to the mandate?
- This is a second fund. How did AgVentures I perform?

✓ **Germany Comments**

- Germany asks to clarify how lessons learnt from mentioned existing Venture Capital funds in agriculture/ environment are considered in the present proposal.
- Germany asks to clarify the engagement strategies and investment criteria used to ensure that envisaged environmental and social benefits are provided. This includes; investee selection criteria, monitoring processes regarding gender, inclusiveness, gender equality, as well as description of due diligence-methodology employed.
- Germany asks to include a dedicated section on the theory of change of the fund in general, as well the additionality of GEF-financing provided.

✓ **Norway/Denmark Comments**

AgVentures has a focused and targeted investment strategy. AgVentures II will focus on doing equity and quasi-equity investments into early stage enterprises within ag-tech. We are intrigued by this model as we are aware that there is limited funding available to early stage ag-tech startups. And we are supportive of efforts to increase the use of innovation to combat food insecurity. In light of this, we have several comments and questions regarding AgVentures investment strategy.

Investment strategy:

- Investment vehicle. The Fund will invest in equity and quasi-equity instruments. Will the Fund take majority positions? Will the Fund take board seats? What is management's board experience on startup level?
- Portfolio management. The Fund will invest in 20-30 companies. What type of role will the Fund play beyond being a financial provider? The PIF mentions mentorship; however, it does not inform us how the Fund will deliver this. Actively managing a portfolio of 20-30 early stage companies is challenging. Likely, all portfolio companies will need mentorship. Is there a mentorship program the startups will go through? Capacity building activities come at a high cost to the Fund, how are these activities planned financed?
- Geographic expansion. AgVentures II will invest in countries across latam. Does management have investment experience in countries outside of Brazil? Will the Fund have local presence outside of Brazil? How will the Fund provide technical assistance to companies outside of Brazil?
- Foreign exchange (FX) risk. All investments will be denominated in USD. This

limits the Fund's exposure to currency risk, however, putting the FX burden on the borrower. In the event of doing investments in currency fragile countries, could the Fund consider FX risk sharing with the borrower, i.e. splitting cost of a currency hedge?

- Sourcing strategy. A successful fund is dependent on a strong pipeline. From reviewing the PIF, there is not strong evidence that the Fund already has a quality pipeline. Nor is there sufficient evidence for a critical mass of ag-tech startups to warrant a \$60,000,000 fund.
- Co-investment options. Currently, it is unclear whether the Fund allows for co-investments. We would like a provision for co-investment opportunities. In the future, there will almost certainly be projects that will align with investors interest. This provision can catalyze additional capital and further strengthen and de-risk the portfolio.
- Follow-on investments. Because the Fund will invest in early stage companies, having a reserve for follow-on investments are critical. As the portfolio companies grow, they will be in need of additional financing. Does the Fund have sufficient capital for follow-ons? If so, what is the ratio?

Risks:

- Exit opportunities. There is a lack of exit precedence in the ag-tech sector in latam. How will the Fund ensure it is fully divested by year 10?

Investment terms:

- Management fees & hurdle rate. The Fund is charging a 2% management fee with a traditional 20/80 split. In addition, the Fund has an 8% hurdle. This hurdle is relatively high and puts a lot of pressure on the management team to deliver. Given the unprecedented investment strategy, the Fund should consider lowering the hurdle rate to 5 or 6% to relieve pressure on financial performance (which can comprise the Fund's impact objectives).

Fund performance:

- Track record. SP Ventures appear to be a somewhat experienced fund manager (2 prior funds, \$40m AUM, and 25 portfolio companies). Fund 1 achieved 24% net IRR (in BRL) and Fund II has an unrealized IRR of 37.8% (in BRL). These are great metrics; however, they can easily be skewed by one or two investments. It would be important to look at the whole portfolio to get a picture of overall performance.

Other key questions/issues to consider:

- Reflow of capital. How will reflow of capital to GEF be managed? Will reflow of capital be recycled into the FIF?
- Team profiles. The most important aspect to assess prior to making a decision is the team. Limited team assessment is provided, and no team profiles are included.

✓ **United States Comments**

- We are supportive of this effort to support the consolidation and scaling up of innovative agtech in small and medium sized enterprise and startups that offer productivity, market, and/or environmental solutions for the agricultural sector. As the project develops, we would advocate that the Fund Manager and implementers remain sensitive to the need to prioritize action in countries other than Brazil, the potential impacts that the upcoming Uruguayan presidential elections may have on operating conditions, and engage in dialogue with conservation organizations and projects that also interface with private solutions in the agricultural sector, including WWF.

BIODIVERSITY

9. Global: Inclusive Conservation Initiative, CI, IUCN (GEF Project Financing: \$22,535,780) (GEF ID 10404)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- With regard to component 1, the proposal should emphasize the aspect of strengthening the management for conservation and sustainable use.
- It should include in detail what is meant by “improved practices and improved management for conservation and sustainable use” as the indicators 1.1.1 and 1.1.2. Similarly, the outputs 1.1.1 and 1.1.2 do not provide enough information about the process towards achieving these outcomes.
- In addition, the targets (given in ha) should include a component about the quality of management.

✓ **Norway/Denmark Comments**

The project objective is highly relevant to GEF and an important output is 1.1.4: enhancing IPLC rights, and governance of natural resources.

- The level of the work in the project seems unclear. There seems to be focus on working within geographies, within regions, and on a global level (Outcome 3.1). At the same time- little effort is made to link the work with national level policy. And in several (if not most) countries the rights of indigenous peoples are determined by national land-planning, rules and regulations. And a lot of the large-scale infrastructure projects and mining/ forestry/ agriculture licensing which influence local indigenous territory are decided at the national level. Therefore, it seems like more efforts should be put into influencing and lobbying national policies and engaging with legislation on a national level.

- Outcome 2.3: The project mentions how it would like to work on sustainable financing and will engage in Opportunity analysis to find the right financial mechanisms for the geographical context. Reference could be made to BIOFIN's work here. Making use of the BIOFIN handbook- which presents over 250 finance solutions for biodiversity finance, could be useful, as well as building relations with BIOFIN advisers.
- For the Table 3 on page 51- there is further mention of IPLC holding customary and statutory rights, and that activities in the program will enhance IPLC rights and governance over their own resources. IPLC land rights and rights to govern their customary resources is, unfortunately, highly contentious, and not a straightforward question. As important as the issue is, it seems like the project description, as well as the risk assessment, does not acknowledge the complexity around these issues. An improved strategy- with more focus on influencing national governments, and a little more modesty in use of language- could mitigate the weaknesses in the project document.

10. Ecuador: Development of an Enabling Environment for Sustainable Businesses Based on the Native Biodiversity of Ecuador, CAF (GEF Project Financing: \$ 3,119,266) (GEFID 10219)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes this project proposal, which targets an important stakeholder group with regards to the conservation of biodiversity and has an overall promising approach.
- However, Germany recommends providing more detailed information on the specific financial instruments used in the proposal. It would be specifically helpful to assess their adequacy in addressing the identified barriers.
- Furthermore, Germany would appreciate additional information on follow-on financing and a strategy to ensure the durability of financial flows beyond the project timeframe.

✓ **Norway/Denmark Comments**

We support the overall ambition of the project, strengthening the necessary enabling conditions to facilitate the development of businesses and the growth of a sector that is based on the sustainable use of biodiversity.

Assessment per program component:

- Component 1. Enabling conditions for the development of sustainable businesses based on native biodiversity:

- The difference between the environmental regulations to be assessed within outcome 1.1 and the ones under outcome 1.2 is not clear. It seems that both outcomes could be merged into a single outcome (paragraph 32, PIF).
- It is not clear who the users of the guidelines to promote businesses based on native biodiversity will be (output 2.2, paragraph 35, PIF). Is it the Ministry of Environment, enterprises, or financial institutions? More information should also be provided on the issues to be covered by these guidelines. We would also like to understand the criteria for choosing the topics to be developed through guidelines and the ones to be advanced through environmental regulations (outcome 1).
- Component 3. Demonstration pilot interventions:
 - Although an analysis of lessons learned from other projects is not a requirement in the PIF, we believe that such study will enrich the design and implementation of “component 3”. The PIF states that there is valuable national and regional experience on biodiversity-based business to build upon, such as the Andean biotrade project (GEF ID 2391) and ProCamBío. What are the lessons learned from those projects? And what are the lessons learned from the existing sectoral roundtables and public-private information platforms?
 - The project aims to support existing experiences of small and medium-sized companies to extract lessons that will contribute to a further understanding of biodiversity-based business. What is the definition of small and medium-sized companies used in the project? And what is the definition in Ecuadorian laws?

Assessment of other elements of the FIP

- Baseline project: More information should be provided on how CAF will ensure efficient coordination with the projects listed as relevant to the proposal (paragraph 24 and 86, PIF). Identification of overlapping activities and how CAF will address them should be carried out during the project preparation process.
- Stakeholders participation: CAF answered no to the question of whether Indigenous Peoples and Local Communities (IPLC) participated in consultations during the project identification phase¹. Since the project aims at inclusive conservation by working with the rural and indigenous people living in the intervention zones, we recommend carrying out consultations with IPLC at the very beginning of the project preparation process.
- Gender Equality and Women’s Empowerment²: More information should be

¹ In the PIF, project developers are expected to comment on the roles and inclusion of Indigenous Peoples in the project. The **formal project review** conducted by the GEF Secretariat requires staff to ascertain whether Indigenous Peoples have appropriately participated in **project preparation**.

² GEF’s Guidelines on Gender Equality requires at submission of PIFs: i) Indicative information on gender considerations relevant to the proposed activity; and ii) description of any consultations conducted during project development, as well as information on how

provided on the mechanisms to be implemented to enhance equitable distribution between men and women of the benefits derived from mortiño harvesting (paragraph 74, PIF). More information should be provided on the mechanisms to be implemented to make visible women's contribution to the caña guadua value chains (paragraph 75, PIF).

- Coordination with other relevant GEF-financed projects and other initiatives: There is another project in Ecuador in this work program: "Conservation and Sustainable Use of Biodiversity within the Sustainable Use Areas of the State Subsystem of Protected Areas (SEAP) of Ecuador and its Buffer Zones". Coordination and exchange of experiences should be carried out on the challenges and opportunities in bringing to the market new products and services based on native biodiversity.
- Under "Expected outcomes and components of the project", it is stated that the project is organized into three components, four outcomes and 12 outputs (paragraph 29, PIF); nevertheless, we only find 11 outputs (page 5, PIF).

✓ **Canada Comments**

- The focus of this project is on biodiversity-based businesses - but it is not clear about how the commercial use of biodiversity by these businesses would contribute to the overall conservation of biodiversity or reduce threats to biodiversity.

✓ **United States Comments**

- Are indigenous communities beyond those represented by UNORCAC likely to be involved over the course of the project life? If additional indigenous communities and organizations will be funded by the project, we would request consultation with the U.S. Embassy in Quito prior to their confirmation as project partners.

11. Colombia: Paramos for Life, UNDP (GEF Project Financing: \$3,502,968) (GEF ID: 10361)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- The project proposal does not adequately address the social aspects of the region; for example, the construction of a gold mine is currently planned directly next to Paramo Santurban with impacts on the water catchment area as well as on the local population.

- The project document does not reflect the socio-economic conflicts in Santander. Germany recommends integrating these aspects into the project document and planning extensively in order to ensure that concerns of local populations are taken into account.
- Germany recommends coordinating activities with the Alianza BioCuenca, which is also active in Santander.

12. Comoros: Biodiversity Protection through the Effective Management of the National Network of Protected Areas, UNDP (GEF Project Financing: \$4,009,589) (GEF ID: 10351)

✓ **France Comments**

- The “Biodiversity Protection through the Effective Management of the National Network of Protected Areas in the Comoros” project will complement the following two projects:
 - AFIDEV, an AFD project launched in December 2019, which supports the peripheral areas of the Karthala Park (*Grande Comores*) and Mon Ntringui (*Anjouan*). Reinforcement of these 2 parks is meant prevent negative effects from the planned revitalization of the 3 main export sectors of the Comoros (which remains a major point of attention of the project, rated B + in environmental and social risks for these reasons).
 - GEREM, an AFD project currently under development for a desired start in 2020, which will further the support to the Mohéli park (1st and only really operational park to date in the Comoros).
- The envisaged GEF funding should be used to finance phase 2 of the RNAP project (already implemented by UNDP). Phase 1 seems to have produced results which have yet to be consolidated or even discussed. France wants better coordination between the RNAP project and the GEREM project, in particular on the following activities:
 - capacity building of the Comorian agency for protected areas;
 - harmonization of the various strategies at the national level (in an operational and non-blocking manner);
 - the implementation of a financial strategy for the network;
 - monitoring and collecting data relating to the island's biodiversity;
 - development and roll out of a tool to support biodiversity management (in collaboration with the agents of the Moheli park);
 - link between " integration of local population in this management" and " operation of the park";
 - identification of long-term livelihoods that can be transformed into income-generating activity (in collaboration with the agents of the Moheli park).

- In addition, France wishes to point out that the RNAP 1 project was to co-finance certain activities in the Mohéli Park. However, several RNAP 1 commitments (supply of equipment, etc.) have not been honored, which has hampered the proper implementation of the Parc and of its management.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Germany would like to suggest that the following points are taken into account in the further project drafting:

- Component 1: Inter-ministerial dialogue should be strengthened with a view to achieving true cooperation and coordination between the ministries. A simple dialogue might not result in the intended change of behavior.
- Component 2: Clarify and ensure the long-term maintenance of the development of a national biodiversity database as well as of the community-management models beyond the project timeframe

13. Cuba: Mainstreaming Biodiversity into Mountain Agricultural and Pastoral Landscapes of Relevant Ecosystems in Eastern Cuba, FAO (GEF Project Financing: \$4,151,370) (GEF ID 10400)

✓ **Germany Comments**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

The logical flow of this project proposal is partly unclear and difficult to follow. Therefore, Germany kindly asks to review the following parts of the project proposal:

- Component 1: It is not clear how this component contributes to addressing barriers 2, 3 and 4 (especially, how does this component increase local technical capacities and how does it enhance information and the science/policy interface?). Mainstreaming seems to refer to the use of biological pest and disease control only, while mainstreaming is, however, usually understood as a broader approach to integrating biodiversity into sectors, policies etc. The proposal should therefore consider using a broader approach to the mainstreaming component such that the barriers targeted here can be overcome.
- Component 2: It is not clear how capacities are to be strengthened and how biodiversity will be mainstreamed into the regulatory framework. The proposal would benefit from a more detailed description of planned activities and how they address barrier 1.
- Component 3: This component does not seem to be adequate in addressing barrier 5. The proposal should clearly describe how the interest and incentives for producers to invest in sustainable practices and new products can be raised.

- Component 4: This component should elaborate on the target audience for the knowledge products to be developed and how the project will ensure that these products will be used effectively.

Finally, Germany would also recommend reviewing the description of barriers, to more clearly differentiate between causes and effects and illustrate how project activities contribute to addressing them.

✓ **United States Comments**

- The United States objected to this project during the 57th Council meeting. Those objections notwithstanding, we would suggest that the future version of this proposal include greater detail regarding how the project would effectively address barrier #5, which indicates that there are no economic incentives for farmers to mainstream biodiversity.

14. Dominica: Biodiversity for Economic Growth in Dominica, World Bank (GEF Project Financing: \$3,515,982) (GEF ID 10217)

✓ **Germany Comments**

Germany calls attention to the fact that several chapters of the PIF are missing or incomplete. Despite the additional information provided in the Project Information Document (PID), Germany requests to add/complete chapters on: 1. Baseline Scenario and Projects, 5. Risks, 6. Coordination, 7. Consistency with National Priorities, and 8. Knowledge Management.

Furthermore, The project proposal contains a very limited description of planned project activities which does not allow for a thorough assessment of the proposal. Germany would like to request that more detailed information on specific activities under each component is provided. The following points should be taken into account in particular:

- Component 1: the component seems included the mere description of Park and Trail Planning and Management Guidelines. However, in order to achieve benefits for biodiversity, Germany would like to request that the project includes specific descriptions and activities on how the guidelines are going to be implemented.
- Component 2: all activities currently planned under this component seem to be targeted at improving tourism facilities. The main goal of the project should however be to protect and sustainably use biodiversity. Germany therefore requests that activities are formulated and implemented in a way that they predominantly target biodiversity conservation, not tourism.

✓ **Canada Comments**

- In general, the project proposal is well-written and demonstrates how Dominica and the region have set good examples of how nature-based tourism can protect

biodiversity. However, it should be noted that there were no consultations undertaken during the project identification phase. Uncertain if consultations in the later stages will meaningfully inform project outcomes.

15. Ecuador: Conservation and Sustainable Use of Biodiversity within the Sustainable Use Areas of the State Subsystem of Protected Areas (SEAP) of Ecuador and its Buffer Zones, FAO (GEF Project Financing: \$4,416,210) (GEF ID 10396)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes this project proposal, which is overall comprehensive in addressing conservation and sustainable use of biodiversity.
- Germany would like to suggest that during the further project development, particular care is placed on defining and planning activities under component 3, which are especially crucial to the overall success of the project. This would include broad involvement of all local stakeholders affected by the project, in particular in the buffer zones, in designing alternative income sources and incentives to use them.

✓ **Norwegian/Denmark Comments**

We support the overall ambition of the project, i) strengthening national and provincial institutional capacities for the incorporation of Protected Areas management in territorial planning and ii) building capacity of indigenous communities and local farmers in the sustainable management of forests and soils in the *sustainable use areas* and buffer zones of Protected Areas.

Assessment per program component:

- Component 1: Strengthening SEAP Governance for the management of PAs including their sustainable use areas:
 - The project aims to develop an Integrated Information System for the management of Protected Areas to be tested and implemented at the intervention sites of the project³. The FIP states that the implementation of the system will include the provision of technology to ensure accurate and updated data collection within the two Protected Areas. We would like more background and analysis regarding the scale of technology needed for these two areas and the financial resources required for scaling-up the application of Integrated Information System throughout the National System of Protected Areas (SNAP).

³ The project will intervene in the Sangay and Cayambe Coca National Parks and their buffer zones, the first located in the Andean region and the second in the Amazon region. These two regions host about 50% of the forest in Ecuador.

- Component 3: Improvement of alternative livelihoods to reduce pressure on ecosystem services and biodiversity in the Cayambe-Coca and Sangay Protected Areas
 - The project aims to increase access to markets for products produced in the Cayambe-Coca and Sangay Protected Areas and their buffer zones (output 3.2.1). The project states that improving market access will contribute to improving the income and livelihoods of producers and their families. Two approaches are proposed (i) work with producers and farmers of the two Protected Areas to seek strategies that boost livelihoods and access to economic benefits, ii) contact banks and financial institutions to facilitate access to loans and financial assistance to peasant organizations from the intervention sites. The actions proposed within the second approach are quite broad and more information should be provided on the most relevant strategies for Sangay and Cayambe Coca National Parks. This will require an analysis of the barriers indigenous peoples and local communities face to access to loans and the obstacles that financial institutions encounter to develop specific credit lines to support biodiversity-based businesses.

Assessment of other elements of the FIP

- Risks: A risk that has not been stated in the project is the possibility that financial institutions will not be interested in providing loans or developing credit lines in benefit of stakeholders working in the sustainable use areas or buffer zones of Sangay and Cayambe Coca National Parks. In another project in this work program (GEF ID 10219), it is stated that “Financial institutions consider this type of new enterprises [businesses based on native biodiversity] as high-risk and therefore new biodiversity-based businesses have serious difficulty to access credit”. This risk should be addressed in the project preparation process.
- Lessons learned from similar projects: GEF finances two similar projects in Ecuador also presented by FAO “Conservation and Sustainable Use of Biodiversity, Forests, Soil and Water to Achieve the Good Living (Buen Vivir / Sumac Kasay) in the Napo Province” and “Management of Chimborazo's Natural Resources”. What are the lessons learned from those projects that can be useful for the current one?

✓ Canada Comments

- This is a very similar kind of project to the one in Comoros. We have not heard of ‘sustainable use areas’ within PAs before, but this is a very pertinent topic to explore and evaluate further given the links to ongoing CBD post-2020 discussions about what additional PAs created post-2020 should look like (e.g. should they strive for biodiversity conservation as the highest priority and / or sustainable use’.
- On a more technical level, the inclusion of ‘sustainable use areas’ sounds more

like a land-use planning exercise vs designation of a PA per se, more like how an OECM (Other Effective Conservation Measure) would operate which begs the question of how PAs vs OECMs are defined. This could also be an IUCN Category 5 or 6 PA though which allows use. It would be interesting to know how this project (and Comoros) will assess conservation outcomes.

✓ **United States Comments**

- Overall, we support the project and also note the necessity to coordinate and deconflict with similar projects in the Cayambe Coca region, including USAID's AREP program, which has an Amazon Indigenous Rights and Resources project (recently awarded to WWF) that will include work on sustainable economic alternatives. Furthermore, we request consultation with the U.S. Embassy in Quito prior to the confirmation of indigenous communities and organizations as project partners. Additionally, as the project progresses, more detailed information on the exact implementing directorates within the Ministry of Environment as well as the GADS would allow better long-term coordination.
- Specifically, we would appreciate clarity on the following questions. First, on page 23 paragraphs 24 and 25 (*payments for environmental services*), FONAG is listed separately as the Water Protection Fund and the Environmental Water Protection Fund. Are these two separate funds? If so, do they differ other than one focusing on Cayambe Coca and one on Sangay? On page 38, FONAPA is mentioned as a trust fund for water but isn't mentioned previously.
- Second, page 41 paragraph 68 mentions that the second work approach includes contacting banks and financial institutions to facilitate access to loans. As OPIC signed an agreement with Banco Pinchinca on November 13 2019 to expand lending to women in Ecuador, we advocate that this project consider looking into this connection for potential loans for qualified projects.
- Finally, we recommend that the organizational structure outlined on page 44 paragraph 70 include, as an observer, a U.S. Embassy representative (i.e. an environmental officer).

16. Montenegro: Biodiversity Mainstreaming into Sectoral Policies and Practices and Strengthened Protection of Biodiversity Hot-Spots in in Montenegro, UNDP (GEF Project Financing: \$3,278,995) (GEF ID 10343)

✓ **United Kingdom Comments**

- How will UNDP ensure they provide sustainable capacity building rather than capacity substitution?
- Some of the areas covered by this project are politically sensitive and at threat from development, with links to senior members of the ruling party. Illegal forestry is also a problem in several of these areas, so implementation will require a robust approach to risk management.

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- The project proposal states that the management plans of PAs correspond to (international) guidelines, which is particularly important considering the country's efforts to join the European Union. Germany would recommend clearly defining this aspect in the Logframe of the proposal.
- Germany recommends linking indicators and policy changes more explicitly. Component 2 of the project aims at 'BD mainstreaming into sectoral policies and practices'. However, the indicators proposed under Outcome 4 and 5 so far do not seem sufficient to achieve a policy change (in particular those indicators relating to 'ha of landscapes' and 'knowledge products').
- In order to align biodiversity related processes in the country and region, the project should seek linkages with other ongoing projects, such as:
 - Open Regional Fund for Southeastern Europe for the Implementation of Biodiversity Agreements
 - Conservation and sustainable use of biodiversity at Lakes Prespa, Ohrid and Shkodra/Skadar (CSBL)
 - Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA)
- In order to ensure local ownership of the project, Germany recommends revising the following aspects:
 - Review of the risk section to account for the recent resignation of Montenegro's sustainable development and tourism minister: Support of the ministry for this project might have to be re-evaluated under new leadership,
 - Broaden stakeholder engagement: In order to achieve the intended mainstreaming targets of the project and mitigate above risk, it is advisable to involve different directorates of the sustainable development and tourism ministry as well as other line ministries (agriculture, forestry, etc.)

✓ **Canada Comments**

- The project is relevant to work that the CBD is doing re: the post-2020 framework on PAs and mainstreaming but it is not clear in the project description, as seems to be the case with the Comoros and Ecuador projects, whether the PA / KBA work is one deliverable while mainstreaming is another.
- Doubtful of the ability of PAs being able to juggle sustainable use in its borders and maintain the characteristics needed to keep the integrity of a KBA in tact at the same time but if the goal of this project is to assess this, the ability to do this, then it could be useful.

17. Philippines: Natural Capital Accounting and Assessment: Informing Development Planning, Sustainable Tourism Development and Other Incentives for Improved Conservation and Sustainable Landscapes, UNEP (GEF Project Financing: \$3,502,968) (GEF ID 10386)

✓ *Germany Comments*

Suggestions for improvements to be made during the drafting of the final project proposal:

- The project could focus more on the involvement of community organizations, and especially indigenous communities, in the business planning – building their capacities not only as beneficiaries (e.g. tourism-related livelihood projects) but also as planners or managers of the resources/protected areas. Capacity building and policy discussions at the barangay levels of the protected areas should be facilitated by the project.
- Therefore, Germany would recommend reviewing the following aspects of the project:
 - No mention of PA tourism plans and zoning, including investments and structures; this should be reflected in the PA plans and clearances from other agencies if structures will be built within the PA areas;
 - Feasibility studies for the enterprise development must include baseline of on-going activities, utilization of resources within the PA (under the TB of BMB – SEAMS-socio economic assessment of PAs)
 - Include carrying capacities for PAs if there will be nature based/site based ecotourism; this should also include waste impacts (collection) and social and cultural sensitivities if the activities will be developed with IPs/Tribal areas;
 - Development of IPAF and its sharing schemes to local stakeholders; this has been an issue with the current PA system. The DENR (it is still perceived by most) has the lead in the IPAF, but this must be locally managed by the PAMB (as indicated in the eNIPAS);
 - If the sites are newly declared (RA) under the eNIPAS, they should also indicate the Implementing Rules and Regulations and updated PA management plans, zones and business/financial systems;
 - Development of Public Private engagements, since the project will also take off from BIOFIN (DENR BMB UNDP) project, the project should replicate good practices in alternative financing; PAMB and the LGUs must be made aware of the PA plans and must be integrated in local financing/budgeting (annual investment plans by the LGUs);
 - No mention of DENR ERDB. This is the research arm of the DENR who leads the development of EcoTourism sites, Carrying Capacity Studies –

e.g. ERDB Cebu is billed as the center of excellence for ecotourism, but they are not involved in project development;

- There are overlaps with the BMU funded project “Ecosystem-based management and application of ecosystem values in two river basins in the Philippines (E2RB)”. The sites partly overlap and possible collaboration in national policy work is also a prospect;
- Implementation in Palawan may be impacted by the security situation – this is not addressed at all.

✓ **Norway/Denmark Comments**

- The project has an interesting connection between natural capital accounting, sustainable tourism and biodiversity finance, with a strong link to the national development plan. The link to established initiatives such as BIOFIN, WAVES and SEEA seems strong.
- The project is certainly interesting, but it would be good with some more details on the link between improved Natural Capital Accounting- improved access to biodiversity finance – and then improved biodiversity conservation and natural resource management. It seems almost like the project assumes that improved Natural Capital Accounting would lead to increased biodiversity finance- but it isn’t necessarily so. Establishing good working relations with BIOFIN and building on their knowledge would be key to the success of this program. Increased details should be included on the part related to how the project will implement activities related to access to finance.

✓ **United States Comments**

- We support this project, and additionally recommend that program implementers coordinate closely with Fish Right (currently cited as a baseline program in the proposal) as well as USAID Manila as appropriate.

18. Sudan: Landscape Approach to Riverine Forest Restoration, Biodiversity Conservation and Livelihood Improvement, FAO (GEF Project Financing: \$2,589,726) (GEF ID 10162)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- The full proposal should emphasize specific activities of establishment and management of woodlots for fuelwood production which are not competing with natural vegetation in the riverine ecosystems.
- Germany suggests that FAO and Government of Sudan together with other Partners feed project experiences into two important African Landscape Restoration Initiatives: 1.) African Forest Landscape Restoration ‘Initiative –

AFR100; and 2.) Great Green Wall Initiative.

✓ **Canada Comments**

- The project is somewhat in line with the recurring issues from farmers. If not already done, it would be important to ensure the reach of the project includes marginalized groups outside of the main cities.

19. Thailand: Mainstreaming Biodiversity-based Tourism in Thailand to Support Sustainable Tourism Development, UNDP (GEF Project Financing: \$2,639,726) (GEF ID 10409)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes this proposal, as the tourism sector has been identified as one of the major contributors to the loss of biodiversity, which means that addressing unsustainable ways of tourism has a high potential of contributing to the conservation and sustainable use of biodiversity.
- Germany would like to suggest that the project considers activities that more broadly target existing unsustainable tourism practices and over-tourism with a view to changing them towards more biodiversity- friendly tourism practices. The project proposal focuses on the development of new biodiversity-friendly tourism options and of secondary tourism destinations. While this component is vital in addressing biodiversity related impacts of tourism, it is even more important to change currently unsustainable practices in tourism.

✓ **United States Comments**

- We are supportive of this project, though wish to raise the concern that experts view Thailand's tourism sector as a major source of plastic waste in the country. Although disaggregated statistics on waste generated by tourists are unavailable, Thailand's rank as the world's sixth-worst plastic waste polluter coupled with its sizeable tourist inflows portend harm to the marketability of Phuket's beach destinations, and, in turn, the country's overall economic health. Thailand's government and the private sector are at nascent stages of adopting proper management of plastic and other waste, and we would advocate for the consideration of improved solid waste management approaches to be tied to efforts to enhance tourism, to reduce the risk of unintended environmental consequences.

CLIMATE CHANGE MITIGATION

20. Global: Global Capacity Building Initiative for Transparency (CBIT) Platform Phase II B: Unified Support Platform and Program for Article 13 of the Paris Agreement,

UNDP/UNEP (GEF Project Financing: \$6,567,547) (GEF ID 10088)

✓ **Germany Comments**

Germany welcomes this project, which builds on the reporting requirements under the Paris Agreement (national communications, biennial update reports, transparency framework). In doing so, it includes the process of the evolution of reporting requirements as well as the interlinkages of Art. 13 of the Paris Agreement with other Articles and aspects of it. The project includes stakeholder implementation in an inclusive way (gender aspects, integration of indigenous people) on the regional level. However, the following comments should be addressed.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks to revise the risk section of the document. Risks such as the lack of accessibility of participants are not assessed in sufficient detail and lack a sufficient reasoning as to why they are rated so low. Also, mitigating options should be identified.
- The project is embedded in the context of the Paris Agreement. Germany would therefore ask to revise the overall objective of the project to contribute to the stated temperature goal of well below 2 degrees and if possible 1.5 degrees.
- As the project constitutes phase II b of the CBIT, it is embedded in the previous phases while focusing on addressing new issues under Art. 13 and build on already successfully implemented foundations. Germany asks to elaborate the interlinkages with two other projects with similar objectives in more detail and to devise an aligned knowledge management strategy to share implementation results/ best practices.
- The prospective results and implementation phases of the project are portrayed up to 2025. Germany would also recommend including a strategy on potential follow-on financing and a section on the durability/ long-term impacts of the project.

✓ **Norway/Denmark comments:**

- We note that the in the course of the Mid-Term Evaluation of the GSP, “Stakeholders interviewed uniformly expressed an appreciation of GSP support in terms of relevance, quality, and utility”. However, has there been expressed a clear demand for this project from potential partner countries? In what form? The PFD should state this more clearly.
- What groundwork is needed from the individual country’s side and from UNEP/UNDP to identify gaps and needs in institutional capacity? Who will select institutions to take part in the program? This should be specified in the PFD.
- The baseline (Institutional capacity, information gathering, synthesis and

dissemination of GHG related sectors and data etc.) is likely to be different from country to country. How will this be addressed by the project?

- How will the project avoid overlap and ensure coordination with other ongoing or planned projects (non-UNEP/UNDP) aimed to do some of the same as this (e.g. FAO-FRA and Global Forest Watch)?
- On outcome 1 in the project strategy, awareness in national institutions is identified as one activity to support south-south cooperation. However, this may only be a first step on the way to establish meaningful exchange of experiences between countries. What about other network-building and support activities?
- What support activities will follow the dissemination of CD-ROMS, USB sticks etc. to ensure that the information and data therein is sufficiently adapted to national circumstances?
- How will the website be updated, who will do it, and how will this be sustained/maintained after the project is over?

21. Azerbaijan: Scaling up Investment in Energy Efficiency in Buildings through Enhanced Energy Management Information System (EMIS) and Green Social Housing, UNDP (GEF Project Financing: \$4,521,005) (GEF ID 10402)

✓ **Germany Comments**

Germany welcomes the project proposal with the objective of achieving energy savings and GHG emissions reductions through increased energy efficiency in buildings. The proposal builds on proven successes of UNDP in Serbia and Croatia and is welcome given the high energy intensity of Azerbaijan.

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany would recommend reviewing the section on stakeholder engagement to promote the marketing of “cost savings”. The proposal notes a strong need to change behaviors and raise awareness about the link between energy use and reducing GHGs to incentivize desired changes. The quantification of economic benefits could be beneficial in this context.
- Germany recommends reviewing the section on co-financing, specifically the nature of the USD 50 million from the Social Housing Authority MIDA. It would be helpful to understand whether it is additional funding specifically for work on EE, or whether it is part of the Authority’s annual budget for building and refurbishing public housing
- Germany kindly asks to review whether the unit of GHG emissions in paragraph 4 is correct. The TNC reports the figure 51,851 Gg CO₂eq, which would be 51.8 million MtCO₂e/year. The year that this data was taken is also missing.
- Lastly, Germany kindly asks to consider reformulating the sentence in paragraph 5, which states that “better buildings insulation in 20% of urban

residential buildings by 2050 will halve heat losses.” This formulation seems to suggest that Azerbaijan need only to refurbish 20% of its residential buildings to reduce building emissions by 50%. Upon review of the TNC, it appears that Azerbaijan is proposing a target measure to upgrade 20% of residential buildings by 2050, citing that renovated buildings use half as much energy.

✓ **Canada Comments**

- It would be helpful if the proposal could provide greater clarity on the role of the State Oil Fund of Azerbaijan as a stakeholder of this project. Ref: “Stakeholders expected to participate in the project, and benefit from the capacity building and awareness raising events are: The State Oil Fund of Azerbaijan [...]”

22. China: Enabling Zero Carbon Energy in Rural Towns and Villages in China (EZCERTV) Project, UNDP (GEF Project Financing: \$8,932,420) (GEF ID 10366)

✓ **Germany Comments**

Germany appreciates the approach of the project, combining institutional and technical multi-level capacity building in order to accelerate the zero-carbon transformation in China’s rural area.

Suggestions for improvements to be made during the drafting of the final project proposal:

- Given that no information regarding the exact regions/cities where this project will be implemented was provided, Germany recommends that this information is added to the proposal. If this is only to be decided throughout the process of implementation, the method should be outlined.
- Given the importance of the technologies employed in project implementation, Germany suggests to incorporate them into the main text of chapter 1a.3, along with additional details about their application.
- Given the tendency of rural towns to be characterized by financially weak populations, population shrinkage, and remoteness of location, Germany suggests to address this potential barrier to sustainability in chapter 1a.7. The establishment of investment and financing mechanisms to support the commercial viability and operation of zero-carbon energy in rural towns is an intended output. Commercial viability of energy systems is critical to sustainability.
- Germany suggests the use of baseline studies of current energy landscape as an activity in component 2 before designing and planning the selected RE and/or EE technologies.
- Germany suggests cooperating with the “Sino-German Urbanization Partnership” commissioned by the Federal Ministry for the Environment,

Nature Conservation and Nuclear Safety (BMU), which aims to contribute to climate-friendly, integrated and sustainable urbanization. Furthermore, cooperation with the “Sino-German Center for Sustainable Development” and the GIZ projects “Sino-German Energy Partnership” and “Sino-German Cooperation on Climate Policies” could be of relevance.

- Germany recommends using only one unit (most common kWh) for describing energy units.

✓ **Norway/Denmark Comments**

- There is no description on why these provinces have been picked (Gansu, Yunnan, Hubei, Anhui, Hebei og Heilongjiang). It is notable that Heilongjiang and Anhui have many more towns and villages than the rest. It could be beneficial to include some in the biggest agricultural and coal consuming provinces like Henan and Shandong.
- The project “will be designed to incorporate features associated with the concepts and techniques of low carbon development”. This seems vague. It could be beneficial to have a more concrete definition of low/zero carbon from the onset to avoid confusion or at least describe how these features will be decided and implemented.
- The national steering committee suggested should ensure sufficient high-level ownership for efficient implementation.

23. Iraq: Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Baghdad City, UNDP (GEF Project Financing: \$3,092,009) (GEF ID 10392)

✓ **Germany Comments**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany welcomes the project and its holistic approach. The full proposal should take the following suggestions into account for the project to be even more effective and purposeful:
- Germany would like to emphasize the importance of transmission and distribution losses as significant contributors to greenhouse gas emissions in the electricity sector. Germany asks to review the project document to assess the possibility to contribute to a reduction of those losses, and to include this as an additional component. In the short term, this could potentially mitigate larger amounts of GHG emissions compared to energy efficiency in appliances and the comparatively slow roll-out of building insulation.
- Germany would also ask to include additional information on the additionality and cost-efficiency of a testing facility for solar equipment in the project.
- Germany kindly asks to review the possibility of including capacity building

measures for construction companies, civil engineers, technicians and crafts-persons involved in project implementation, as project success is directly linked to their technical expertise.

- Lastly, Germany also asks to examine the possibility of defining a number of public buildings (for example schools) that can serve as pilot projects for the implementation of energy efficiency measures, such as building insulation, cooling, and lighting. This would also help to create a pool of companies that are familiar with the technologies and can continue to use them in other buildings.

✓ **Canada Comments**

- Given the high demand for electricity generation and the problem of power shortages, which factors were considered in the elaboration of this project for it to focus on energy efficiency rather than building renewable energy capacity?
- Some gender elements were considered as part of the project design, but a more detailed gender plan can further help addressing gender equality and women and girls' empowerment through project activities.

✓ **United States Comments**

- The United States expressed concern about the operational conditions of this project before and during the 57th GEF Council meeting. The subsequent response from the GEF Secretariat and UNDP acknowledged these complexities, citing the collective operational experience of UNDP Iraq as evidence that the project implementers could mitigate risk. We continue to be concerned about the operational conditions associated with this project and look forward to the following concerns being addressed in the subsequent version of this proposal.
- First, while EE capacity building is essential in the long term, it does seem poorly aligned with other, more pressing energy issues in Iraq, which include both major electricity shortages and rampant gas flaring. We recommend using the energy efficiency funds to do more to promote proper electric power grid O&M and gas infrastructure development to improve power grid performance to reduce flaring and resulting pollution. We also suggest incorporating energy benchmarking, metering, building commissions, measurement & verification, and energy performance contracting as part of the proposed project and alternative scenario.
- Second, Iraq is heavily fossil fuel dependent. For the energy generation of the program to succeed, UNDP should receive the support the Ministry of Electricity and Ministry of Oil. The proposed Energy Efficiency Center should be linked to the Prime Minister's officer in order for changes and improvements to be enforceable and effective.

24. Lebanon: Lebanon Sustainable Low-emission Transport Systems, UNDP (GEF Project Financing: \$3,552,968) (GEF ID 10358)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project:

- Germany recommends revising the document to mainstream the “Avoid-Shift-Improve Approach” in Lebanon. This involves reducing the need to travel, shifting to more environmentally friendly transit modes, and improving the energy efficiency of transport modes and vehicle technology. It would be helpful to describe more clearly how the shift in transport systems fits into an overall shift towards sustainability in other systems (energy, urban areas). A dedicated section could be added to the theory of change.
- Germany recommends integrating this project with the National Strategy for Public Transit as discussed in section 1.3. The project can then contribute to Sustainable Development Goal 11 (make cities and human settlements inclusive, safe, resilient and sustainable).
- Germany encourages Capacity Building initiatives, such as training local people to implement, manage, and operate EV-projects.
- Germany recommends making public transport more attractive, affordable and accessible for all, for example with mobility apps.
- On the technical side of e-mobility, Germany highly recommends to review the document as to assess whether the following activities could be integrated:
 - Increasing the share of renewable energies in the transport sector
 - Effectively integrating e-vehicles into the energy system to avoid rebound effects
 - Conducting an integrated lifecycle analysis for the use of e-vehicles, considering infrastructure, resource scarcities, and recycling
 - Establishing incentives for EV-usage, such as parking privileges

✓ **Canada Comments**

- Sustainable transport systems have important linkages with socio-economic development, including the important role it has for inclusive development. To what extent has this project considered aspects of inclusion and vulnerability (i.e. building an accessible and equitable transport system for most vulnerable groups) as part of its outcomes and activities?
- Lebanon has seen nation-wide protests since October 17, 2019. It is highly unlikely that the Government of Lebanon would be able to co-finance such initiatives given the current status of debt and foreseen financial/economic crisis. It is also the question if environmental projects would be on the top of the priority list of a caretaker government or any newly formed government, given the more urgent challenges facing the country at the moment.

✓ **United States Comments**

- The United States had expressed concern about the operational conditions of this project before and during the 57th GEF Council meeting. The subsequent response from the GEF Secretariat and UNDP acknowledged these complexities, citing the collective experience of UNDP Lebanon, World Bank and EIB in the region as a positive mitigating factor. That experience notwithstanding, we continue to be concerned about the implications of the governance and economic conditions on the project's potential success. We are looking forward to reviewing the next iteration of this proposal, and strongly recommend that this proposal be developed in closer consultation with both the Ministry of Electricity and Water, as well as experts at the U.S. Department of Energy's Energy Efficiency & Renewable Energy (EERE) Office.

25. Mauritius: Promoting Low-carbon Electric Public Bus Transport in Mauritius, UNDP (GEF Project Financing: \$3,229,998) (GEF ID 10372)

✓ **France Comments**

- France wishes to underline the value of this project provided the following elements are duly taken in to account:
 - A contextualization of this project is necessary, to be carried out with the Mauritius authorities and technical and financial partners;
 - inclusion of this project in a national mobility master plan for the island, considering the other types of public transport and the other modes of soft and low-carbon mobility. Such a master plan should constitute a prerequisite.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Germany welcomes the project and highlights the holistic approach taken. The theory of change rightly assesses the different barriers to deployment of electric busses in Mauritius and addresses them with suitable interventions that are designed to last. Electric buses have the potential to limit GHG emissions if powered with renewable energies. Germany specifically welcomes the objective of GEF-GCF linkages.

Suggestions for improvements to be made during the drafting of the final project:

- To speed up the transition and in view of a likely expansion of e-bus use in the future, Germany recommends clarifying what type of 'solar charging station' will be deployed (capacity, solar percentage of the consumed electricity, etc.) In general, Germany encourages the Agency to opt for stations with as many solar panels as feasible.
- In the medium-term, e-vehicles should be integrated effectively and efficiently

into the energy system to avoid rebound effects. Germany would recommend to further elaborate this issue, especially in the risk section.

- Germany recommends reviewing whether the use of fast charging stations is both cost-efficient and necessary. The buses are estimated to operate for about 100 km per day. According to the Project Proposal, slow-charging electric buses that run this daily distance are already cost-competitive compared to diesel busses. Fast charging stations are considerably more expensive. Also, fast charging generally reduces the lifetime of the buses' lithium-ion batteries. If the buses can run their daily distance on one battery charge, it might be more economic to opt for slow charging stations.
- Germany would recommend discussing the project's alignment with the National Integrated Transport Network Project in the Baseline Scenario in more detail, to clarify how electric vehicle infrastructure is currently planned and what the added value of the project is.
- On the technical side of e-mobility, Germany highly recommends reviewing the document to assess whether the following activities could be integrated:
 - Conducting an integrated lifecycle analysis for the use of e-vehicles
 - Considering usage competition (e.g. charging infrastructure), resource scarcities (e.g. graphite) and recycling (e.g. batteries)
 - Incentivizing EV-usage by supporting the development of charging infrastructure
 - Making public transport more attractive, affordable and accessible for all, for example with mobility apps.

✓ **Canada Comments**

- Canada is pleased to see that this project supports SIDS, incorporates engagement with the private sector and that it plans to carry out a gender action plan.

✓ **United States Comments**

- We support this project and offer three suggestions. First, battery disposal is addressed only as a goal and not a stated objective: "*The project also aims to reduce the risk of hazardous waste from used batteries by supporting the government setup policy and regulatory framework for safe recycling and disposal of battery components in the country.*" We recommend adding battery disposal as a component of both policy and regulatory framework, and financial incentives package, to ensure proper handling of batteries. This includes addressing and managing environmental risks due to road accidents involving battery-operated vehicles.
- Second, the project will require solar energy-based electric bus fast-charging infrastructure, but leaves the maintenance as the responsibility of bus-leasing companies. This may increase the risk that these charging stations would fall

into disrepair or remain underused. Government-operated and maintained charging infrastructure, or at least a greater focus built into the project on the risk of mismanagement of the charging stations, may be optimal until electric vehicles become more accepted.

- Third, one output of Component 3: *Technical Feasibility and Capacity Building*, should be the identification of capacity gaps and training activities. Implementing agencies should coordinate with technical schools and universities to offer and promote such training. We also recommend stronger and more open public messaging and advertising of the environmental benefits of electric bus use, to strengthen public acceptance.

LAND DEGRADATION

26. Armenia: Implementation of Armenia's LDN commitments through sustainable land management and restoration of degraded landscapes, FAO (GEF Project Financing: \$2,183,105) (GEFID 10365)

✓ Germany Comments

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes the proposed project, but would recommend addressing the following issues:
 - Update system description with recent political and economic changes.
 - Clear focus on one land use category is recommended, e.g. on forests. For now, the proposal foresees interventions in pastures/ grasslands, forests and croplands. Overall, the measures should be more specific than “innovative SLM measures”.
 - There is a huge overlap with Ecoserve programme components, particularly on pasture and grassland management field, e.g. legal, institutional framework, information availability and capacity development fields. Therefore, close coordination is needed to avoid duplications.
 - While working on sustainable pasture management, monitoring, rehabilitation, Germany suggests using the results, tools, methods elaborated by GIZ Environmental programmes, e.g.: Pasture monitoring manual, Management plans elaboration for pastures and grasslands, Degraded pastures and grasslands rehabilitation guidelines, Erosion control handbook.
 - GIZ Environmental programmes have worked in Syunik region on pasture management issues from 2013-2018, the FAO project can build on results to avoid overlap.

- To ensure local ownership, Germany would recommend addressing the following issues:
 - Intersectoral approach and involvement of different ministries is essential: In particular, the Ministry of Territorial Administration and Infrastructures (MTAI) when it comes to local level interventions and policies that affect the communities or the Ministry of Economy (MoE) for agricultural / pasture related issues (former Ministry of Agriculture has been merged with Ministry of Economy).
 - The intersectoral “Program Coordination Platform for Sustainable Management of RA’s Natural Fodder Areas: pastures and grasslands”, which was established in 2018 with support of IBiS programme, and is supported by ECOserve, should be used as coordination platform. The recent strategic document on RA Natural fodder areas (pastures and grasslands) management elaborated in the framework of the platform must be considered while working in the sector, especially from the perspective of legal, institutional framework, information availability and capacity development fields.
- Finally, Germany recommends the agency cooperates/consults with the following ongoing bilateral projects:
 - Ongoing regional ECOserve programme “Management of natural resources and safeguarding of ecosystem services for sustainable rural development in the South Caucasus,” commissioned by the German Federal Ministry of Economic Cooperation and Development (BMZ) and implemented jointly by GIZ and MTAI (political partner), MoEnv and MoE. Duration: 12/2018-11/2021.
 - Build on experiences of recently finalized regional IBiS programme “Integrated Biodiversity Management, South Caucasus”, duration 12/2015 – 11/2019, also commissioned by BMZ, co-financed until 2017 by Austrian Development Agency (ADA).
 - Other important cooperation partners: “Livestock development in Armenia South – North” Project (2017-2020, <https://sda.am/index.php?id=123>) implemented by “Strategic Development Agency” (SDA) NGO and financed by the Austrian Development Agency (ADA) and the Swiss Agency for Development and Cooperation (SDC).

✓ **United States Comments**

- While supportive of this project, we would request much more detailed information on local training, farmer-level incentives, and the advisory structure for pasture management recommendations in subsequent versions of the proposal. Training was addressed in Outcome 1.3, but description of local training was very limited, and education of farmers on improved pasture management practices is critical to the project’s success. Additionally, incentives for farmers to adopt improved pasture management practices was mentioned in general, but no details were given. Additional incentives might

lead to broader adoption, but it is hard to recommend any without knowing the specific incentives that are planned. Similarly, it is not sufficiently clear what the guidelines or advisors would be used to develop restoration plans, specifically on practice recommendations for pasture management.

27. Uzbekistan: Sustainable Forest and Rangelands Management in the Dryland Ecosystems of Uzbekistan, FAO (GEF Project Financing: \$3,776,941) (GEF ID 10367)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes the proposal, but has the following recommendations:
 - The full proposal should clearly identify how local populations and land users can fully participate in land use planning and the implementation of the plan, as a key to successful action for land degradation neutrality.
 - FAO should ensure that component 3 on monitoring does not only match reporting requirements to UNCCD but can be useful to decision makers, e.g. in land-use planning.
 - Consider possible synergies with German funded “Programme for sustainable and climate sensitive land use for economic development in Central Asia”.
- In this context, Germany would appreciate additional information on the following issues:
 - How are existing approaches from other donors, agencies and NGOs considered, especially on regional level in Bukhara-Navoi?
 - Concerning intersectoral coordination: How will decisions be taken? Which role does the focal point to UNCCD play, as the leading entity to LDN coordination? Which mechanism will moderate conflict of interests in intersectoral coordination?

CHEMICALS AND WASTE

28. Brazil: Environmentally Sound Destination of PCBs in Brazil, UNDP (GEF Project Financing: \$9,660,000) (GEF ID 10368)

✓ **United Kingdom Comments**

- Will the governance of this Project remain the same as it was in the first phase?
- The current proposal is four times higher in total value, which seems to have internalised the budget constraints of the initial phase. Being that most of the financial commitments are on the co-financing, it would be helpful to understand:

- who is part of the co-financing and the delivery plans?
- given the reduced capacity of the Ministry of Environment and the budget constraints that it has gone through this year, UNDP will need to make sure that it counts with the required support to overcome eventual financial, administrative and technical challenges. Otherwise, there is a critical risk of not reaching the targets as planned.

✓ **Germany Comments**

Germany requests that the Secretariat sends draft final project documents for Council review four weeks prior to CEO endorsement.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- It is necessary to include the Ministry of Mines and Energy (MME) as an executing partner to ensure enforcement and government wide buy-in of the project. While MMA is responsible for disposal of PCBs, it has a rather weak standing and the supervision and financing of the industry falls under the mandate of MME.
- Indicator 11: Please explain how the number of beneficiaries was estimated.
- Output A2: The description of the proposed financial scheme lacks detail. Please specify and consider including levies/taxes for non-compliance.
- Output A3: 20 inspectors for the whole of Brazil is way too little, the country has an area of 8.5 Mio. square km and this proposal would yield one inspector per 400,000 square km. Please consider training 100+ inspectors; this is a key activity in the whole project.
- Output B1: Why favor the development of small enterprises if all PCBs must be eliminated by 2028? This does not seem to be a sustainable business model. Please consider to only strengthen existing facilities and ensure safe transport of chemical waste to these.
- Output C2: It is necessary to include more details about the proposed business proposal for private PCBs Equipment holders.
- Risks: Please include the risk that government agencies at the federal level may not cooperate well (e.g. MMA and MME).

✓ **United States Comments**

- We are supportive of this project's proposed activities but require additional information and clarification on their scope, specifically on the subset of the electrical sector that is privately owned (or projected number of transformers privately owned) and projected to be included in the activities identified for Output C2, as well as the enforcement incentives for PCB equipment inventory and disposal.

- *Percent of transformers in the electrical sector held by private companies.* A stated project outcome is the substantial disposal of PCB stock. Output C2 states that 15,000 tons of PCB-contaminated material (1/3 of the PCB-contaminated material estimated to be present in all Brazil's transformers) will be eliminated by focusing on the transformers held by sensitive sites (such as hospitals) and private industry. The electrical sector is projected to have 70% of the transformers, and in Brazil is reported to be primarily government controlled. However without knowing the percent of transformers in the electrical sector held by private companies, it is difficult to assess whether this output is realistic, from the subset of stakeholders identified. To achieve this objective, additional outputs focused on the electrical sector (both private/public), would need to be identified. It would also be helpful to know if this project is the only activity with goals identified for PCB reduction or if this is just one project identified to meet the objectives of a larger program that Brazil is undertaking, especially as part of the government-controlled electrical sector.
- *Incentives.* The activity proposed to achieve Output C2 for the private companies, is poorly defined. There is a risk that private companies will not conform to the program because there appears to be no incentive for them to do so, other than social pressure. There is a mention of increased "enforcement" in the stated outputs, but no details of what that entails. Without setting a schedule and fine structure for companies that do not meet deadlines for completing an inventory and eliminating PCB transformers, it seems unlikely that these objectives can be met.

29. China: Demonstration of Production Phase-out of Mercury-containing Medical Thermometers and Sphygmomanometers and Promoting the Application of Mercury-free Alternatives in Medical Facilities in China, UNDP (GEF Project Financing: \$16,000,000) (GEF ID 10349)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Indicator 11: Germany kindly asks to clarify whether the number of beneficiaries includes the workers in the industry and the employees of the clinics, as the number seems very low for a project of this scope. Germany would recommend revising the number of beneficiaries and providing arguments as to how this number was achieved.
- Germany strongly recommends including practical implementation pilots for proper mercury disposal in the final project document, possibly also for privately owned thermometers that must number 100s of millions in China. In Component 3, only strategies and guidance/technical materials for disposal are developed during the course of the proposed project. There is however no implementation of pilot facilities for disposal of mercury according to the Minamata Convention.

- Germany recommends including the lack of proper final disposal of mercury from the medical sector needs in the risk section of the project proposal.

✓ **United States Comments**

- Project component 3 includes work to “identify, monitor, and remediate mercury contaminated sites” with corresponding activities under Outputs 3.1 and 3.2. However, the remediation of contaminated sites has not been identified as a high priority under the Minamata Convention for funding under the GEF under the first (and only) round of GEF guidance from the Conference of the Parties. Although this is a relatively small part (\$1.4 million) of a \$16 million project, funding may be better spent on environmentally-sound and secure interim storage of mercury efforts. This would both ensure that funding is not diverted for use in other sectors and would be more aligned with the current guidance.
- Second, we strongly advocate for two key aspects to be addressed in the final proposal. While the project identifies demonstration projects and aid to manufacturers to find funding alternatives to transition out of production for mercury devices, it does not address what the expected uptake rate will be, nor how they will effectuate and/or monitor the transition amongst the manufacturers. Given clear deadlines articulated for phase-out in the document (2021 in the Minamata Convention, 2026 in China), knowing how much change to expect when will be important to judging the expectations and effectiveness of a funded project. Additionally, it would be helpful to understand how and when the different efforts identified in the proposal will be implemented, and what the synergies will be between them.

30. Rwanda: Supporting a Green Economy - Decoupling Hazardous Waste Generation from Economic Growth in Rwanda, UNDP (GEF Project Financing: 6,300,000) (GEF ID 10373)

✓ *No comments received*

INTERNATIONAL WATERS

31. Global: Blue Nature Alliance to Expand and Improve Conservation of 1.25 Billion Hectares of Ocean Ecosystems, CI (GEF Project Financing: \$22,635,780) (GEF ID 10375)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes the ambitious targets of this marine conservation approach. Reaching the protection of 30% of the ocean is crucial for a sustainable

management of ocean health and marine resources.

- It is appreciated that the key threats are well addressed and a considerable variety of factors is included in the selection of relevant sites. The integration of innovative interventions and application beyond legally protected areas are desirable objectives.
- It is further acknowledged that the diversity of involved stakeholders presents a promising character for a holistic conservation with co-benefits for the targeted ecosystems as well as all levels of society.
- One main issue of unsuccessfully managed MPAs is lack of enforcement. Attention should be given to this as a focus in addition to local capacity building efforts.

✓ **Norway/Denmark comments**

General comments:

- The project addresses highly relevant ocean issues facing the health of our ocean. The project may substantially make progress in achieving the SDG14 and Aichi targets.
- Our constituency supports the approach of improving existing conservation efforts as well as the expansion of new conservation areas. We urge that experiences and lessons learned from existing and past efforts are built upon.
- As the location of the conservation areas are not yet determined, we wish to underline the importance of prioritising biologically important areas. We do recognize that this is part of site selection criteria in the PIF. Nonetheless, we wish to underline that for conservation efforts to be the most effective, it is important to conserve and sustainably manage biodiverse (coastal zones, coral reefs etc.) and biologically abundant marine areas (e.g. upwelling zones). It is not clear whether there is a strategy for ensuring connectivity between the conservation sites. We suggest that, if possible, connections between the selected conservation sites that are biologically important, may also be prioritised in the site selection criteria.
- Baselines are not clearly established in the PIF. We therefore wish to underscore the importance of establishing baselines to be able to measure results and manage the project.
- Conservation measures must not increase the burden on coastal communities. By engaging them in decision-making and in developing relevant measures and management livelihoods can be sustained and improved (do no harm). The way the project aims to address human rights, including the rights of indigenous peoples could be clearer in the PIF.

Detailed comments:

- The proposed budget does not include costs for each output. It is therefore difficult to assess the projects cost-effectiveness.

- There appear to be no assessments of unintended effects by the project on anti-corruption and human-rights mentioned in the PIF-document. We urge the project to assess the likelihood and severity of these issues.
- Baselines are missing on output levels in the PIF. We underline the importance of measurable results to be able to manage the project and suggest baselines be determined.
- We encourage the project to coordinate and find synergies with other related GEF-projects in this work program, such as support to the regional fisheries management organisations in the Pacific (WCPFC, GEF ID 10394) and the Caribbean (FAO/CRFM, GEF ID: 10394).

✓ **United States Comments**

- We support this project proposal, though do suggest greater consideration of how this project and the involved agencies will engage with regional fisheries management organizations (RFMOs), which we see as essential to achieve the project's desired outcomes regarding place-based management, conservation of ecosystems, and protection of biodiversity.

32. Global: GEF IW:LEARN 5: Supporting Portfolio Coordination Within and Beyond the International Waters Focal Area, particularly in Small Island Developing States, Through Knowledge Sharing, Information Management, Partnership Building and Programmatic Guidance Services, UNDP/UNEP (GEF Project Financing: \$5,978,700) (GEF ID 10374)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes the proposed project, but recommends that the proposal should elaborate further on the choice of its focal point in project component 3 (Coordination and Knowledge Management in Small Island Developing States) and the specificities of operating in SIDS (as opposed to e.g. LDCs).
- Furthermore, the proposal should be more specific about the potential partners mentioned in the respective project components, the targeting of their knowledge exchange, and the complementarity with existing information management programs.

✓ **Norway/Denmark Comments**

General comments:

- We support the overall ambition of the program, underlining the importance international waters have in providing ecosystem services. We also support the review of the PIF and assume its recommendations are addressed by the project. We encourage better coordination and learning in development interventions,

which is facilitated by this project.

- We strongly support the focus on Small Island Developing States and making GEF financing more beneficial for SIDS.
- We emphasize that the project may be the most efficient if focused on beneficiaries from ODA-eligible countries.
- We urge the project to consider reporting the project's direct contribution to the SDGs, by including IW's contribution to the indicators of relevant SDG-targets, while we acknowledge the difficult and often subjective assessments which are necessary to achieve this.

Project details:

- The proposed budget does not include costs for each output. It is therefore difficult to assess the project's cost-effectiveness.
- Indicators, targets and baselines are missing on output levels in the PIF. We underline the importance of measurable results to be able to manage the project and suggest baselines be determined.

✓ **United States Comments**

- This new phase of IW:LEARN fully incorporates the goals and activities of LME:LEARN. LME: LEARN is ending and, as far as we are aware, not being renewed, with the view that LME activities would be folded into this new phase of IS:LEARN. It appears that this is covered under project objective #4, but we would have liked to see this more explicitly stated.

33. Regional (Botswana, Mozambique, South Africa, Zimbabwe): Integrated Transboundary River Basin Management for the Sustainable Development of the Limpopo River Basin, UNDP (GEF Project Financing: \$6,000,000) (GEF ID 10182)

✓ **United Kingdom Comments**

- It is really important to stress that implementation needs to be done in partnership with other donors – as both UK and USAID active in the basin. This is particularly important when working with LIMCOM that doesn't have a lot of capacity;
- On the point around staff positions and the problems that project-funded staff can have in an organisation like LIMCOM. - What happens when they leave? Consider sustainability of these positions. Who will fund these positions in the long-term?

✓ **Germany Comments**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany requests to review the list of indicative sources of co-financing, as it both includes a large number of co-financiers (all riparian countries) and comprises a substantial amount of the overall project costs. The PIF names GIZ as a co-financier in its list of indicative sources of co-financing and states GIZ support for the LIMCOM secretariat – neither of which is presently the case. GIZ, together with DFID, decided to suspend support for the LIMCOM secretariat in 2015, partly due to its unclear legal status.
- Additionally, Germany requests review of the risk section of the document to respond further to the missing national support for LIMCOM in the past. From past experiences, South Africa has formally supported the LIMCOM, but has often refused to cooperate with the secretariat on substantial issues, whereas Zimbabwe’s support has been impaired due to political and economic reasons. The proposal identifies the issue in its risk assessment as low risk; Germany would suggest that the prospective risk mitigation through cooperation of the basin states according to the SADC revised shared watercourse protocol is revised and evaluated appropriately.

✓ **Canada Comments**

- We would be interested to know how the funding will be distributed, and how the different countries will contribute individually to the project. It is not too clear on what the difference is between the Transboundary Diagnostic and the freshwater health survey.
- We are also wondering how an equitable access to the river for all will be achieved if the project is partly financed through private interests

✓ **United States Comments**

- We are very supportive of this project, and particularly welcome the institutional capacity strengthening activities. We would like the three following ideas to be reflected in the future development of this project. First, the proposed project should coordinate with the two USAID projects in the Limpopo River basin, with which it has significant geographic and thematic overlap. These include the ‘Conjunctive Water management across borders in the SADC region’ and ‘Resilient waters’ projects.
- Second, in Section C. on page 12, the USAID Resilient Waters project is listed as providing a Grant to the value of \$8 million. While the subsequent narrative is an accurate reflection of the USAID support to the activities via technical assistance, the reflection of these funds as a ‘grant’ is not. Please correct this in subsequent versions of the proposal.
- Third, greater clarity on project partners and their engagement would be beneficial. For example, the project would benefit from early and consistent engagement with CSOs, agricultural ministry officials, and those ministries that manage large water infrastructure. In addition, the project draft says the private sector will be involved in a PPP, but what types of business are intended for involvement (e.g. eco-tourism partners, hydropower entities, agri-industrial

partnership)? Recognizing the importance of a country-driven choice, it would be good to understand the full landscape of implications for sustainability early in the process.

34. Regional (*Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu*): Mainstreaming Climate Change and Ecosystem-based Approaches into the Sustainable Management of the Living Marine Resources of the WCPFC, UNDP (GEF Project Financing: \$ 10,000,000) (GEF ID 10394)

✓ **Norway/Denmark Comments**

General comments:

- We commend the proposed project and its intended impact for Small Island Developing Countries. The sustainable management of these valuable fisheries resources to the benefit of communities are essential for many of these states.
- The project is highly relevant and addresses many of the challenges faced in the region and of the fisheries in these waters. Component 1. Outcome 1.2 is considered as very important in order to combat IUU-fishing. Increased monitoring and observations onboard high seas fishing fleets is vital and we strongly support this be increased, as the PIF describes.
- The objective of the WCPFC Convention is to ensure, through effective management, the long-term conservation and sustainable use of highly migratory fish stocks in the western and central Pacific Ocean. The Convention seeks to address problems in the management of high seas fisheries resulting from unregulated fishing, over-capitalization, excessive fleet capacity, vessel re-flagging to escape controls, insufficiently selective gear, unreliable databases and insufficient multilateral cooperation in respect to conservation and management of highly migratory fish stocks.
- The outcomes and outputs in the proposal are all elements addressed in the Convention, where the contracting Parties have agreed to Principles and measures for conservation and management. (Art. 5). Scientific services (Art. 13), Compliance and enforcement (Art. 25), etc. The contracting parties includes Australia, China, Canada, European Union, Korea, New Zealand, USA etc., and the Convention is financed through “an equal basic fee, a fee based upon national wealth, reflecting the state of development of the member concerned and its ability to pay, and a variable fee. The variable fee shall be based, inter alia, on the total catch...” (Art.18). It is therefore questionable whether ODA funds should be used to ensure conservation and sustainable use of the high value species harvested by member states.
- If support shall be given by ODA-funding, one must make sure that this funding goes to ODA-eligible countries. We therefore underscore that the beneficiaries of the proposed projects should be ODA-eligible states. A risk is that support is de-facto subsidising fisheries for developed countries.

- In addition, we wish to highlight the importance that this project coordinate with other GEF-projects in this work program, especially the conservation efforts of the Blue Nature Alliance (GEF ID 10375) and the FAO/CRFM (GEF ID 10211).

✓ **United States Comments**

- We support this project's important objectives in the region covered by the Convention for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC Convention) and under the management of the Western and Central Pacific Fisheries Commission (WCPFC). However, we are generally concerned with some of the language in the proposal, that seems to associate the potential problems with overfishing and IUU fishing with the Distant Water Fishing Nations (DWFN) of the area. At times this language seems adversarial, with an approach that advances management in support of Pacific Island Countries interests at the expense of DWFNs. At the 57th GEF Council meeting we requested a second review of this proposal before CEO approval, and we look forward to reviewing the next iteration.

MULTI-FOCAL AREA

35. Regional (Barbados, Belize, Guyana, Jamaica, Panama, St. Lucia): BE-CMLE+: Promoting National Blue Economy Priorities Through Marine Spatial Planning in the Caribbean Large Marine Ecosystem Plus, CAF/FAO (GEF Project Financing: \$6,222,018) (GEF ID 10211)

✓ **Germany Comments**

Germany welcomes the project, which includes the implementation of blue economy strategies supporting ecosystem-based fisheries management practices, as well as the expansion of marine protected areas.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- The establishment of inclusive sustainable seafood value chains is highly appreciated. In particular, the implementation of the FAO - Code of Conduct for Responsible Fisheries as well as the FAO - Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication (VGSSF) is seen as crucial for the project's success.
- Germany positively notes the regional knowledge exchange and capacity building based on best practices. Germany would however encourage seeking further engagement with civil society in this matter. Intersectoral cooperation further increases the likelihood of achieving co-benefits.
- Scaling-up to other island ecosystems bears high potential. Germany would

however recommend identifying risks associated to coordinating and synchronizing the different planned activities in the manifold countries, especially to avoid ineffective dispersal of funds. In addition, appropriate mitigation measures should be devised.

✓ **Norway/Denmark Comments**

Related projects:

- Training of CARICOM fisheries authorities in collecting and processing catch data. Norad (Norway), through the University of Bergen, supports the Caribbean Regional Fisheries Mechanism (CRFM) - Other Executing Partner of the GEF project - with the aim of improving collection, storage and analysis of capture data from small scale fisheries in the Caribbean region. (The project ends in 2020). Funding: about 326 000 USD. It may be relevant to coordinate and find synergies between these projects.
- Climate adaption within fisheries and aquaculture with the FAO (FAO project ID: GCP/GLO/959/NOR). This project may have useful experience for this GEF-project to build upon. Project funding roughly 1,3 million USD and is extended to December 2020.

General:

- We are pleased that such a program is suggested for SIDS as they are especially vulnerable to these issues and have limited resources.
- It should be commented on the fact that Barbados is not eligible to receive Official Development Aid (ODA), the Norwegian funding to GEF is ODA.
- The project description is not as broad as the title suggests “National Blue Economy Priorities Through Marine Spatial Planning”. Although there is a component on cross-sectoral blue economy strategies and cross-sectoral marine spatial planning, fisheries is the main focus and this could be made explicit. As fisheries clearly is an important sector for employment in the region, and has biodiversity effects, it is reasonable to target this sector but the problems facing this sector will not be solved by management measures in this sector alone. The project description could have given more detail about how “blue economy priorities” and “marine spatial planning” should be done in a way that involves all relevant oceanic sectors. Climate adaptation measures will be an important element in marine spatial planning. FAO should consider partnering with other UN agencies with a mandate within ocean management.
- The component on inclusive sustainable fisheries value chains has been questioned by the GEF-secretariat but has a clear indirect effect on conserving marine biodiversity as improving coastal communities’ livelihoods can relieve the pressure on limited fisheries resources. Reducing post-harvest loss is a very important element in this as it relieves pressure on limited natural resources and has direct food security effects. Increasing income from existing activity, as well as ensuring additional income is key for the coastal communities.
- Conservation measures must not increase the burden on coastal communities.

By engaging them in decision-making and in developing relevant measures and management livelihoods can be sustained and improved (do no harm). It is positive that the Caribbean Network of Fisherfolk Organisations (CNFO) and organisations at national level will be included and that the implementation of the FAO Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication (SSF-guidelines) is one of the target areas.

- In addition, we wish to highlight the importance of this project being coordinated with other GEF-projects in this work plan, especially the conservation efforts of the Blue Nature Alliance (GEF ID 10375) and the WCPFC (GEF ID 10394).

Details:

- The Rio-marker in the PIF should be revised to climate adaptation, rather than climate mitigation.
- The proposed budget suggests budget costs only for component-level, it is therefore difficult to assess the project's cost effectiveness.

✓ **United States Comments**

- This project appears to prioritize spatial planning efforts, inclusive sustainable seafood value chain establishment, and knowledge management and project monitoring and evaluation, over actual implementation or improvement of existing sustainable fisheries management in the region. It would be useful to have greater clarity on how the proposed activities are expected to influence fisheries management.
- We would appreciate greater clarity on how the proposed project builds on the outcomes of the CLME and CLME+ projects, and if the BE-CLME+ project will make use of the policy coordination mechanism that is being established under the CLME+ project.
- It is encouraging to see fisheries agencies and several regional/sub-regional organizations referenced as partners in the project. FAO is referenced as a key consultation partner, however, it may be appropriate for the project to more specifically mention the Western Central Atlantic Fishery Commission (WECAFC) as a partner. The objective of this Regional Fishery Body under FAO is to promote the effective conservation, management and development of the living marine resources in the wider Caribbean, in accordance with the FAO Code of Conduct for Responsible Fisheries, and address common fisheries management problems faced by Commission members.
- Within Panama, there are several governmental, private sector and NGO stakeholders that would be useful additional partners. We recommend adding Panama's Authority of Aquatic Resources (ARAP) and Maritime Authority to the list of government institutions for their role in implementing the Panamanian government's effective water management, environmental conservation, and food security programs. The Panama Maritime Chamber of Commerce is an

experienced organization with over 200 company members that advance sustainable development in shipping industry, ports and auxiliary maritime services. Finally, MarViva is a particularly effective implementing NGO partner in marine conservation in Panama and should be considered for partnership and/or consultation.

- Finally, we would appreciate greater information on how indigenous populations will be engaged, benefited and/or impacted by the proposed activities. In 2019, the indigenous populations in three of the participating countries exceeded 10% of the total population, yet the PIF makes no mention on how the proposed project will affect indigenous communities or how these communities will explicitly benefit from the proposed interventions.

36. Algeria: Integrated Forest and Biodiversity Management for Sustainable Development in the Biban Mountain Range, FAO (GEF Project Financing: \$3,297,260) (GEF ID 10170)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes the project and suggests establishing working links with the African Forest Landscape Restoration Initiative, AFR100, and with the Secretariat at African Union Development Agency/ AUDA in Midrand, Republic of South Africa. Emphasis for future cooperation could be on Monitoring and Evaluation for Landscape Restoration.

37. Bolivia: Strengthening the Integral and Sustainable Management of Biodiversity and Forests by Indigenous Peoples and Local Communities in Fragile Ecosystems of the Dry Forests of the Bolivia Chaco, FAO (GEF Project Financing: \$3,502,968) (GEF ID 10393)

✓ **Germany Comments**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany requests that sections on project risks, and stakeholder engagement strategies are thoroughly revised to address the political situation in the country. The project was prepared and negotiated with the previous Bolivian Government. Environmental authorities at subnational level are key partners for the sustainability of this program approach, and should be included as part of this revision.
- Before final authorization, GEF and FAO should seek consent with the new national government on approach, partners at national and sub-national level.

✓ **United States Comments**

- Though we support the project, climate change is not adequately addressed in the approach to improve biodiversity and sustainable management of working lands. Attention to the major threat of wildfire is not enough, particularly after this year's fires. There should be explicit adaptive management techniques embedded in planning and training to ensure long-term sustainability for both resilience and mitigation of the impacts of wildfires, pests, drought and flooding. The larger economic and social questions of why small holders are expanding productive lands in unsustainable ways is also not addressed. Environmentally sustainable management training may not address underlying historical and economically opportunistic reasons for this type of expansion. We additionally advise continued participation from indigenous and peasant communities.
- Finally, during the development cycle of this project there has been a complete changeover at the relevant ministry under Bolivia's transitional government. The GEF should ensure that these changes have not altered the capacity for success in the proposed activities.

38. El Salvador: El Salvador Integrated Landscape Management and Restoration. WB (GEF Project Financing: \$3,561,644) (GEF ID 10346)

✓ **Germany Comments**

Germany requests that the Secretariat sends draft final project documents for Council review four weeks prior to CEO endorsement.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany would like to acknowledge the relevance of the proposed objective and components as well as the initial description of local stakeholder involvement from the preparation process on.
- However, Germany calls attention to the fact that several chapters of the PIF are missing or incomplete. Despite the additional information provided in the Project Information Document (PID), Germany requests to add/complete chapters on: 1. Baseline Scenario and Projects, 5. Risks, 6. Coordination, 7. Consistency with National Priorities, and 8. Knowledge Management.
- Germany requests to review the co-financing figures provided. The PIF describes (p. 6) inaccurately a co-investment by GIZ of USD 6,5 Mio. The correct information is: "EU: \$ 3,3 Mio, BMU: \$ 550.000".
- Furthermore, Germany would like to stress the need for meaningful and effective coordination of ongoing projects in the area (GIZ, CRS, UNDP, IUCN, UNEP, etc.) and their Coordination Roundtable in Ahuachapán. Already existing platforms for cross-sector landscape governance (Mesa de

Coordinación de Socios (MCS) de Ahuachapán and Local advisory committee of the Conservation Area) should be strengthened instead of creating new structures avoid double funding and missing potential for synergies.

- Germany also strongly recommends to seek further synergies with existing capacity building initiatives. GIZ is already building capacities in MARN to monitor restoration activities in the same project area. These processes should be used as a base for upscaling rather than developing a new strategy for monitoring.

39. Ghana: Establishing a Circular Economy Framework for the Plastics Sector in Ghana, UNIDO (GEF Project Financing: \$7,000,000) (GEF ID 10401)

✓ France Comments

- The project is **very relevant** and responds to real development needs and challenges in Ghana. It builds on a **complete and good quality analysis of this** very complex, little structured sector, bringing together many actors (NGOs, donors, municipalities, ministries, etc.).
- France nevertheless wishes to raise the following points:
 - **Funding**, in part via a deposit fund for eco-taxes levied on plastics, seems solid. However, it is unclear whether it includes investment in infrastructure, especially for pilots. Given the large amount of the project, we expect it is the case.
 - The **duration of the project**, 5 years, seems relatively short in view of the program and the scale of the project. The implementation schedule will have to be scrutinized.
 - The project must attract the private sector, but there is no **economic assessment** at this stage, which could demonstrate the profitability of the sector to set up. No company, apart from Veolia and Seureca, is mentioned as a potential partner, either in Ghana or in other countries where plastic sectors exist.
 - Maybe real **partnerships** with countries that have developed these sectors should be considered, rather than a simple exchange of good practices. But no example seems to be cited.
 - In Ghana, **GIZ** is fairly present in the waste sector, in particular in electronic waste. Synergies could be identified in order to benefit from their experience.
 - On the **content**: the project goes beyond Circular Economy, because it deals more broadly with waste management and reduction, without however putting them at the same level. However, it seems essential to integrate source reduction, alternative materials, end-of-life waste treatment and the implementation of large-scale selective sorting to obtain convincing results. Pilots should integrate all these dimensions, as well as

the logistics linked to transporting waste to recycling facilities (and therefore the associated carbon impact). The feasibility of developing such an industrial sector in Ghana, to international standards, does not seem really evaluated (for example based on comparable cases in Ghana or similar countries). As such, the environmental aspects will have to be considered in the definition and implementation of the pilots.

- the project's output on **education**, which could be an entire component, is underdeveloped. Significant resources are required to bring about necessary behavior change. Many innovative initiatives are proposed in the project, but they are not directly related to the education of the young. The Ministry of Education does not seem to be mentioned among the stakeholders.
 - **Job** creation, which can be very important in this kind of sector, does not seem to be completely evaluated. Particular attention must be paid to working conditions.
 - **performance indicators** only refer to the GEF indicators, without proposing project-specific indicators.
 - The prerogatives of the **Secretariat** to be created and hosted within the Ministry of the Environment could perhaps be extended to the global circular economy. The funding of this Secretariat is not defined.
- The **project is necessary, but ambitious** given the number of actors and sources of funding involved, as well as by the quantity and complexity of activities proposed to achieve the expected result. There is therefore a risk in the implementation, which could be reduced by simplifying certain components, which are admittedly innovative. Strengthening the points mentioned above would also strengthen the project's credibility.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Germany welcomes this project, which supports Ghana in developing its Plastic Policy further and implementing it through the National Plastic Action Partnership (NPAP).

Suggestions for improvements to be made during the drafting of the final project proposal:

- Financing a sustainable plastic management system as part of a circular economy will require substantial financial resources. Germany would recommend identifying possible risks that might hamper the mobilization and targeted spending of financial resources, based on the experience gained so far with the establishment of the Plastic Wastes Management Fund (PWMF) and the collection of the eco-levy on imports of electric and electronic goods.
- Germany would also recommend clarifying if and how such resources shall be used for enhancing a national plastic recycling industry in which the informal

sector, together with small and medium-sized companies, plays a prominent role.

- Finally, Germany would recommend clarifying how the pilot projects will consider experience gained in ongoing projects e.g. for developing a collection and reverse logistic for PET, incorporating the informal sector in Kumasi (GIZ in cooperation with Environment360) and how the pilot projects will contribute to a structural change in the sector. Synergies with the ongoing projects on sustainable management of e-waste, implemented by the German and Swiss cooperation, are explicitly encouraged to develop viable options for improving recycling options for plastics from e-waste.

✓ **Norway/Denmark Comments**

- We very much welcome this project. We would like to mention that Norway is currently supporting work by the Secretariat of the Basel, Stockholm and Rotterdam Conventions on marine plastics in Ghana (through Norad). We would strongly encourage this project to build on our project in terms of the legal and institutional gap analysis and recommendations, the draft national plastic waste inventory, as well as the pilot tests in the packaging, fisheries and wastewater sectors.
- While the PIF states that the project “will also enable Ghana to comply with its obligations under the Stockholm, Basel, and Rotterdam Conventions”, there is little else on how Basel is relevant (no mention of the amendments to the Basel convention agreed at the last COP); perhaps the PIF was drafted prior to COP 14?
- The project aims among others to “operationalize” the National Plastic Management Policy (NPMP); the potential issue here is that as it is currently drafted it can be seen as having some shortcomings that would translate into challenges during the implementation phase.
- While the recommendations provided in the legal report vis-à-vis the NPMP will hopefully be taken up in finalizing the NPMP, perhaps this GEF project could anticipate some shortcomings and adjust activities accordingly/leave a door open for further refinement of the NPMP (if that is at all possible given national decision-making procedures), which could fall under output 1.1.2 of the GEF project. One important recommendation is that the NPMP would need to envisage specific measures aimed at preventing waste and incentivizing reuse.
- Further regarding the NPMP’s operationalization and as also recommended in the above mentioned legal report, it is recommended to prioritize development and adoption of by-laws and other secondary legislation (including a clear timeline for this). This is beyond the scope and timeframe of the Norad supported project and could thus be included in the GEF project (notably under output 1.1.3).
- Component 2 could build on the outputs from the Norad project component tackling source, i.e. the list of stakeholders and mapping of designs, processes

and best practices in the fisheries, wastewater and packaging sectors, as well as the lessons learned from the pilot projects, once implemented. Perhaps some of the pilots from the Norad project (if successful) could be replicated/scaled-up as part of the GEF supported project.

- The project baseline scenario could build on the more detailed baseline studies conducted in the Norad project. It would be important to avoid inconsistencies in these reports.
- The PIF refers to “Others NORAD / Basel, Rotterdam, Stockholm Convention In-kind Recurrent expenditures 500,000” in C, indicative sources of Co-financing but does not specify any role in Table 2. In general, we would appreciate specifying the role of the BRS more clearly in the project document.

✓ **United States Comments**

- Plastics management in Ghana is a serious economic, sanitation, and environmental pollution problem, especially as relates ocean plastic pollution. However, we do not see this project in its current form to be a well-structured investment set up to meet these challenges. While this proposal appears to have a reasonably good understanding of the baseline conditions and challenges facing Ghana, it misses some key characteristics of the current baseline scenario. Importantly, we believe that the proposal approach is too broad to produce successful and sustainable outcomes, and additionally, invests significantly in at least one area that is duplicative with investments that should be made by the government of Ghana rather than the international community.
- While the project document appropriately assesses many elements of the baseline scenario, it underrepresents the importance of several key partners and sectors, including informal waste pickers, the Ministry of Sanitation and Water Resources, and Metropolitan and Municipal Authorities. The informal waste collection sector is becoming more organized and represents a large workforce, many of whom are women and children that depend on waste for their livelihoods. As collection systems are perhaps the most fundamental pillar of project success, this element needs considerable rethinking. Additionally, the current proposal does not fully reflect the current growing and undersupplied demand for/use of recycled plastic by the existing plastics industry in Ghana.
- Overall, the proposed activities of this project are so broad it seems likely they will only superficially touch the various pillars proposed by the National Plastics Management Policy (NPMP). Greater attention to alignment with NPMP may result in greater project outcomes, as well as more sustainable capacity gains over time. For example, focusing the projects enforcement efforts on the enforcement-related challenges to operationalization of the 2015 Ghana EPA directive on producing oxo-biodegradable plastic material, in lieu of on new enforcement measures, seems both productive and cost-effective. We would also advocate for a more consolidated focus on plastic recovery and collection, processing, and distribution to markets, which could feed existing demand, provide product to catalyze new demand/markets, and significantly

reduce the amount of plastic waste entering the ocean compared to the meager ocean plastic pollution reduction projected. Additionally, the project's proposed national plastics secretariat, appears to duplicate the Resource Recovery Secretariat planned to be established by Government of Ghana. Finally, we would appreciate additional information on the correlation between the secretariat/commission proposed in the project and the Resource Recovery Secretariat.

- We also suggest that close attention be paid to the feasibility of proposed co-financing activities from the Plastic Wastes Management Fund. While the government established the revenue scheme in 2013 and has collected tax since inception, to our knowledge no funds have yet been disbursed.

40. Nauru: Ecosystem Restoration and Sustainable Land Management to Improve Livelihoods and Protect Biodiversity in Nauru, UNEP (GEF Project Financing: \$3,502,968) (GEF ID 10161)

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany welcomes the inter-sectoral, multi-level and multi-stakeholder approach.
- However, Germany also recommends that the full proposal should clearly quantify the economic impact of degraded land on present and future socioeconomic development and the benefits for investments into SLM practices for further decision making of investors and policy makers.
- Germany also suggests that the full proposal should provide further information on the cooperation with UNCCD as the custodian agency for SDG 15.3 and the Global Mechanism.
- The full proposal should further provide information on the institutional role of the co-financiers in the course of the project lifetime.

41. Nepal: Enhancing Capacity for Sustainable Management of Forests, Land and Biodiversity in the Eastern Hills (ECSM FoLaBi EH), FAO (GEF Project Financing: \$ 4,187,900) (GEF ID 10381)

✓ **United Kingdom Comments**

- The Province 1 – east and far eastern part of Nepal has innumerable community forestry programmes in the past -key ones include: Koshi Hill Programme and Livelihoods Forestry Programme (LFP) funded by UK, Nepal Swiss Community Forestry Project funded by SDC, Australian Forestry Programme, and many more. What will be an added value of this programme?

- Mitigation objective is promising; restoration objective must be based on good science-based analysis.
- Needs to be more specific on livelihoods results – target population/beneficiaries? types of livelihoods options?
- Private sector engagement and investment - is this envisioned in the programme?
- What are (types of) investments that are ongoing now?
- Ministry of Forests and Environment in revising ecosystem classifications and ecosystem regime with the support of DFID and other development partners – will this revised system have any impact on the deliverables and results of this programme?
- A number of projects are now in operation in Nepal that aim to mainstream land use planning and climate resilience into local governments' planning process and plan, it may be useful to check programmes such as DFID funded programme – Nepal Climate Change Support Programme (NCCSP), ASHA, EPI to name a few.

✓ **United States Comments**

- Given the significant number of similar existing projects in the region (including a diversity of projects supported by USAID), it will be very important for the donors and implementers to coordinate and deconflict with other implementors. We additionally recommend that this project include several additional biodiversity elements, including a research and monitoring component that would provide baselines, inform biodiversity-specific interventions, and be used against improvements measurements; the systematic collection of human-wildlife conflict data which is important for mitigation and long-term conservation planning, and finally a water resources/aquatic biodiversity conservation component, which would complete a robust biodiversity perspective.

42. Niger: Promoting Sustainable Agricultural Production and Conservation of Key Biodiversity Species through Land Restoration and Efficient Use of Ecosystems in the Dallol Bosso and Surrounding Areas (PROSAP/COKEBIOS), IFAD/UNEP (GEF Project Financing: \$ 5,296,808) (GEF ID 10420)

✓ **France Comments**

- Very interesting project for which it will be important to:
 - promote **agroecological practices** and to rely on traditional and local knowledge crossed with scientific knowledge in this field,
 - develop and monitor the project's contributions on climate change **adaptation** and **mitigation**, **food security**, and **job creation**,

- link this project to the many existing projects related agroecology, agroforestry, and land restoration in Africa (and in particular the International Initiative 4 per 1000).

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Suggestions for improvements to be made during the drafting of the final project proposal:

- As a key to successful action for biodiversity protection and land degradation neutrality, Germany suggests reviewing the chapter on stakeholder engagement to clearly identify how local populations and land users can fully participate in land use planning and the implementation of the plan,
- Germany furthermore suggests seeking synergies with approaches from other donors, agencies and NGOs.

43. Turkmenistan: Conservation and Sustainable Management of Land Resources and High Nature Value Ecosystems in the Aral Sea Basin for Multiple Benefits, UNDP (GEF Project Financing: \$4,583,196) (GEF ID 10352)

✓ **France Comments**

- Interesting project considering the importance of integrated land and water resource management for the region, the Aral Sea basin being strongly affected. The project is also contributing to preservation / restoration of ecosystems and biodiversity. The project does plan to adapt integrated management practices to the nature of the land (irrigated agriculture, pasture, critical ecosystems).
- However, France has some reservation on the management of irrigated land: the project description suggests that the preferred approach for improving water use is more efficient irrigation techniques. It seems essential to integrate at least an assessment of agricultural water needs and the possibilities of adapting crops and other practices to limit the need for water.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Germany welcomes the participatory approach—especially that national government stakeholders, local communities, and NGOs were already consulted in the development of the PIF. Further, Germany welcomes the inter-sectoral approach and the coherence with the UNCCD checklist for transformative projects.

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany strongly encourages knowledge exchange with related regional and bilateral projects, especially with the following:
 - “Cross-border water management - Strengthening regional cooperation in the field of cross-border water management 2010-2020” (financed by German Foreign Office), which has cooperated with IFAS since 2009;
 - “Climate smart agriculture in Central Asia (financed by the German Federal Ministry for Economic Cooperation and Development (BMZ)), which is still active until 2020
 - “Sustainable and climate-sensitive land use for economic development in Central Asia” (financed by BMZ), which is active in the forestry sector in Tajikistan,
 - “Technology-based adaptation to climate change in rural Tajikistan and Kyrgyzstan” (financed by the German Climate and Technology Initiative (DKTI))
- Germany would also recommend making the documented lessons (output 3.2) publicly available (e.g. through a project website) instead of only sharing it with key stakeholders. There is high interest in the international community on using LDN principles for land use planning. UNCCD’s Science Policy Interface (SPI) will work on this in its current work plan (cf. decisions of UNCCD COP 14).
- Based on lessons learned regarding the integration of LDN in integrated land use planning process, Germany kindly asks the agency to review whether the project is aligned to the timeframe of current land use planning processes and to define concrete entry points into these processes.

44. Uzbekistan: Conservation and Sustainable Management of Lakes, Wetlands, and Riparian Corridors as Pillars of a Resilient and Land Degradation Neutral Aral Basin Landscape Supporting Sustainable Livelihoods, UNDP (GEF Project Financing: \$3,552,968) (GEF ID 10356)

✓ **Germany Comments**

Germany requests that the Secretariat sends draft final project documents for Council review four weeks prior to CEO endorsement

Germany requests that the following requirements are taken into account during the design of the final project proposal:

Germany requests to correctly and consistently applying technical and geographical terms pertaining to integrated water resources management in the PIF, as such terms are subject to scientific and international norms.

- The correct regional term is “Aral Sea Basin,” which contains territories of five Central Asian (CA) states, Afghanistan, and a small part of Iran; the term “Aral Basin” very frequently used in the PIF is therefore incorrect and should be adjusted.

- Integrated water resources management is founded upon the basin principle. Thus, River Basin Management (RBM) can be defined as the management of water resources of a basin as part of the natural ecosystem and in relation to their socioeconomic setting. It follows, then, that planning to draft “[i]ntegrated LDN-compatible and climate-smart water management plans designed in 4 priority districts” (output 1.2.) fundamentally goes against the basin principle. Furthermore, it violates Uzbek law, which abolished water management according to administrative boundaries in 2003, instead implementing ten Basin Irrigation System Administrations (BISA), which handle water management and distribution (based on the main river basin in Uzbekistan).
- With regard to outcome 4, Germany would like to call attention to the fact that the “[i]ntegrated Fund for Aral Sea” is an erroneous spelling of the International Fund for Saving the Aral Sea (IFAS).

Germany would like to underline that the PIF does not sufficiently mention the transboundary context of water management in Uzbekistan.

- The four pilot districts mentioned in the PIF are located in the Amu Darya Basin, which is, on a regional level and as part of the IFAS, managed by the Basin Water Organization Amu Darya. This organization then dispatches water to the national level in cooperation with the BISAs, which are under the auspices of the Ministry of Water Resources. The Basin Water Organization Amu Darya handles all data and reports on the availability of water, and coordinates via the Interstate Commission for Water Coordination (ICWC) with the other Amu Darya riparian neighbors, namely, Tajikistan and Turkmenistan.
- It is unclear to Germany, then, why Uzbekistan should require support in international negotiations within the IFAS, as put forth in output 4.2.1. of the PIF, seeing as Uzbekistan is already well-equipped to handle this task on its own.

Germany urgently recommends acknowledging and integrating existing knowledge and tools into the project’s approach:

- As stated on p. 33 of the PIF, “[i]t is for the first time in the history of Aral Sea basin planning, that conservationists and water managers agreed to come together to discuss needs of KBAs, needs of irrigated lands and other water uses, in an attempt to agree on optimized volumes and timing of water supply through the hydrotechnical facilities within the landscape. The integrated approach of conserving KBA ecosystem services for the benefit of the production landscape is highly innovative in the region.” In fact, the German technical cooperation implementing agency GIZ, commissioned by the Federal Foreign Office within the framework of the Berlin Process, has already successfully developed a basin planning methodology and basin management plans for four out of five CA countries: Kazakhstan, Tajikistan, Kyrgyzstan, and only recently two in Uzbekistan. For the past three years, a methodology designed to apply a Strategic Environment Assessment to basin planning was developed for Uzbekistan and applied for the first time in CA in two river basin management plans.

Germany suggests specifying why certain regions were chosen for project implementation, as it remains unclear why Bukhara should be just as suitable as i.e. Karakalpakstan or Khorezm.

- Furthermore, Germany considers it unlikely that 10,000 ha of tugai forests could manageably be restored and would thus appreciate an explanation of the rationale behind this calculation. Unfortunately, Germany would have to object against the further implementation of nature reserves, since the existing bioserve created by UNDP at the lower Amu Darya in Karakalpakstan nature reserve has shown negative effects especially on Bukhara deer.

✓ **United States Comments**

- We are very supportive of both this project, and its proposed partnership with the State Forestry Committee. The United States has found the Committee to be an engaged and enthusiastic partner, and would advocate for the GEF to pay greater attention to enhancing the Committee's technical capacity through this project.
- The current project makes several references to Bukhara and Navoi as part of the "Aral Sea Region". However, we understand the Aral Sea region to generally refer to an area within Karakalpakstan. This may be worth amendment, to avoid future confusion.

45. Zambia: Sustainable Luangwa: Securing Luangwa's Water Resources for Shared Socioeconomic and Environmental Benefits through Integrated Catchment Management, WWF-US (GEF Project Financing: \$2,889,155) GEF ID 10412)

✓ **United Kingdom Comments**

- Worth noting that the Government announced it would halt plans for a new hydropower plant on the Luangwa river in the middle of this year following pressure from WWF and others.
- UK provides funding to a World Bank project on sustainable land management that operates in same and neighbouring parts of this proposed WWF project. We would ask GEF to encourage WWF to work alongside this and other projects.

✓ **Germany Comments**

Germany welcomes the proposed project in Zambia. However, there are several issues that need to be addressed.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks to revise key passages of the project document with regards to the projects main partner, the Water Resource Management Authority (WARMA)

- WARMA has little capacity to carry out duties other than their mandate as per the WRM Act. Germany asks to clarify on how the project (i) is aligned with their mandate, (ii) what capacity building activities are needed for new measures and (iii) how this will affect their “core mandate”.
- Germany suggests including WARMA’s institutional challenges as a high risk to the project implementation. After internal ministerial restructuring, a new DG has “de-prioritised” the IWRM principles as laid out in the WRM Act of 2011. As a result, similar pilots around integrated catchment management and the corresponding formation of decentralised water governance bodies and catchment protection measures have been halted or scaled back in other catchments. WARMA’s main attention has shifted towards revenue generation, through the registration of boreholes across the country, based on existing regulation and legislation.
- The proposed project builds on general regulations on Water Resource Protection Areas (WRPAs) that are not fully passed, yet, such as catchment management plans, catchment and sub-catchment councils. The unknown time frame for passing these central regulations should be included as another risk.
- Furthermore, Germany would like to underline that not all relevant stakeholders are adequately involved. The section on stakeholder engagement should be revised to address the following issues:
 - Various key government actors mentioned the Ministry of Lands (MoL) should be more involved, particularly the Department of Forestry. They are already closely working on Community Natural Resources Management, specifically forest regeneration and afforestation.
 - In addition, Germany would like to remark that the role of communities and especially traditional leaders is not respected sufficiently, particularly in the selection of areas.
 - Germany encourages clarifying how the various stakeholders should cooperate within the project, and what their specific tasks are.
- Germany also suggests revising core indicators:
 - The number of targeted beneficiaries (2,045) is disproportionality low for the budget and hectares in the proposal. Additionally, the duration of 48 months is ambitious at best, especially if all aspects of the implementation (including community engagement, capacity building) are carried out in a truly participatory manner.
- Germany would strongly encourage acknowledging and building synergies with already-existing similar projects that are not identified in the PIF. For the success of the project it will be critical for WWF to improve its collaboration with other entities in the water and water resources sub-sector:
 - The German implementing development agency GIZ on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ) are

working in in the Lower Kafue Sub-catchment under the programme “Sustainable Water Resources Management and Agricultural Water Use in Zambia (AWARE).

- GIZ SEWOH initiative is a close collaborator and supporter of COMACO, who is mentioned as a key (private sector) partner, in the Eastern part of Zambia.
- The World Bank is implementing a project on “Transforming Landscapes for Resilience and Development (TRALARD)”. This more holistic way of managing natural resources takes in to account all the various aspects around natural resources—both their degradation and the mitigation of it, therefore striving for a higher probability of sustainability.

✓ **Canada Comments**

- It does not indicate how the project will improve Management effectiveness of the Mafinga Hills. How will these protected areas be maintained and funded over time?

MULTI-TRUST FUND PROJECTS

46. Mali: Resilient, Productive and Sustainable Landscapes in Mali's Kayes Region*, FAO (GEF Project Financing: \$4,560,558) (GEF ID 10362)

✓ **Germany Comments**

Germany welcomes the proposal that aims to create climate resilient agro-sylvo-pastoral food systems and biodiversity by promoting innovations in governance, production and finance, with a strong focus on bottom-up approaches.

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany strongly urges FAO to clarify how it draws lessons from similar existing projects, especially climate adaptation efforts supported by UNDP and GIZ (funded by BMU) and small-scale irrigation projects funded by German financial and technical cooperation at country-level, and by the Spanish cooperation in Kayes. Before starting implementation, FAO should also reach out to the “Green Innovation Centres” financed by German technical cooperation, focusing on value chain approaches in rural Mali, as well as WFPs “Sahel Resilience Initiative”, also active in the region.
- Germany asks to clarify whether significant political and legal framework conditions were analyzed and whether the project’s alignment with the national land law (*Loi Foncière*) and associated action plan, as well as the National Small Irrigation Program (PNIP), was assessed. If not, Germany recommends including a section on the project’s contributions to these action plans, as well

as potential synergies.

- Germany suggests reviewing the project document as to identify whether remittances, which are particularly relevant in the Kayes region, could be harnessed to contribute to project objectives.
- Germany asks to revise the stakeholder engagement section to identify capacities and weaknesses of partner organizations, incl. the National Directorate for Agriculture (DNA) and Food Security Commission (*Commissariat de Sécurité Alimentaire*). If significant risks are identified, the risk section should be updated accordingly.
- Germany further asks for further elaboration on the link between the NDC/NAP process and the project components, outcomes, and indicators.
- Germany recommends submitting the project proposal for discussion to the donors' group in Mali (*Groupe Thématique Economie Agricole Rurale*), coordinated by FAO and German development cooperation. In this context, Germany also suggests establishing cooperation with the Programme for the Support of the National Strategy for Adaptation to Climate Change in Mali, implemented by GIZ.
- Germany welcomes that gender-sensitive approaches are explicitly considered in two out of the four project components. Germany would appreciate if the remaining two components would also include the aspect of gender equality.

✓ Canada Comments

- Project description is very broad and does not allow to make decision (approval) with evidence-based linked to the following key issues. More specifically, according the information provided in the description, it's not clear whether the project:
 - is demand-driven and addresses specific environmental and adaptation problems including the root causes and barriers that to be addressed?
 - Is aligned with the relevant GEF focal area elements as defined by the GEF 7 Programming Directions (Biodiversity, climate change mitigation, climate change adaptation, land degradation or will the project contribute to the delivery of Global Environmental benefits against GEF-7 targets for core indicators?
 - is consistent with national priorities and more specifically is aligned and will support/contribute to Malian sectoral development priorities and action Plans (National Poverty Reduction Strategy, PNISA, PRISA, NAP, PNIP, Programme national du développement de l'élevage) or national reports and assessments under the relevant conventions?
 - Is capitalizing on previous GEF funded projects in Mali as the GEF6 project developed by AfDB on the regions of Kayes, Koulikoro and Segou?

- Is promoting and will contribute to coordination through institutional project/program arrangement including management, monitoring and evaluation with bilateral/multilateral initiatives/projects/ programs in the targeted area?
- Is integrating gender context and specific and realistic gender strategy include a gender action plan and result framework promoting WEE and Gender transformative approach?
- Is considering potential major risks, including the consequences of climate change but also security/instability in the current Mali context that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?
- Is the design / planning processes was based and prioritized a participative approach and strong national and local stakeholders (including engagement and ownership (Government departments, regional technical services, Local government and municipalities, farmer and women organisations, development NGO, private sector promoting a demand-driven and not a supply- driven approach?
- Is able to confirm co-financing resource amount taking into account the Malian context and experience learned. Donors and International development community partners have showed in the past too much strong optimism creating a lot of expectation that were disappointing in the implementation phase of their project. It might be relevant in order to foster institutionalization and local ownership to identify formalized contribution from the national budget?
- Has potential for innovation, sustainability and scaling up in long term range through national political and institutional mechanisms and include a strategy and identify means for future engagement to transfer accountability and governance responsibility to national and local stakeholders?

Recommendations:

- The description or annex documents should be complemented with more detailed/ complementary information regarding all these above elements at the time of CEO endorsement / approval.
- More clarification should be also requested on:
 - Identification of clear objectives against GEF Work Program Core indicators (adaptation?) and Global Environment Benefit (GEB)
 - Co-financing: including expected amounts, sources and types of co-financing (consistent with the requirements of the GEF Co-Financing Policy and Guidelines).
 - Gender strategy and action plan with Gender integration in the Performance Management framework

- Risk analysis
- Alignment with national and regional, development priorities and coordination (including implementation arrangement) with other GEF, LDCF and relevant sectoral development projects of other partners in the targeted region
- Value for money Analysis
- Strategy and action plan to ensure sustainability of project results/achievement

47. South Sudan: Watershed Approaches for Climate Resilience in Agro-pastoral Landscapes*, UNDP/UNIDO (GEF Project Financing: \$913,242) (GEF ID 10178)

✓ **France Comments**

- In relation to water: it is a very interesting project given the targeted area. Political instability and conflict in Southern Sudan increase local populations' vulnerability to droughts. The project aims to improve food security by raising awareness and training in suitable agricultural and natural resource management practices to improve resilience to climate change. In addition, more than 50% of the estimated beneficiaries are women.
- In relation to food security: In view of the few lines of presentation, we have no real idea of how the project intends to respond to the major challenges of climate change resilience and food security.
- The **watershed approach** is interesting. In this respect, it will be necessary to use an integrated and multi-actor approach that associates decision-makers, advisers, farmers and livestock producers ...
- **Training** is an essential lever. However, the project does not specify who is concerned. The articulation between decision-makers and the field level is lacking in the description of the training of practitioners on the implementation of a set of strategies, policies and guidance documents.
- Finally, it is not clear in what sense and on what basis the improvement of natural resource management and restoration practices will take place.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **United Kingdom Comments**

- The main confusion is the difference between the project as listed in the GEF document (\$913k project and \$3m co-finance) and the GEF-LDCF -document (\$9.5m project and \$26.5m co-finance). It also seems very expensive based on the estimated reach of 75k people.

✓ **Germany Comments**

Germany welcomes the proposal, which emphasises strengthening both climate resilience amongst agro-pastoral communities and female participation in natural resource management. Besides the strong gender focus, Germany appreciates the integration of the envisaged project with relevant national strategies and various development projects. The project has a clear rationale, a comprehensible theory of change, and potential for scalability. At the same time, Germany has the following comments it recommends addressing:

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany suggests clarifying with which specific CBOs cooperation is planned as part of the project's stakeholder engagement. CBO's are identified as key stakeholders to ensure community participation and representation of women, but only limited information is given on specific engagement activities.
- Given that co-financing of four Ministries is not yet secured, Germany asks to identify and detail what risks and mitigation options associated with possible omission of parts of the planned co-financing exist.
- Germany supports the high degree of attention the project puts on gender issues and female empowerment. However, the project proposal should explore in greater detail how active female representation will be ensured in e.g. watershed committees. In comparable cases, participatory approaches have solidified power imbalances within the communities because community leaders agreed on adaptation measures and benefit-sharing schemes that negatively affected poorer and less influential community members. This concern should be addressed.
- Germany welcomes the project's focus on low-cost and small-sized adaptation options described under the outputs 2.1., 2.2., and 2.4. However, the project proposal would benefit from a more detailed outline of how it will ensure that local communities will adopt the described techniques and continue to use them in the medium and long-term. Additionally, the project proposal may engage more thoroughly with local and traditional knowledge in this context.
- Germany appreciates the project proposal's emphasis on fostering local ownership through in-kind contributions (labor, materials, etc.) by the target population to the outputs described under 3.2.-3.4. However, the project proposal should explain maintenance needs of the respective structures, and how the local communities will be trained to conduct such activities independently in the long-term.
- Germany suggests that the implementing agencies incorporate lessons from the GIZ-project "Adapting agricultural production methods to climate change and stabilizing livelihoods in Western Bahr el Ghazal, South Sudan", which concluded in 2018. The project used field farmer schools to enable the local population to employ various adaptation measures, particularly in relation to

staple crops and vegetables. Additionally, the project strengthened the capacities of local government, by involving the agricultural extension services.

- Finally, Germany recommends a more thorough explanation of the social selection criteria.

✓ **Norway/Denmark Comments**

- The overall goal of the program is assessed to be relevant to South Sudan. However, some of the outcomes such as 1 and 2 need gradual start to allow the government to prepare to own and sustain these outcomes.
- Outcome 3 is assessed to be more effective as the approach is in favor of the community. The planned activities are realistic and sustainable by the community themselves.
- The project description is too simplistic and reveals an inadequate understanding of the context on the ground. It requires improvement to ensure better management of risks.
- Baseline 1: Linkages with FAO are assessed to be good to build on the existing efforts of addressing climate change and improving food security. However, the fluid situation in South Sudan requires flexibility, well-timed and evidence-based approaches/interventions.
- It is vital to note that South Sudan's priority is to implement the September 2018 revitalized agreement on the resolution of conflict in the republic of South Sudan (R-ARCSS). As a result, the South Sudan national development strategy (SSNDS) has been crafted to: 1) Fulfil a key requirement in chapter IV of the peace agreement and 2) Provide a broad strategic guidance on national priorities to which all stakeholders would align. Therefore, in the lists of SDG visioning, Climate Action is number 16 and Zero Hunger is number 5 on the government list of priorities. These priorities also reveal how funding will be or is allocated to achieve the SDGs.
- It would be good to timely align the program to both national and regional priorities to ensure sustainability. One of the IGAD's objectives is to achieve regional food security and encourage and assist efforts of member States to collectively combat drought and other natural and man-made disasters and their natural consequences. It is not clearly mentioned in the document how the program will be aligned or harmonized with this objective in addressing the environmental and climate change issues.

48. Tanzania: Building Resilience through Sustainable Land Management and Climate Change Adaptation in Dodoma*, AfDB (GEF Project Financing: \$1,358,100) (GEF ID 10418)

✓ **France Comments**

- Interesting project, in that it deals jointly with several causes of land

degradation, in particular: urban sprawl, mining, deforestation and water contamination.

- It could be interesting in the context of the restoration of rural or peri-urban land, to promote agroecological approaches as a means to achieve improved and resilient land management, while creating new job opportunities and economic alternatives to mining. The civil society and Tanzanian authorities expressed their desire to integrate agroecological practices into policies as a result of the national conference on agroecology that was held in Dodoma in November 2019. The creation of a dedicated department within the Ministry of Agriculture has been discussed.

❖ *(Note that translation in English from French is by the GEF Secretariat)*

✓ **Germany Comments**

Germany welcomes the integrated and holistic approach of the project, given that many different sectors need to be involved in urban management plans in order to create climate-resilient and sustainable cities. Germany also welcomes that the project aims to integrate women and vulnerable groups into decision-making bodies and to consider gender-sensitive approaches in the design and implementation of the project.

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany appreciates that the project will be based on an assessment of urban resilience challenges in the city using publicly available global datasets. Germany suggests to perform this analysis in even more detail, given that it is important to base the project on solid risk assessments and predictions data. In this framework, the climate risk profiles established under the AGRICA project (commissioned by the BMZ and conducted by GIZ and Potsdam Institute for Climate Impact Research (PIK)) could be used as a valuable resource. The Tanzania risk profile is currently under construction and will be published soon.
- Germany recommends measuring the projects contribution to the NDC/NAP process in more detail. An assessment of how project components, outcomes and indicators relate to the different processes would be helpful.

✓ **Norway/Denmark Comments**

- The project is relevant to the challenges that Tanzania faces in general and Dodoma in particular as a semi-arid area.
- The proposal states that there is lack of research and data. The main challenges however are the uptake of research data and advice and the integration of these in policymaking. Utilisation of available data and advocacy work should be better described in the PFD.
- The proposal describes options for policy dialogue and cooperation between institutions and between government and NGOs in such a way that it is hard to

understand whether a proper context analysis has been made. These are general and we suggest a real assessment of the current institutional landscape, as there is limited consultation between government and NGOs.

- How will coordination and project management be carried out? The proposal would benefit from more information on the cooperation and coordination between the Ministries related to the work proposed. There are statements made that VPO will coordinate the project. Has a partner assessment on project implementation been made by AfDB?
- In Tanzania, the department of environment under the Vice presidents' Office (VPO) is mandated with the responsibility of climate change as stated in the proposal. It is mandated to have a role in policymaking and coordination whereas other institutions have mandate for implementation. *"The focal point for climate change is the Division of Environment in the Vice President's Office (VPO), which is a prominent ministry reporting directly to the Vice-President. The VPO coordinates climate policy and handles Tanzania's international climate engagement, including responsibility for the formulation and implementation of the Nationally Determined Contribution (NDC). However, the VPO has a small climate team as part of the Division of Environment. It is common for the responsibility for climate change to be bound together with other environmental issues: environmental units in the line ministries are in charge of multiple environmental issues, including climate change, but none is designated solely as climate change-specific."*⁴The proposal should include information on the role of VPO. The proposal should also include information on the role of line ministries with responsibility for water (Ministry of Water and Irrigation), and main sectors that use water as this is listed as one of the main components in the proposal; agriculture (Ministry of Agriculture and Ministry of Livestock and Fisheries), and the Ministry of Energy. Tanroads is listed as a main partner, which is under the Ministry of Transport.
- There are some factual issues that we would like raise:
 - The information provided that the University of Dodoma currently has 40.000 students is not correct. UDSM currently has a student population of less than 15.000. The university is designed to have the capacity to house 40.000, but not is fully utilised. Furthermore, some buildings of the university are currently used by government institutions as there is lack of sufficient office space for government institutions that have moved to Dodoma during the past year.
 - Page 60: *"The Environmental Management Act (2004) was finalized and enacted by Parliament in November 2004 for use to address land degradation challenges. EMA established the National Environment Trust Fund (NETF) of which the National Development Fund (NDF) is a sub-set. Once the Act became law, the NETF-NDF was registered and used to implement activities to combat land degradation and desertification."* The

⁴ <http://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2018/10/Climate-change-governance-in-Tanzania-challenges-and-opportunities.pdf>

National environmental trust fund (NETF) has to date not been materialised based on our knowledge, and there are attempts from the GoT (VPO) to revitalise this. However, there are concerns as to whether revenue collected for trust funds will be redistributed to the activities as it was set out for.

- Over the last years, it has been our experience that in the present political /economic context it has been difficult to achieve results in development of policy frameworks, capacity building and strengthening of institutions. We find the outputs rather vague and it is not clear what the project will actually deliver. For example: *“This output will address key barriers to the government’s ability to integrate climate-related issues into national and sectoral policies, and to design, implement and enforce policies. This will also strengthen the ability of government institutions to systematically address climate change and land degradation within Tanzania’s elaborate institutional policy framework.”*
- For community income generating initiatives the proposal lists beekeeping and making of handwoven bags. For a proposal aiming at Dodoma being a climate resilient city and an engine of growth, we would expect that activities focusing on income generation would be somewhat more innovative and at a larger scale. It is questionable how sustainable these activities will be in the long- term.
- We are aware that AfDB has additional projects focusing on the development of Dodoma, such as the transport plan. What is the implementation rate and success rate in current projects of similar nature in Tanzania by AfDB as of today and which government institutions they have a confirmed cooperation with? There has been improved coordination from AfDB locally after feedback on lack of such being raised in board meetings. However, lack of coordination remains in some sectors, for example AfDB does not participate in Donor Group on environment and climate. The project could benefit from coordination with initiatives such as Tanzania Strategic Cities. The World Bank has produced a report on the Impact and Effectiveness of Urban Planning in Tanzanian secondary cities,⁵ as part of this project.
- The proposal refers to the Dodoma city master plan which has yet not been approved. Through the Tanzania Strategic Cities Program (TSCP), the World Bank has been supporting the preparation of the Dodoma Master Plan, which is pending approval, and construction of roads, bus stands, markets, and landfill.
- As there seems to be co-financing from loans by People’s Bank of China, conditions for this loan – i.e. whether this is a commercial loan or a credit with soft terms. The conditions of other financing sources should be clear so as to assure whether the GEF funds will be used for repayment of a commercial loan or for project costs.

⁵ <http://documents.worldbank.org/curated/en/300731546897829355/Translating-Plans-to-Development-Impact-and-Effectiveness-of-Urban-Planning-in-Tanzania-Secondary-Cities.pdf>

✓ **United States Comments**

- We are generally supportive of this project but would like to see the following concerns and comments addressed. One of the main concerns is the absence of key coordinating entities, in particular the Tanzania Meteorological Authority (TMA) and the Ministry of Agriculture (MoA) given their activities on early warning systems and alternative livelihood development. The FAO and the Ministry of Agriculture Early Warning Unit also have activities in Dodoma, and engaging them will enhance project awareness of available resources and gaps to assess climate risk events and dissemination channels for related information. Given the prominence of agricultural based livelihoods, it is surprising not to see MoA or the Agriculture Research Institutes (TARIs) included in the proposal. The MoA Environmental Management Unit addresses integration of climate resilience and the TARIs have data on various sustainable land management practices. Additionally, livestock is only peripherally discussed, and consultations with the Ministry of Livestock would support assessments of the importance of livestock grazing in sustainable land management options. Coordination with City of Dodoma specific sector officials, the World Agroforestry (ICRAF), CGIAR Climate Change, Agriculture, and Food Security research program (CAAFS) East Africa office could be beneficial to implementation.
- Another concern relates to the alternative livelihoods of farmers to minimize agriculture expansion. Bee keeping and woven bag enterprises may be viewed as disconnected to the core objectives of the program when compared to initiatives which establish urban jobs across skills levels from the sustainability programs or job training programs, however these or similar urban-rural linkages could align with other projects that aim to address land degradation.

49. Vanuatu: Adaptation to Climate Change in the Coastal Zone in Vanuatu – Phase II (VCAP II)*, UNDP (GEF Project Financing: \$5,824,017)(GEF ID 10415)

✓ **Germany Comments**

Germany welcomes the proposal that aims to deliver integrated approaches to community adaptation and the management of landscapes and protected marine areas building on the lessons learned from the first phase of the project.

Suggestions for improvements to be made during the drafting of the final project proposal:

- Germany would welcome the inclusion of dedicated activities to ensure gender safeguarding. While Germany welcomes that the project foresees a strong participatory process and emphasises on traditional knowledge and community-based approaches, the gender dimension is insufficiently mainstreamed.
- Germany kindly asks the agency to review the theory of change to clarify what activities are linked to what project objectives, and why proposed technologies

were used. The theory of change should then also more clearly be linked to specific indicators and the monitoring framework.

- Germany also suggests assessing whether activities that address illegal fisheries could be included.
- Germany kindly asks the agency to review the amount of co-finance mobilized. While the large volume of co-financing is appreciated, the alignment of some sources (e.g. EDF-11 fund) with stated project objectives is doubtful.
- To increase long-term sustainability, Germany recommends including a particular focus on upscaling throughout the Pacific region in Component 3 and 4, for example by using regional coordination processes to inform regional policy processes and frameworks.
- Finally, Germany encourages considering potential regional synergies with former and ongoing project activities, such as GIZ's projects on "Sustainable Management of Human Mobility within the Context of Climate Change" (highly relevant related to coping and relocation strategies of rural communities mentioned in the proposal), "Coping with Climate Change in the Pacific Island Region" and "Marine and Coastal Biodiversity Management in Pacific Island Countries".

SMALL GRANTS PROGRAMME

50. Egypt: Seventh Operational Phase of the GEF Small Grants Programme in Egypt, UNDP (GEF Project Financing: \$2,096,119) (GEF ID10360)

✓ Canada Comments

- This project is very timely due to the fact that the Egyptian government is cognizant of the need for a sustainable change in the country's energy mix towards renewable energy to both address these challenges and move to a more environmentally sustainable and diverse renewable energy sector.
- Scaling up private sector/community based climate finance is an urgent priority to rapidly put Egypt a mitigation path leading to climate-resilient development, through an innovative combination of financial support, capacity building and technology transfer and supported by a deep level of country ownership.

51. Kenya: Seventh Operational Phase of the GEF Small Grants Programme in Kenya, UNDP (GEF Project Financing: \$2,655,726) (GEF ID10359)

✓ Germany Comments

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks that a section on the projects overall theory of change is included

in the project that explicitly refers to lessons learned from the prior implementation phase. Given that after 2.5 years of project implementation under GEF-6, the capacity of local communities is not yet sufficiently enhanced, an improved sustainability strategy is required.

- Germany would like to request to question and document the assumptions under barrier 1. Here, it is stated that local stakeholders may believe that sustainable practices are more expensive, generate lower yields and are inaccessible. This is described as a lack of know how. Further information on the source of this assumption, and potential mitigation measures is required. If possible, a participatory problem analysis should be undertaken.
- Furthermore, it is described that Multi Stakeholder Platforms are not yet operational. Germany requests elaboration as to why this is the case and how this will be addressed in the project. Furthermore, Germany requests taking into account the context specificity of case studies under outcome 2.2 and would like to suggest revisiting the idea of simple replication.

52. Malaysia: Seventh Operational Phase of the GEF Small Grants Programme in Malaysia, UNDP (GEF Project Financing: \$ 2,500,000) (GEF ID 10363)

✓ Germany Comments

Germany welcomes the aim of the project, which is to enable community organizations to take collective action for adaptive landscape management by providing technical know-how and organizational capacities to multi-stakeholder governance platforms, which are to be established

Suggestions for improvements to be made during the drafting of the final project proposal:

- To ensure the long-term success and durability of the project activities, Germany recommends including a dedicated strategy for knowledge management and follow-up financing into the theory of change. Especially the maintenance of the governance platforms needs to be planned beyond the duration of the project.
- Germany recommends clarifying how the project contributes to strengthening mainstreaming of SGP aspects into policies and government agencies. The project intends to result in the adoption of successful SGP-supported technologies and practices or systems by policy makers and government agencies. However, the various activities planned under the project so far do not seem to adequately address this issue.

NON-EXPEDITED ENABLING ACTIVITY

53. Indonesia: Fourth National Communication and 4th Biennial Update Report to the United Nations Framework Convention on Climate Change (UNFCCC), UNDP (GEF Project Financing: \$2,852,000) (GEF ID 10441)

✓ **Germany Comments:**

Germany requests that the following requirements are taken into account during the design of the final project proposal:

- Germany asks to update the UNFCCC guidance referred to in the document, which are partly outdated. Especially the reference to the agreed temperature goal of achieving well beyond 2 degrees and if possible, 1.5 degrees should be revised, as well as Kyoto Protocol language on dividing countries in Annex-I and non-Annex-I.
- Germany also asks to clearly identify the planning (including budgeting) process of the implementation of mitigation actions, and the division of responsibility between ministries. Even though the decree No. SK 25/IPI/SET/KUM.3/12/2016 clearly defines that the Ministry of Environment and Forestry has the mandate to coordinate implementation of climate actions, harmonizing and budgeting of climate change actions into national and sub-national planning is under the Mandate of Ministry of National Development planning and Ministry of Finance respectively. The new 5 year mid-term plan 2020-2024 already harmonizes the implementation of NDC and contains a complete chapter on Environment, Climate Change and Disasters.
- Germany would like to ask that the risk section of the document is thoroughly revised to identify and mitigate the risks associated to the coordination of a great range of many different non-party stakeholders,
- Germany furthermore suggests discussing the project's alignment and synergies with the new Low Carbon development Plan, which is in the process of becoming a Presidential decree, as a result of the merger of the two Presidential decrees: 61/2011 (National Action Plan on Mitigation) and 71/2011 (Inventory).
- Germany would also suggest including additional information on why specific timeframes (e.g. for national GHG inventory 2000-2022) were chosen.

*These are multi-trust fund projects. Only the GEF Trust Fund component is presented in this Work Program. The LDCF or SCCF components are presented separately in the LDCF/SCCF Work Program

**Projects with Non-Grant Instrument