



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

COMPILATION OF COMMENTS SUBMITTED BY COUNCIL MEMBERS
ON THE GEF TRUST FUND DECEMBER 2022 WORK PROGRAM

NOTE: This document is a compilation of comments submitted to the Secretariat by Council members concerning the project proposals presented in the GEFTF December 2022 Work Program

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**DECEMBER 2022 GEFTF WORK PROGRAM (REFERENCE: GEF/C.63/04):
COMMENTS FROM COUNCIL MEMBERS**

STAND-ALONE FULL-SIZED PROJECTS

BIODIVERSITY

- 1. Yemen. Managing Biodiversity and Environmental Risks Associated with the Safer Salvage Operation in the Red Sea (GEF ID: 11056). Agency: UNDP; GEF Project Financing: \$4,016,210; Co-financing: \$77,000,000.**

✓ **Comment for all UNDP projects**

In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, and as the independent, risk-based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the UNDP management responses and note them in the endorsement review sheet that will be made available to the Council during the four-week review period.

✓ **Germany Comments**

Germany approves the PIF in the work program but asks that the following comments are taken into account:

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

- Germany welcomes the forward-looking characteristic of the project which is to mitigate potential environmental risks arising from the Safer Salvage Operation in the Red Sea.
- Germany considers the activities planned under component 2 as vital for mainstreaming biodiversity considerations into the oil sector. It is important that activities planned under this component have a lasting and long-term impact on governmental stakeholder, regulation and sectoral plan. Germany therefore asks that review of any contingency plans, marine special plan and other strategies will result in the revision and official adoption of documents, including environmental risk mitigation and safeguards for biodiversity.

✓ **Switzerland Comments**

Can you please respond to the below mentioned questions?

1. What are the plans to close the existing funding gap of the overall UN project?

2. What are the expected longer-term impacts of the GEF funded activities (beyond the salvage operation) in relation to the different stakeholder(groups)?
3. What kind of mechanisms are being deployed in the GEF part of the project that the provided capacity building is actually well received and stays within the capacitated entities/ministries – how is ‘internal’ knowledge management and transfer ensured, beyond the GEF intervention?

CHEMICALS AND WASTE

2. **Regional (Bolivia, Colombia, Ecuador, Honduras, Mexico, Peru). Accelerate Minamata Convention compliance through improved understanding and control of mercury trade in Latin America (GEF ID 11047). Agency: UNEP; GEF Project Financing: \$3,000,000; Co-financing: \$7,093,273.**

✓ **Denmark/Norway Comments**

- Control and monitoring of mercury trade in the mentioned countries is essential in combating illegal mining and the severe consequences this practice has on mercury pollution in the local rivers and ground water. The aggregation of mercury in the nutrient chains represents an increasing risk for human life and biodiversity in many of the local societies bordering illegal mining facilities. Curbing mercury trade and capacitating local communities about the risk this poses, as well as provide information about more sustainable mining practices, are therefore essential.

✓ **Germany Comments**

GERMANY REQUESTS FOR THE PROJECT THAT THE SECRETARIAT SENDS DRAFT FINAL PROJECT DOCUMENTS FOR COUNCIL REVIEW FOUR WEEKS PRIOR TO CEO ENDORSEMENT:

Germany welcomes the proposal, which addresses the operationalization of Minamata Convention as a global framework to achieve significant reduction of mercury releases from anthropogenic sources. The proposed project expects to prevent or avoid about 176 tons of mercury from entering the market through improved trade control. At the same time, Germany requests that the following requirements are considered during the design of the final project proposal.

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

- The PIF does not address aspects related to social dimensions of a transformation process of accelerating Minamata Convention compliances. Furthermore, the undertaken environmental and social safeguard assessment does not mention these social risks either. Stakeholders employed in mercury exploitation and in artisanal and small-scale gold-mining (ASGM) often depend on the use of mercury for their livelihoods and hence, are most vulnerable. Whilst technologies that reduce or eliminate mercury use in mining are available, they may be unknown, unavailable or unaffordable for artisanal miners. ASGM often takes place in an informal and unregulated manner,

greatly restricting both effective regulation of the sector and access to finance for miners. Moreover, a project focusing solely on controlling trade through the introduction of legal action and regulation may adversely affect the formalization of the sector and may even foster illicit practices.

- Germany requests a more detailed analysis of the consequences of the project's intended activities and its resulting reductions in mercury trade for particularly vulnerable stakeholders of the mercury mining sector and ASGM. Mitigation measures leading to a just transition process need to be addressed. This can be done by either introducing a separate component or linking it up with other national activities/projects in that sector.
- In Bolivia, gold mining cooperatives and private mining companies were consulted, and in Ecuador, mining associations were consulted. However, in Colombia, Honduras, Mexico and Peru, no civil society organizations, mining cooperatives or representatives of the ASGM sector were consulted. In the light of the aforementioned lack of analysis regarding the project's potential social risks, this lack of consultation appears particularly worrisome. A broader stakeholder consultation should take place, particularly with representatives of the ASGM sector in project countries and other vulnerable stakeholders.
- Moreover, with regard to the consultation processes, the project outline envisions that the implementation of all interventions will fully involve all national stakeholders who play a key role in the mercury supply chain, including users, mercury suppliers, and ASGM operators. However, it is not specified how this participation will be achieved. This should be clearly defined, and, where appropriate, safeguards for participating stakeholders should also be put in place, particularly in light of the informality or illegality of some activities.
- Component 2 should provide information on who is included in the national committees preparing the legal instruments of mercury trade and control.

✓ **United States Comments**

- Page 7 in PIF (*'prohibited for all uses, including ASGM, per Article 3.5'*): Mercury from decommissioned facilities is not necessarily prohibited for re-use, only if it is designated as excess mercury (waste). For example, the GEF-funded chlor-alkali project in Mexico is planning to sell mercury from decommissioned facilities. There should be some practical connection between these two GEF projects.
- Page 7 in PIF (*'However, most countries are still learning about the form, procedure and its practical implementation, therefore, improvements can and should be made to streamline and build capacity to fully implement the agreed process.'*): This should be a focus of this project. Use of the consent forms provides data that is critical to understanding mercury trade and flows between countries.
- Page 8 in PIF (*'illegally traced'*): How are we defining illegal? My understanding is that if there is consent then mercury

trade is not considered illegal between countries. Nationally, illegality would be determined by national laws/regulations.
Further to this, it may be more productive for the project to address unreported mercury trade, which might encompass but not be limited to illegal trade as determined by national laws or regulations.

- Page 8 in PIF (*'terminology'*):
Terminology for what?
- Page 9 in PIF (*'The national trade and COMTRADE databases are not precise and sufficiently accurate'*):
The inaccuracy of these databases is a function of the lack of reporting on trade. How can this be addressed through this project?
In addition to that point, suggest the text read as follows: "The national trade and COMTRADE databases are not precise, comprehensive, and sufficiently accurate..."
The project could be most helpful if it provides at least more definite estimates of the volume of undeclared flow of mercury.
- Page 13 in PIF (*'Are mercury imports from these sources controlled and recorded?'*):
Also, if imports are controlled and recorded, to what degree are these imports tracked to the final destination within the importing country in order to confirm the intended use?
- Page 14 in PIF (*'Furthermore, as a potential requirement, all buyers of gold from Latin America, especially LBMA refiners, could be expected to conduct due diligence on mercury risks. Similarly, all regional gold exporters could be expected to produce an annual due diligence report on their sources of supply of gold, assessing risks of mercury contamination.'*):
These activities should be linked to, and complement, PlanetGOLD projects in relevant countries.
- Page 14 in PIF (*'A guidance/protocol'*):
A similar guidance was recently completed by the Peruvian Ministry of Environment, with the support of the Artisanal Gold Council funded by the US Department of State Mercury Program
- Page 15 in PIF (*'Mexico'*):
Mexico also has a new GEF project for chlor-alkali which intends to market 50t of excess mercury from a facility. This mercury should be tracked as part of this project.

3. Zimbabwe. Global Opportunities for Long-Term Development of the Artisanal and Small-Scale Gold Mining Sector in Zimbabwe- GEF planetGOLD Zimbabwe (GEFID 11048). Agency: UNEP; GEF Project Financing: \$ 5,000,000; Co-financing: \$10,000,000.

✓ **Germany Comments**

Germany approves the PIF in the work program but asks that the following comments are taken into account:

Germany welcomes the proposal, which addresses the reduction of negative environmental and health effects caused using mercury by the artisanal and small-scale gold mining (ASGM) sector. The proposal is well drafted and plausible.

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

- Germany suggests exchanging knowledge with the ongoing GIZ projects “Integrated economic development in the extractive sector of Mauritania” as well as “Regional Resource Governance in fragile states in West Africa”, both funded by the German Federal Ministry for Economic Cooperation and Development. These projects are successfully working on substitution methods for the replacement of mercury in ASGM and on social and environmental impacts of the mining sector more broadly.
- Barriers to the implementation of the Minamata Convention due to insufficient resource governance as a result of corruption and lack of transparency on the part of state institutions should be addressed.
- In Component 1, the selection process of mining areas and to what extent civil society is involved should be specified.
- Specify which local NGOs apart from ZELA are considered to be part of the stakeholder engagement group.
- The process of site selection should be explained with corresponding (technical, social, environmental, governmental) factors. Conditions and issues regarding appropriate licensing of ASM sites should be integrated in the risk analysis. The component of access to finance needs more information on how miners are connected with investors. Budget should be foreseen to invite investors and banks to the mines, business plans should be presented, and direct exchange enabled in order to build sufficient trust in these businesses. Explain in more detail how the mechanism of refunding pre-financed equipment is functioning.
- Specify in what way formalization takes place and what form the business entity getting investment could take (cooperative, association, individuals, mining groups, etc.) and how members will be trained in business management/accounting.
- The project title seems too broad. A more context-sensitive framing would be desirable.
- With regard to the co-financing, the contribution from the private sector "International Refiners" is still shown as tbc. Please provide more information on how co-financing from private sector will be acquired.

✓ **United States Comments**

- Page 8 in PIF (*'Root causes and main barriers'*):
Lack of gold supply chain transparency should also be listed here. Lack of transparency makes it difficult to identify and mitigate supply chain risks like mercury use and other human right violations that may be present in ASGM.
- Page 14 in PIF (*'the OECD Due Diligence approach, based'*):
May be worth engaging the OECD as a stakeholder to review this component.
- Page 16 in PIF (*'Finally, the project will coordinate efforts with the planetGOLD programme to facilitate dialogues and business exchanges in between Zimbabwean ASGM entities and international actors of the gold supply chain such as gold refiners in order to improve their access to the exportation of their mercury-free gold production.'*):
This element should be coordinated with companies implementing the OECD Due Diligence Guidance, seeking to engage with mining communities to mitigate identified risks.
Also, data from this project should be fed to due diligence projects to support supply chain transparency efforts.
- Page 17 in PIF (*'equipment'*):
Mercury capture systems should also be considered amongst the suite of technologies to reduce emissions from amalgam burns.

4. Regional (Kenya, Nigeria, South Africa, Uganda, Zimbabwe). Circular and POPs-free Plastics in Africa (GEF ID: 11049). Agency: UNEP; GEF project financing: \$11,000,000; Co-financing: 39,000,000.

✓ **Denmark/Norway Comments**

- Persistent organic pollutants (POPs) have adverse effects on humans and the environment, and we welcome this project that is targeting strategies for plastics containing POPs.
- The importance of improving control of chemicals globally is underlined with the UNEA resolution 5/7 on Sound Management of Chemicals and Waste and resolution 5/8 on establishing an international science-policy panel on chemicals and waste and to prevent pollution (which will be negotiated in parallel with the negotiations for a global agreement on plastic pollution). This project is therefore a timely initiative, which will hopefully also contribute to further awareness-raising on these issues.
- We support this project's holistic approach, working at several levels to reduce and eliminate POPs from plastics: strengthening policy and economic instruments; working with designers and manufactures of plastic products; the plastic waste management side; and capacity building across regional and global level.

- We would also like to mention that Norway is currently supporting several other projects related to plastic pollution, waste, and chemicals. We would strongly encourage this project to look for synergies with other initiatives where this is possible:
 - Globally: Norway is currently supporting work by the Secretariat of the Basel, Stockholm and Rotterdam Conventions on plastic waste and marine plastic litter.
 - South Africa: Norway supports the World Bank PROBLUE, which is providing support to the government of South Africa to promote and develop a roadmap to advance circular economy in the country.
 - Nigeria: Norway supports the World Bank PROBLUE, which is providing support to the Lagos state for reducing marine plastic pollution and creating a recycling market. Norway also supports Tearfund's efforts to set up a social enterprise for plastic waste collection and recycling in Yola in Nigeria, with the local partner Yola Renewal Foundation.

✓ **Germany Comments**

Germany approves the PIF in the work program but asks that the following comments are taken into account:

Germany welcomes this proposal, which addresses major chemical and waste issues, specifically regarding Persistent Organic Pollutants (POPs), through an interregional approach. The proposal is thorough in describing the negative effects POPs have on human health and the environment, as well as other existing challenges, such as the funding specifically necessary for the management of hazardous waste. Germany highly welcomes the project's inclusive approach that foresees to integrate different stakeholders and to build upon existing knowledge. At the same time, Germany has the following comments that it suggests being addressed in the next phase of finalizing the project proposal:

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

- Germany appreciates the ambitious goal in Component 1 to support the private sector to substitute toxic additives with non-chemical alternatives or non-toxic substances. Yet, considering that, as described in the proposal, only a small portion of plastics is produced in the 5 project countries, influence on production in other countries may be limited. We would therefore like to suggest to evaluate the impact these activities can have before activities' start.
- Component 4 covers relevant aspects on capacity building, for instance to support enforcement of the Basel and Stockholm Convention. Additionally, introducing the principles of green chemistry in teaching and research should be considered.
- The proposal would benefit from clearly stating how local needs, for example regarding imported products, import volumes, or existing waste management system, will be analysed in each project country. In this sense, the project would benefit from concrete piloting, for example on enforcement periods in the harbour. A pilot for every country

for collection and environmentally sound management POPs containing plastics would furthermore be beneficial.

- The Federal Ministry for Economic Cooperation and Development launched the PREVENT Waste Alliance that, among others, is working on financing and managing electric and electronical waste, among others the end of life management of plastics arising from e-waste, or the practical implementation of the Basel Convention. Germany recommends to seek an exchange on its knowhow and lessons learned with the PREVENT Waste Alliance.

✓ **Switzerland Comments**

Can you please respond to the below mentioned questions?

1. Explain how the Extended Producer Responsibility will be implemented and address POPs containing waste streams (vehicles, electronics).
2. Explain how technical and technological transformative changes (in addition to policy, institutional and knowledge-related areas of work) could be triggered by the project actions and key actors, will it be done via pilot interventions (if so, specify a bit more) or nation-/sectorwide
3. Explain how modern remote sensing methods (GHG and flare tracking from satellites, other monitoring tools) will/might be used for monitoring project sites and support national authorities in better waste management

INTERNATIONAL WATERS

5. **Regional (Djibouti, Egypt, Jordan, Somalia, Sudan, Yemen). An Inclusive Approach for Harnessing Marine Ecosystem Services and Transforming to Sustainable Blue Economy in the Red Sea and Gulf of Aden (HESBERSGA) (GEF ID 11050). Agency: UNEP; GEF Project Financing: \$7,350,000; Co-financing \$55,000,000.**

✓ **Denmark/Norway Comments**

- Norway welcomes the project and efforts made by PERSGA and UNEP to promote “An Inclusive Approach for Harnessing Marine Ecosystem Services and Transform to Sustainable Blue Economy in the Red Sea and Gulf of Aden” despite many challenges, including several states facing a fragile political situation.
- Partnership, cooperation and coordination is of key importance in achieving our common objectives, policies and plans at all levels. As Norway has been working closely with the African Union in preparing the Africa Blue Economy Strategy that is now in the process of being implemented, it would be useful to know the link between this project and the implementation of the continental strategy for a blue economy.
- We are pleased to see that this project will build on ongoing efforts by national and regional institutions with support from international partners. For the last ten years

Norway has supported the UNIDO/Norwegian Institute of Marine Research technical support to the government institutions, including the Marine Fisheries Administration, the University, the Marine Research Institute and the Fisherman's Associations in the Red Sea State of Sudan. The project has generated comprehensive knowledge, data and statistics on the functioning of the marine ecosystem along the coastline in Sudan. In addition to preparation of a management plan for the fisheries, the project is also assessing other possible future blue economic opportunities based on knowledge of the ecosystem functioning and services provided. We believe the new GEF project could benefit from a close partnership and cooperation with institutions involved in implementation of this project.

✓ **Germany Comments**

Germany approves the PIF in the work program but requests that the following comments are taken into account:

Germany welcomes this proposal, which aims to strengthen management of Red Sea and Gulf of Aden ecosystems and support the Sustainable Blue Economy.

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

- Overall, the project seems to center on aspects of economical sustainable use, while subordinating the environmental dimension of ecosystem protection and restoration. This does not correspond to an ecosystem-based approach, as e.g. stipulated in EU law, i.e. the EU Marine Strategy Framework Directive, which ranks environment protection and restoration first, sustainable use second. Project implementers are thus asked to strengthen the ecological dimension in their approach.
- In particular, in component 2 “Harnessing ecosystem services in support of Sustainable Blue Economy”, it needs to be clarified how the national conservation targets aim to contribute to international/global conservation targets (e.g. of the UN Global Biodiversity Framework). The development of a Sustainable Blue Economy strategy provides the unique opportunity to set conservation targets for the region, e.g. through area-based conservation measures. It is mentioned in the proposal that the effectiveness of conservation measures will be strengthened through OECMs, however, more is possible in this context by developing national systematic conservation plans and possible MPA expansion strategies. The development of technical capacities in the region for systematic conservation planning and Marine Spatial Planning are key for a successful implementation of a Sustainable Blue Economy.
- In component 3 “Support to the Sustainable Blue Economy transition by creating financial incentives and building enabling environment for investments” it is not clarified, how knowledge-bearers like scientists and local communities will be involved in the MSP process. Germany would welcome additional information on this component and recommends ensuring transdisciplinary development of the marine area takes place.

- As the GEF Secretariat has rightly pointed out (PIF Review Sheet, p- 2, Sept 27) the subject of fisheries, the potential cooperation possibilities and mechanisms for this should be listed. Currently, this is limited to the statement that another project is planned in the future and that an exchange with existing projects in the region should be established. Since truly integrated project approaches are necessary to achieve a sustainable output from projects, it would be important for us to outline more concretely the intention of the exchange mechanisms.

MULTI-FOCAL AREA PROJECTS

6. Armenia. Armenia Integrated Resilient Landscape Improvement Project (AIR LIP) (GEF ID: 11046). Agency: World Bank; GEF Project Financing: \$5,450,000; Co-financing: \$43,900,830.

✓ Germany Comments

Germany approves the PIF in the work program but asks that the following comments are taken into account:

Germany welcomes this proposal, which will strengthen community engagement and improve the management of forests, pastures, wetlands and protected areas in selected locations in Armenia. At the same time, Germany has the following comments that it suggests being addressed in the next phase of finalizing the project proposal.

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

- Germany welcomes the plans to undertake further stakeholder engagement and suggests considering other important stakeholders from public organizations already involved in reforestation/afforestation activities in the country (e.g. Armenia Tree Project (ATP), My Forest, Shen, other NGOs and environmental organizations).
- Germany welcomes the ambitious restoration goals and suggests considering flexible approaches to support interested communities in their efforts to set up future forest stands, as in many areas in northern Armenia natural forest regeneration takes place on community lands, due to long-run absence of cultivation of agricultural lands. These communities often lack knowledge and capacity in active restoration methods.
- Germany suggests taking the community enlargement process in Armenia into account, as enlarged communities neighboring forests may have an impact on the “equal, fair and transparent” participation in livelihood programs and afforestation efforts.
- WB in 2020-2021 conducted the “Forest Landscape Restoration” study with the goal to justify and identify potential areas in Armenia that would be applicable (from juridical, natural condition, etc.) for large-scale afforestation/reforestation activities to meet the NDCs, Bonn challenge and Astana declarations. Germany would like to point out that public discussions on the results of that important study were not organized, meanwhile several parallel processes and new initiatives (e.g. recently established “Forest Alliance” between “ATP”, “My forest” and “Shen” NGOs) on afforestation/reforestation is taking

place in Armenia. Germany therefore recommends outlining in the Project Document, how project activities will be coordinated with these ongoing initiatives to increase synergies and reduce duplications

- There is some general statistical data in the Project Document that Germany recommends checking for accuracy e.g., percentage of pasture lands in Armenia.

✓ **United States Comments**

Comment on projects 11046 and 11054:

- In relation to these two proposals, there is some convergence with U.S. Forest Service ongoing projects on: (1) wildfire and emergency management; and (2) youth engagement/development of a Caucasus Conservation Corps (e.g. climate resilience re: fire/disasters; approach to community engagement/livelihoods; ecotourism and restoration; etc.). The U.S. Forest Service is happy to coordinate and collaborate, as appropriate.

7. Brazil. Conservation of the Atlantic Forest through the sustainable management of cocoa agroforestry landscapes (GEF ID 11052). Agency: FAO; GEF Project Financing: \$ 4,700,000; Co-financing: \$ 52,809,278.

✓ **Denmark/Norway Comments**

- The proposal is relevant for the Brazilian context, where it addresses the issue of halting legal deforestation in the Mata Atlántica within the Forest Code, by finding economic alternatives.
- The proposal is based around the inclusion and extension of local traditional agroforestry systems (Cabruca), which brings many positive environmental advantages compared to the “full sun” cocoa production. Cabruca agroforestry systems also serve as buffer zones between forests and agricultural lands, and can connect different private protected areas (APPs).
- It is not clear from the proposal how the project will address the barrier of market access for the cocoa products, and how to incorporate the premium for cocoa grown within the cabruca system, which requires more inputs than “full-sun” cocoa plantations.
- There is no information on whether indigenous territories will be affected by the project, and no specific details on how their potential inclusion will be handled (besides mentioning FPIC).
- The proposal states the intention of having GIZ as an executing partner, however this agreement is not finalized. No other agencies or organizations are given as possible alternatives if the GIZ alternative is not possible.

✓ **Germany Comments**

Germany approves the PIF in the work program but asks that the following comments are taken into account:

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

- Germany generally welcomes the project, in particular the detailed inclusion of gender aspects.
- In the project summary it is stated, that droughts and tree diseases affect cocoa production. Yet in the project outline and description it remains unclear, if this is mainly the case for conventional cocoa production or for the production under the cabruca system. Germany recommends to clarify, if a better resilience against droughts and diseases will be reached by expanding the cabruca system to the 20% area of conventional cocoa production or by management improvements on the existing 80% cocoa production area under the cabruca system. In the latter case Germany asks to better describe how these management improvements lead to a better resilience against droughts and diseases.
- One of the barriers described in the project pertains to legal provisions by the Bahia State that prevent proper and sustainable management of the cabruca areas. The project description however lacks details on how these legal barriers are to be overcome by the project or how the project will deal with existing restrictive legal provisions. Germany would therefore like to ask that the legal barriers are properly taken into account in the design of the project, including strategies for overcoming or dealing with the barriers.

✓ **United States Comments**

- In the final version of the proposal, it would be useful to articulate: (1) how the project will successfully engage and incentivize cacao farmer to participate; and (2) how those farmers that participate would be able to sustain changed management that does not entail deforestation. Project designers may wish to review the [Colombian Cacao and Complementary Crops for Development \(C4D\)](#) project elements, whereby cacao buyers are identified that pay a premium of 30-50% to market price that incentivized long-term sustained change in management/development of participating farmers.

NON-EXPEDITED ENABLING ACTIVITY

8. **Global (Algeria, Armenia, Bahrain, Cabo Verde, Cameroon, Comoros, Dominican Republic, Haiti, Honduras, Jordan, Lao PDR, Maldives, Morocco, Palau, Panama, Samoa, Sao Tome and Principe, Serbia, Solomon Islands, Sudan, Suriname, Timor Leste, Uruguay, Vanuatu, Venezuela, and Zimbabwe). Umbrella Programme to Support Development of Biodiversity Finance Plans (GEF ID 11054). Agency: UNDP; GEF Project Financing: \$ 18,690,000.**

✓ **Comment for all UNDP projects**

In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, and as the independent, risk-based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the UNDP management responses and note them in the endorsement review sheet that will be made available to the Council during the four-week review period.

✓ **Denmark/Norway Comments**

- The project is well-aligned with the post-2020 Global Biodiversity Framework as of today. But it is of great importance that this project is taking stock after COP15, primarily related to target 19 of the framework.
- There is a lot of possible overlap with the NBSAP-Accelerator and we strongly encourage close collaboration.
- The project is based on and accelerates the BIOFIN-model which has showed good results.
- We acknowledge that a transformative process for biodiversity finance in all countries is urgent and of great importance. However, the project-proposal could benefit from a more explicit Theory of Change (ToC) explaining in what way the project will be transformational. Further, the outcomes are ambitious and there is a need to map out how to overcome the main barriers in order to be realistic.
- Component 4: It is stated that the Biodiversity Finance Plans (BFP) will be reviewed and validated, but we lack a more explicit description on how and by whom?
- Governance: How will the Global Project Board be selected?
- How will the project make sure that knowledge from marginal groups (ex IPs) is at the core of the BFPs?

✓ **Germany Comments**

Germany approves the PIF in the work program but asks that the following comments are taken into account:

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

- Germany welcomes the project which aims at supporting countries in developing national biodiversity financing plans with a view to mobilize resources for the implementation of the Global Biodiversity Framework.
- Under Component 1, the project intends establishing Intersectoral National Steering Committees. Ensuring the long-term sustainability of biodiversity finance plans as an integral part of overall national finance plans is vital. Germany would therefore like to propose that the official adoption of the biodiversity finance plans is a mandatory requirement as part of the support granted by this project. This way,
- In addition, the biodiversity finance plans should be developed as a living document that can be updated and adapted in the future depending on needs.
- Under Component 1, current biodiversity-related finance and economic mechanisms are to be mapped, including nature positive and harmful subsidies and incentives. In addition, under Component 2, national biodiversity expenditure reviews across all relevant sectors are to be conducted. There seems to be some overlap between those activities and Germany would therefore like to suggest that activities are designed to be complementary in order to use resources efficiently
- Germany would further like to ask that the development of biodiversity finance plans goes hand in hand with the revision of NBSAPs in the countries. The project document currently lacks information how the alignment of NBSAPs and finance plans going to take place.
- Lastly, Germany would like to ask that activities under Component 5 have additionality to existing platforms such as BIOFIN resources. Please specify which additional resources are to be developed.

✓ **Switzerland Comments**

Can you please respond to the below mentioned questions?

1. Governance, Global Project Board: According to which criteria will UNDP select representatives from selected countries to serve at the Board? How many countries will be represented on the Board?
2. Governance, Oversight of technical experts: The proposal states that a Global Project Management and Technical Support Unit (GPMTSU) will manage and execute the project with oversight from the Global Project Board. The GPMTSU will hire consultants and service providers as required to execute the work and that the technical experts will work under the oversight of the Global Project Board. How realistic is it that the Global Project Board will do the oversight of the technical experts' work, and would an oversight of their work not be better placed with the GPMTSU as the manager of the Programme?
3. Budget: Can UNDP please specify how the coordination and the joint preparation of work plans with GBFEAS will work in practice to ensure cost-effective and efficient use of donor funding?

4. Co-finance and sustainability: How is the collaboration of the proposed Programme with the UNDP BIOFIN Initiative, especially concerning cross use of services (e.g. Global Platform)? Does the BIOFIN still have funding resources available to fund biodiversity finance plans in additional countries? Are the STAR budgets of the countries, which are not part of the initial 26 countries supported by this Programme, sufficient for preparing biodiversity finance plans in those countries?
5. Monitoring and Evaluation Plan: UNDP states that the BPPS NCE team (which is the implementing partner of this Programme) will be responsible for compliance with all UNDP project M&E requirements. Can the applicant please specify the interaction of BPPS NCE team and the GPMTSU, the project manager?

✓ **United States Comments**

Comment on projects 11046 and 11054:

- In relation to these two proposals, there is some convergence with U.S. Forest Service ongoing projects on: (1) wildfire and emergency management; and (2) youth engagement/development of a Caucasus Conservation Corps (e.g. climate resilience re: fire/disasters; approach to community engagement/livelihoods; ecotourism and restoration; etc.). The U.S. Forest Service is happy to coordinate and collaborate, as appropriate.