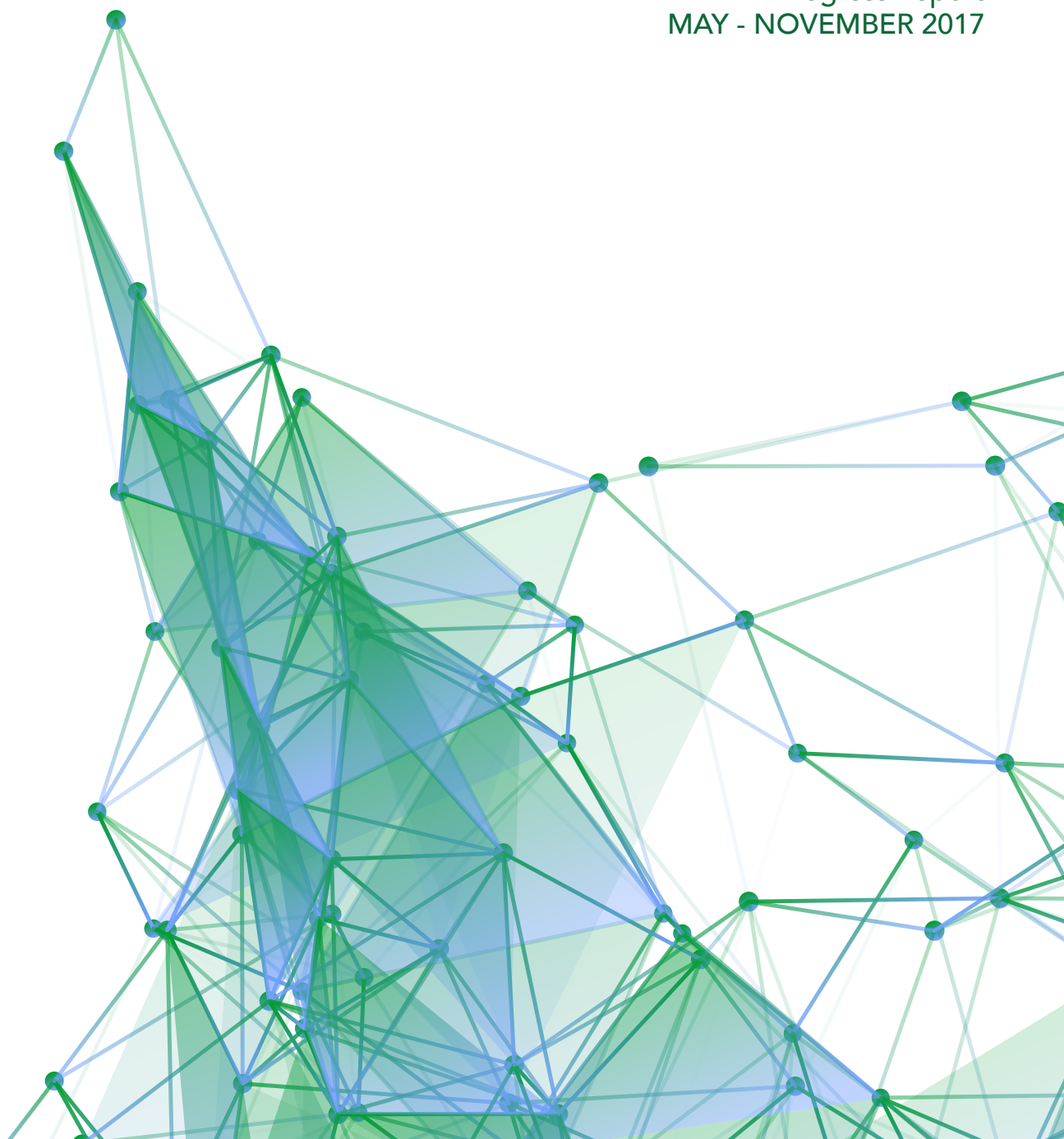




GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Tackling the Drivers of Global Environmental Degradation through the Integrated Approach Pilot Programs.

Progress Report
MAY - NOVEMBER 2017



IAP Programs at a Glance

IAP Program	Food Security	Commodities	Cities
GEF Agencies ¹	IFAD (Lead), CI, FAO, UNDP, UNEP, UNIDO, World Bank	UNDP (Lead), CI, UNEP, World Bank (IFC), WWF	World Bank (Lead), ADB, AfDB, DBSA, IADB, UNDP, UNEP, UNIDO
Program Financing			
Program financing approved (USD)	106,359,290	40,332,518	137,522,072
Agency fees approved (USD)	9,572,337	3,628,440	12,352,213
Total financing approved (USD)	115,931,627	43,944,445	149,599,056
Co-financing (USD)	805,361,640	263,465,154	2,411,247,456
Number of countries (directly involved)	12	4	11
Geographical coverage	Africa	Global	Global
Expected global environmental benefits			
Land under integrated management (ha)	1,169,016	39,379,000	-
Sustainable land management (ha)	2,185,302	1,000,000	-
GHG emissions avoided or reduced (MtCO ₂ e)	59	66	97
Genetic diversity of crops and animals maintained or increased in the production landscape (%)	15-25	-	-
Land Cover (increase, %)	10-20	-	-

1. Note: Lead GEF Agencies are responsible for overall coordination and delivery of the programs, while all other GEF Agencies listed are involved in design and implementation of at least one child project under the programs.

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Introduction

With all three IAP programs now fully delivered through CEO endorsement of the child projects, efforts are now underway to advance with their implementation. Although the IAP programs embody elements of good practices for advancing transformational change in a holistic and system-wide manner, they introduced new challenges for programming by the GEF. These challenges were largely inevitable because of the complex and multi-dimensional nature of environmental issues being tackled through the programs.

In the last progress report to Council (GEF/C.52/Inf.04), we highlighted some of the key emerging lessons based on features that underpin the integrated approach modality as outlined in the GEF-6 programming document. Building on the narrative, the current report addresses key aspects of the design process that demonstrate how the programs are now anchored to influence transformational change. It also highlights early lessons from the program level implementation. The report draws on recent findings from the formative OPS6 evaluation of the IAP programs, as well as potential for informing development of the proposed GEF-7 impact programs.

Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa (Food Security IAP Program)

The Food Security IAP program is focused specifically on promoting sustainability and resilience through management of the natural resources – land, water, soils, trees and genetic resources – that underpin food and nutrition security. Through this IAP program, the GEF seeks to put the management of natural capital as a priority in ongoing efforts to transform the agricultural sector and ensure sustainable food production in sub-Saharan Africa. The program directly engages 12 countries in the integration of natural capital management and ecosystem services through investments that aim to improve smallholder farming and food security. The integrated approach focuses on three areas: (i) engaging stakeholders in promoting collective action and coherent policies; (ii) intensifying, diversifying and adapting practices for a large-scale transformation of agro-ecosystems; and (iii) monitoring and assessment to inform decision making for sustainability and resilience in the agricultural sector.

Progress with Implementation

Since the last report to Council, much has been achieved toward launching of the full implementation phase for the program. The most advanced child projects under the program have now been active for 9-12 months, already creating opportunity for learning and knowledge sharing by countries. This will be further enhanced with the establishment of Program Coordination Unit for the regional “hub” child project, to be hosted at the World Agroforestry Center (ICRAF) in Nairobi, Kenya. Through a signed agreement with IFAD, ICRAF will facilitate delivery of the hub project in coordination with all GEF Agencies, including technical support and capacity building needs for participating countries.

IFAD as Lead Agency, is finalizing the recruitment of a full time IAP Program Task Manager, who will be based in Addis Ababa from early 2018, to focus on policy engagement with the African Union and other regional initiatives. The Task Manager will also support portfolio level management of

the child projects to foster coherence and consistency with respect to timeliness, minimum quality standards, and reporting. The PCU and Task Manager together offer a greatly improved likelihood of program coherence and quality compared to previous GEF programmatic approaches, especially in the context of addressing cross-cutting issues such as knowledge management, gender equality, and resilience.

Finally, the establishment of a Program Steering Committee and Technical Advisory Committee is underway and should be finalized by early 2018.

Program Additionality

At the program level, the IAP program is facilitating a 'community of practice' that serves as platform for joint learning and implementation of integrated approach to promoting sustainability and resilience across the dryland countries. At a system level within a country, the IAP program approach facilitates joint planning and implementation by the government ministries dealing with agriculture, natural resources and environment, with engagement by diverse stakeholders from the development community, private sector, and civil society. While this multi-stakeholder process has been challenging, countries have found it useful for initiating dialogue among the various entities where it does not yet exist, and developing joint action where it does exist. Hence the stakeholder engagement process has emerged as an important program addition that in the future will lead to more inter-sectoral integration, for achieving system-level changes and economies of scale in environment and development benefits.

The key to program additionality will be bringing the different stakeholders that work in the landscapes together (governments, private sector, communities, financiers/investors etc.), because this is what will lead to changes at system levels - policy, regulatory and practice levels, that can then lead to the required on-the-ground change at 'local' levels. Practical opportunities for doing so have been taken advantage of to varying extent during design phase of the program, and will continue to be promoted during implementation. Good practice in doing so will be documented via the Hub project and technical support provided on the same.

The IAP program is also creating opportunity for countries to maximize synergy across focal areas



that goes beyond just use of the resources. By showing the direct linkages (nexus) between healthy landscapes, and resilience and food security in a manner that is understandable to decision-makers, land users and farmers, countries are better placed to deliver multiple environment and development benefits while managing tradeoffs. With 12 child projects under implementation, the program will embody diverse and alternative pathways for demonstrating synergy.

Institutional Framework for Implementation

The Food Security IAP program is helping to strengthen and/or establish institutional frameworks for implementation at multiple levels: regional, project portfolio and project specific. At regional level, the framework established to engage directly with the Africa Union will create opportunity to tap into regional initiatives and help leverage these at country level and vice versa. The actual means to do this is through the regional “hub” project, which serves as anchor for technical expertise resources in the GEF agencies, each of who also have their own entry points for regional processes and initiatives.

At country-level different types of frameworks are being utilized. In Niger for example, the IAP project is integrated into ProDAF¹, which serves as: (i) coordination institution that carry together the financing partners for policy follow up and guidance; (ii) implementation institution with steering committees, national clusters to follow implementation and ensure compliance to national policies; (iii) program management unit for the coordination of program activities ; (iv) direct implementation structure constituted of services providers and different local stakeholders; and v) to engage regional and local authorities involved in supporting implementation. ProDAF has already signed an agreement with the national government initiative “Nigeriens Feeding Nigeriens” (or i3N), which is responsible for monitoring and evaluation of the IAP project and others financed in the field of Climate change and sustainable land use.

GEF Value-added

The GEF’s convening power and catalytic role has been invaluable for engaging countries and mobilizing diverse stakeholders to advance the integrated approach. With the institutional frameworks in place for program implementation across the multiple scales, the GEF value added and unique advantage will help to demonstrate that incremental financing for global environmental benefits does indeed lead to system change

Achieving results by promoting systemic shifts

The potential for achieving systemic shifts in African agriculture is a key priority for this IAP program. The shifts that matter the most will be the ones made at a higher-level (sectoral policies and legal frameworks, incentives etc.), and this is where significant effort is being directed across the program. Country child projects under the program are all pursuing this at national level, through support to multi-stakeholder platforms. A particularly interesting example is the Kenya project, where the first Water Fund in Africa is being established, which will reward good land use in catchment areas by mainly urban and industrial users (power generation, soft drink company etc) downstream. While the idea is not new, this IAP project leverages substantial pre-existing stakeholder engagement that is now poised to be taken to scale. It also builds on an earlier GEF funded project (Mt Kenya East), which had established practical means of soil conservation but without the financing mechanism to

incentive it and make it a practical part of farmers' business models. Demonstrating the viability of such an approach to tackling drivers in an integrated manner, together with policy and regulatory changes being supported by the project as well, could lead to systemic shifts in long term patterns of watershed degradation.

Dealing with complexity

The multiple-dimensional nature of agriculture and food insecurity in the African drylands is inherently complex, and the institutional landscape for tackling the challenges is riddled with competition and conflict, with each player approaching issues from their own narrow interest. The IAP program is helping to facilitate dialogue among these competing and conflicting players and narratives, and promote cooperation among them to foster collective action at scale. This will then drive all towards a common understanding of ecological sustainability and resilience, as basis for achieving economic sustainability and resilience of the production sectors themselves.

Several of the country child projects are piloting the Multi-Dimensional Poverty Assessment (MPAT) tool in association with the Land Degradation Surveillance Framework (LDSF) approach – this will help us understand the HH dimensions and their direct relationship with their ecosystems. In Swaziland, engagement in the IAP program has allowed for a critical mass of Chiefdom Development Plans to be developed within the next level of administration, the Tindulka, which manages the national development budgets. By facilitating the “aggregation” of planning processes between scales, planning becomes more manageable for the government. If successful, this approach would be institutionalized within Swaziland. In addition, the changes resulting are being systematically monitored via the LDSF, and reference sites are already being established in the project area.

Leveraging the Private Sector

Leveraging the private sector is critical for transformation of African agriculture, but also a major challenge for this IAP program, given the relatively difficult business case for investment in smallholders in the drylands of least developed countries. Nevertheless, there are several child projects (other than the Kenya case already mentioned), that are systematically engaging the private sector as a priority. For example, in Burkina Faso, the project approach includes a series of trainings to develop the capacity to do good business in the exploitation of agricultural products and non-timber forest products while preserving the environment. The project will use the Market Development Analysis approach, and includes plan to finance the Economic Development Plans of local promoters (groups and/or individuals). In Senegal, the integration of the private sector (input procurement, raw material processing, and marketing) is one of the major innovations of the project, which is been pursued through consultation frameworks and commercial contractualization of production between the producer organizations and the market operators (trader, artisan-processor, agro-industrialist, exporter, hotel structures, etc.). The advantage of the private sector lies in securing its supply in quantity and quality to meet market demand.

It is important to note that in discussion of the “private sector,” we not overlook the fact that land users are themselves the private sector and are the largest investors of labor, knowledge and expertise in land management in the target geography. The support to this “bottom of the pyramid” enterprises is an advocacy objective of the program with respect to governments in the 12 countries. One key partner in doing this is UNDP's African Program for Inclusive Market (AFIM), and the other is the Alliance for a Green Revolution in Africa (AGRA). Together, AGRA and AFIM will be making small grants to small and medium enterprises and NGOs, who will provide technical support to building missing pieces in the value chain for sustainable production to reach markets where it will be

rewarded. This process it is hoped will become strengthened across the IAP program, even in child projects where the private sector was not initially a focus of the design. Indeed, there is significant demand for such support already; demonstrating a value of the IAP approach assuming that projects are sufficiently flexible to accommodate changes.

Highlights of Global / Regional Achievements

Operational launch of the IAP Program

Over 80 government and development sector experts met in Addis Ababa, Ethiopia on 5-8 July 2017, to operationally launch the Food Security IAP program. This operational launch was coincided with CEO endorsement of the last child project, which made it possible to bring together all teams most



directly involved with each project. This allowed for a more practical exchange on how to coordinate and advance the program. Extensive support was provided from all executing parties of the cross-cutting regional project, who were able to highlight to child project stakeholders the functions and services of that important part of the program but

also the needs for information from country level.

The four-day meeting enabled all participants to understand the innovativeness and relevance of the program in a regional context of increasing environmental and social challenges, such as land degradation, biodiversity conservation, climate change, resilience and food security. This helped to establish clear links between the regional “hub” project and the country projects, which will facilitate greater coherence and integration within the program. Several key issues across the country projects and the target geography emerged, and provides a basis for subsequent efforts of the program in terms of capacity building, learning and knowledge exchange required. This will be more efficiently delivered on a collective basis to ensure quality and impact, and represents a distinct advantage of the integrated and programmatic approach taken by the IAP program. Cross-cutting issues related to knowledge management, gender, and resilience were also discussed to ensure consistency in approach.

Partnership with European Space Agency (ESA) for geo-information

The ESA, via its Earth Observation for Sustainable Development program (EO4SD) – Agriculture

and Rural Development Initiative has been engaged in the IAP-FS for about one year. This has been in terms of: first, the possibility of using earth observation and GIS technology in this program; subsequently detailed identification of pilot projects from among the IAP country portfolio based on agreed criteria; identification of priority services to be provided (for example land degradation monitoring), depending on country need and opportunity; participation of ESA in the Operational Launch (and delivery of an awareness-raising and capacity building session).

This technical support is being delivered in close collaboration with Conservation International (focal point for geo-informatics in the Hub project) and ICRAF (who are undertaking high resolution land health monitoring in a number of the country projects as well as coordinating the Hub project delivery). Country level support will be provided in Burkina Faso, Uganda and Ethiopia as well as significant capacity building to be provided via the Hub project across the program.

Follow up after the Operational Launch includes participation of IAP country representatives and/or GEF agency program partners in an ESA-EO4SD workshop on October 6, 2017 to share lessons with non IAP programs and partners who are also benefiting from the EO4SD initiative. This is a good example of how the IAP modality creates partnership opportunities which would not otherwise be available to an individual country project or even a standard programmatic approach. Details of this meeting can be found at: <http://eo4idi.eu/news/successful-welcome-new-phase-eo4sd-agriculture-and-rural-development-initiative>. ESA is working in its new second phase with University of Twente / ITC on capacity building and will visit IFAD in January to detail capacity building needs on geo-informatics in the IAP-FS, delivery modalities, support to baseline development, operational resilience monitoring etc².

Taking Deforestation out of Commodity Supply Chains (Commodities IAP Program)

The Commodities IAP program (CIAP) is advancing an integrated supply chain approach to take deforestation out of supply chains for beef, soy and palm oil. The Program is implemented through a partnership led by UNDP together with Conservation International, the World Bank/IFC, UN Environment and the World Wildlife Fund (WWF), working closely with the governments of Brazil, Indonesia, Liberia and Paraguay, as well as the private sector and civil society organizations.

The Program aims to shift these important commodity markets towards zero-deforestation production, while delivering continued social and economic development to farmers and their communities and businesses working in these sectors. The Program supports governments to increase assistance to small-scale farmers and strengthen land use policies by convening industry stakeholders for national action. It focuses on raising awareness and building tools and capacity to influence the global demand of sustainably produced agricultural commodities and supply chain transparency in addition to engaging the finance sector with new opportunities for investment. The Program's work focuses on the systemic issues that lead to deforestation and environmental degradation. This goes to the core of enabling good, fair and sustainable growth. It is why the Program targets reducing poverty by enabling rural and often marginalized communities, that are reliant on commodity production, to meaningfully participate in decision-making processes and to gain access to the means and finance necessary to improve their incomes and quality of life.

The Program is developing models for intervention that can be replicated across a wide range of commodities and additional geographies, with the potential to accelerate a reduction in

deforestation from commodity expansion.

Progress with Implementation

The Program was launched in NY on September 6, 2017 as the Good Growth Partnership (GGP). It is led by the UNDP's Green Commodities Program and implemented in collaboration with Conservation International, the International Finance Corporation, UN Environment and the World Wildlife Fund. It is comprised of four (4) component "child projects" focusing on production (supply), demand, transaction (finance), and Adaptive Management and Learning. A separate child project for Brazil is specifically applying the supply chain approach at national level, with a focus on soy in the targeted geographical region of Matopiba.

Program Additionality

The Programmatic Approach is a more efficient way of tackling environmental challenge as opposed to separate, stand-alone GEF projects, which could have been at the commodity, country or supply chain component level. Early lessons from implementation show that in the process of planning activities in an integrated manner across the child projects tackling the entire supply chain, many opportunities for tightening beneficiaries and activities arise. In addition, opportunities for tightening existing work of implementing agencies at country level with that of the GEF funded Program appear, making the latter a catalyst for more efficient use of donor funding in general.

1. The Program attempts to address environmental issues at the systemic level in the entire commodity supply chain, not just at the production level, which is what many past projects tended to solely target. It works on enabling aspects related to demand for sustainable products and finance to catalyze more sustainable production. It does so in an integrated manner, maximizing synergies between the child projects and hence resulting in a "whole being greater than the sum of its parts".
2. The various countries and commodities involved in the Program share similar issues - e.g. at the policy and farmers support level – so these issues are addressed through a global program that operates along steps of the supply chain, as opposed to through individual country level projects.
3. Commodity supply chains are global in nature. Big commodities players are global (e.g. McDonald's, Unilever, Mondelez). Changing agricultural commodities is complex and demands an integrated approach and partnerships. Programmatic response must be global to address issues in a globalized supply chain.
4. The programmatic approach allows for more easily tapping into global initiatives and for global promotion.
5. The programmatic approach allows for more coordinated outreach to stakeholders such as the private sector.
6. Cross-country learning can happen much more easily in a programmatic approach.

Institutional Framework for Implementation

UNDP as the Lead GEF agency, WWF, CI, IFC, UN Environment, as other GEF implementing agencies were selected based on comparative advantage. They are all bringing in unique experience and



networks to the table, particularly recipient country Ministries, global and national CSOs and private sector entities. More specifically, UNDP brings sectoral transformation and government engagement, CI brings landscape level conservation management and commodities, WWF brings consumer campaign, market transformation initiative and relationship with companies (e.g. McDonalds), and IFC and UN Environment Finance Initiative bring financial expertise and partnership with the financial services sector (e.g. Rabobank). This establishes a solid foundation for overall Program implementation.

Program level coordination is led by UNDP under the Adaptive Management and Learning child (A&L) project. Through this child project, UNDP has put processes in place to ensure both national and global level coordination. At the national level, representatives of each child project at country level meet on a monthly basis to review key progress made against the integrated work plan, but more importantly to review cross cutting issues related to capturing synergy and avoiding duplication, risks, resilience and adaptive management, learning, gender, and private sector engagement. Discussions from the national level are relayed at the global level by one representative per country, during the Virtual Secretariat meetings happening monthly too. The latter includes global representatives from each of the Child Projects, country representative from each country where the program works, CI, ISEAL (responsible for one of the components of the A&L child project) and the Knowledge and Impact Global Lead, as well as the Partnership Lead. The purpose of global level Virtual Secretariat meetings is to ensure global and operational level coordination between the Good Growth Partnership (GGP) child projects. It is distinct from internal project management. It aims to focus on cross-cutting themes and issues, as at the national level. It reviews the integrated work plan – work plan across child projects – prepare at national level, and prepares its own global level integrated work plan to ensure full alignment of the child projects.

The A&L child project also ensures that linkages with other initiatives active on the same topic do take place. This is happening at two levels and in two ways:

1. At the Global Level, the Global Partnership Lead coordinates with relevant initiatives by other partners (e.g. TFA, IDH, Norway Fund, Partnership for Forest) and feeds the information to the child projects through the Virtual Secretariat. This also includes ensuring and coordinating participation in UNFCCC and UNCBD COPs. In addition, the Global Knowledge and Impact Lead coordinates the Community of Practice which serves the Good Growth Partnership, which plays a key role in sharing knowledge across initiatives beyond the GGP.
2. At the national level, child project representatives monitor new and existing initiatives from other entities and define engagement strategies and actions as needed.

GEF Value-added

The GEF, as a major financing mechanism, is uniquely positioned to incentivize countries and global actors to work in an integrated manner across connected issues and root causes, in the spirit of the interconnectedness of the SDGs. GEF works through national governments which are key for sectoral transformation. Finally, the GEF focus on biodiversity and climate change allows the Program to work on deforestation.

Achieving results by promoting systemic shifts

The GGP is designed to address in a global, integrated and holistic manner, the issues related to sustainable commodity promotion. It is supporting sustainable production, strengthening demand for sustainable products and ensuring that financial and economic incentives are in place and supportive to sustainable production.

The project is designed to mitigate climate change through avoided deforestation, and hence builds resilience of communities affected by it. In addition, it is looking at improving the livelihoods and coping mechanisms to shocks of smallholder farmers involved in commodity production through improving yields, health and safety, thanks to Good Agriculture Practices, and in some case certification bringing a premium with it.

Dealing with complexity

The Program is designed to overcome complexity through the following:

1. Interventions that tackle the range of root causes of the identified challenge in a holistic manner.
2. Appropriate coordination mechanism – as discussed above.
3. Engagement of all key stakeholders in dialogues through national and subnational platforms to ensure all perspectives to the issue and its solution are captured, and to ensure local ownership throughout the process.
4. The use of adaptive management to ensure that the project can quickly react to changes brought about by the complex, nonlinear nature of the problem being addressed.
5. Effective learning processes that reuse existing knowledge and generate knowledge that supports replication and scaling-up across geographies – sub-national to national to regional and global.

Leveraging the private sector

The private sector plays a key role in this IAP program, which will be further strengthened under the GGP. Commodities are produced by smallholder farmers – which are private sector entities – and then off-taken by buyers, which may include processors, traders and retailers. The private sector represents the market force and the economic and financial incentives. As such it is a key actor to engage and influence towards more sustainable production and system level transformation. It can be harnessed to pull producers towards more sustainable production. Through its design, the project harnesses the private sector in exactly that way: it influences the traders and retailers to demand more sustainable products from processors and producers; support the latter to produce more sustainably; and works with financiers to increase financial incentives for sustainable products. Once the market shifts towards more sustainability, replication and scaling-up is assured.

The GGP ensures that private sector is engaged at both the national and global level in its activities. It does so by promoting private sector participation in national commodity platforms that discuss root causes preventing sustainable production, and co-create solutions prioritized in a National Action Plan. It also does so by enticing the private sector to make commitments toward the national action plans. Such commitments can materialize as direct financial contributions towards actions in the plans, but also as parallel financing through the private sector own initiatives, which may include knowledge and technology transfer and capacity building of smallholder farmers, among other things.

Highlights of regional / global achievements

Launching of the Good Growth Platform

The Commodity IAP launched the Good Growth Partnership on September 6, which was the result of efforts to engage partners, including other relevant initiatives in the Program.

The launch event was attended by a total of 170 participants from representing government (15%), multi-lateral institutions (25%), private sector (30%) and civil society, non-governmental organizations and private foundations (30%), including senior representatives from:

- The governments of each of the four countries, including the Minister of Agriculture from Liberia, the Minister of the Environment and the Vice Minister for Livestock, Ministry of Agriculture and Livestock from Paraguay, the Deputy Secretary of Biodiversity from Brazil and the Deputy Minister for Food and Agriculture from Indonesia;



- Development partners and donors including the United Nations and World Bank;
- Major companies including: Astra Agro Lestari, Avon, Bunge, Barclays, Cargill, Citi, Colgate-Palmolive, Conagra Foods, Costco, Danone, DuPont, Ferrero, Golden Agri Resources, IKEA, HSBC, L’Oreal, McDonald’s, Mondelēz, Neste, PepsiCo, Rabobank, Sodexo, UBS and others;
- Civil society, non-governmental organizations and private foundations including: CDP, Conservation International, Gordon & Betty Moore Foundation, Oxfam, Rainforest Alliance, The Nature Conservancy, Solidaridad, The Rockefeller Foundation, World Economic Forum, World Resources Institute, World Wildlife Fund, and others.

Following the formal launch, a workshop was organized for the implementing agencies of the Good Growth Partnership (UNDP, CI, IFC, UN Environment Finance Initiative and WWF) together with partner organizations that are contracted to deliver elements of the Program, as well as some other civil society, non-governmental organizations, foundations and funders doing related work in order to identify and explore opportunities for future collaboration.

The GGP has created its own brand with global appeal and strong ownership at all levels.

The Virtual Secretariat was initiated and met once in October, as a key platform and coordination mechanism for the GGP.

From October 16-19, the UNDP Green Commodity Community, which is supported by GGP, convened over 90 representatives from 9 countries in Indonesia to share lessons on sustainable commodities. Representatives from Indonesia and Paraguay were present and started identifying key good practices from around the world that could be replicated and scaled-up in their own countries.

On October 25 and 26, UNDP Indonesia in partnership with WWF, CI, IFC and UN Environment Indonesia teams, organized successfully the GGP inception workshop including presence of key ministries. All 3 child projects active in Indonesia (Production, Demand and Transaction) presented their projects. A full afternoon was dedicated to the first coordination meeting between the Production, Demand and Transaction child projects with each actively exploring synergies and opportunities to integrate their work.

This has already resulted in for example:

1. An important opportunity to use the networks and mandates of WWF and IFC/UNEP FI under the Demand and Production components, to make the Sustainable Oil Palm National Action Plan (NAP) in Indonesia more inclusive of demand and transaction considerations, and to get the traders, retailers, financiers and consumers better aware and later committed on taking on relevant actions. As a first step, WWF and IFC are committing to work on the NAP and providing inputs – through the national consultation and possibly the drafting team - to align it more with finance and demand considerations.
2. IFC to look at production related policies that could be good for the district and provincial level to enhance in the context of an improved enabling environment for access to finance for sustainable production.
3. IFC to design interventions for Indonesia that ensure the same small farmers are targeted in the districts where Production and Transaction will work together (e.g. Pelalawan)
4. IFC to share their gender analysis conducted in Pelalawan
5. Demand to explore how to better link retailers that would like to source locally sustainable

products but are struggling to do so, with the farmers that will get support through Production and Transaction.

6. Demand to share their plans for media training in Indonesia so global can coordinate better the Reuters journalist training plans, etc.

Sustainable Palm Oil National Action Plan in Indonesia

In Indonesia, the program is on track to finalize the Sustainable Palm Oil National Action Plan (NAP) by the end of the year, with strong commitment from the Coordinating Ministry for Economic Affairs, in addition to the Ministry of Agriculture. The NAP is being developed under the leadership of the Forum for Sustainable Palm Oil in Indonesia (FOKSBI) platform. FOKSBI is the coordinating forum for palm oil stakeholders in Indonesia to provide input, views and recommendations to the work plan that are needed to push economic growth via sustainable palm oil development that protects the environment and the wellbeing of communities.

The NAP is designed to address the root causes that limit sustainability of palm oil and align with the government plans for its sustainable production. The NAP goal is to support achieving the goal of having 70 percent of Indonesia's Crude Palm Oil Indonesian Sustainable Palm Oil (ISPO) certified by 2020 (Ministry of Agriculture Regulation No.11/2015). The ISPO system is a national standard for sustainability practices of Indonesian palm oil companies adopted by the Ministry of Agriculture on behalf of the Indonesian Government. The NAP is divided into four intervention domains as follows: (1) Increasing smallholder capacity; (2) Environmental Monitoring and Management; (3) Land Use and Conflict Resolution; and (4) ISPO Implementation and Market Access.

Sustainable Cities IAP Program

The Sustainable Cities Integrated Approach Pilot (SC-IAP) is an integrated program consisting of two tracks: (a) City-level projects in 28 cities across 11 countries, with approximately US\$150 million in GEF grant funding, where each country is supported by one or several implementing agencies to manage the various projects in the participating cities; and (b) The Global Platform for Sustainable Cities (GPSC), with US\$10 million in GEF grant funding led by the World Bank, is a knowledge platform that ties all participating cities together and creates a collaborative space for cities aspiring towards sustainability to engage with entities already working in the urban realm.

Progress with implementation

To successfully support the participating cities in their sustainability initiatives, the GPSC and city-level projects are carrying out joint activities that include the following:

- Supporting cities in the use of geospatial data/ tools;
- Supporting cities to establish or enhance a set of indicators for urban sustainability, including the core indicators for achieving SDG goal 11;
- Use of tools for integrated urban planning;

- An assessment on urban sustainability;
- Developing a vision and action plan; and
- Identifying priorities for investment and activities to enhance municipal financing.

Each city's needs are different, and as there are many existing efforts at the city-level, the GPSC, together with the Implementing Agency(ies) and other relevant partner organizations, have fleshed out the specific work plan, laying out key activities, timetable, deliverables and budget for each interested IAP city. In order to maximize use of the limited GEF resources in a fair and efficient manner, the Implementing Agencies and participating cities have allocated sufficient resources to ensure the implementation of the joint deliverables. Similarly, the GPSC dedicates resources for all participating countries to ensure that all interested SC-IAP cities have sufficient resources to participate in the joint deliverables.



Program Additionality

The SC-IAP's two track approach is premised upon the project "whole" being greater than the "sum of its parts". The GPSC is the program which ties together the individual projects into a greater whole. The added value is created by way of developing common approaches and by developing individual targeted programs.

During the GPSC's recent 2nd Annual Conference in New Delhi, the following five common topics were designated as being very relevant focuses across all the cities:

1. Evidence based data collection informing integrated urban planning;
2. Municipal finance and financial sustainability as an aspiration;
3. Urban transport and Transport Orientated Development (TOD) as an enabling strategy;
4. Resource and waste management; and
5. Leveraging government to government collaborations, such as for calculating the impact of good integrated urban planning on the reduction of greenhouse gases (GHGs).

The first example of SC-IAP's program additionality is the recently launched Indian Platform for Sustainable Cities (IPSC) which is a multi-sectoral partnership platform created for the implementation of sustainable city strategies based upon the GPSC model. The platform's national stream integrates the existing Indian GPSC cities and the global stream links these with the GPSC's programs.

This platform, which is still in its early stages, is an example of the GPSC encouraging country governments and pilot cities to build capacity to scale-up initiatives and spread the outcomes to a much larger audience.

A second example is the GPSC's Urban Sustainability Framework (USF). The USF has been developed as a strategic tool for the platform to implement integrated sustainable planning—that is, enabling the process of cities shaping a vision for their future, setting priorities, and facilitating methods of financing the urban transformation—at the level of individual participating cities. The USF additionally serves as a policy tool to support cities in integrating data collection and use, along with the USF also providing a framework for cities to assess their current sustainability status, understand the success of their initiatives, and forecast future trends while being able to compare against peer cities.

The third example is the Rapid Assessment Report (RAR) format for cities which references the methods of the USF process, and utilizes a system of “vertical” criteria and a “horizontal” comparison of world-wide peer cities with strategic similarities and differences. By making a horizontal comparison of cities which have similar profiles, the aspirations and trajectory of the analyzed city can be tested, and targeted project-focused knowledge can be exchanged. The initial RAR of Melaka, Malaysia is being horizontally compared with several GPSC affiliated cities.

Moreover, both the USF and RAR are tools to allow any city, regardless of its profile or context, to initiate a self-assessment of their urban sustainability. This knowledge sharing and learning, technical assistance with implementation support, and finance leveraging, allows the SC-IAP to be much more than just sum of its individual projects and overall adds to the value chain of urban development.

GEF Value-added

As cities gradually take ownership of major issues related to the global environment, they will increasingly be in position to move even faster in some cases than national governments. The GEF's convening power and catalytic role has been invaluable for bringing this opportunity to the forefront of its engagement with recipient countries, and at the same time mobilizing diverse stakeholders to advance the integrated approach to sustainable urban planning. With the GPSC now in place to strengthen implementation of the IAP program across the 28 cities and beyond, the GEF value added and unique advantage will help to demonstrate that incremental financing for global environmental benefits will help to promote urban sustainable development.

Institutional Framework and Achieving Results by Promoting Systemic Shifts

The GPSC is becoming an important global forum which is grounded upon a collaborative institutional framework. Led by the World Bank and Implementing Agencies, this framework brings together not only city participants, but also International Financial Institutions (i.e. Multilateral Development Banks, regional banks, and national banks), partner organizations (at the international, national, and domestic levels), and even sub-national partners (such as the State of California). In addition, the GPSC works with global networks (i.e. C40, ICLEI, and 100 Resilient Cities) and think tanks (such as the World Resources Institute), towards the objective of making the GPSC a forum of collective action for promoting the urban sustainability agenda.

Cities are actively encouraged to participate in initiatives within the institutional framework. Such participation will allow SC-IAP cities to both draw on the expertise of others, and share the insights they are gaining through the IAP program. A wide range of city-based networks and other agencies

have been involved in the design of the program and will continue to be leveraged for support during the program implementation.

One example of cities being able to promote systemic shifts through the institutional framework is the SC-IAP's direct connection to the UN's 2030 Sustainable Development Goal (SDG) 11. That goal strives to "make cities inclusive, safe, resilient and sustainable", and promotes a systemic shift in how the world approaches urban development. The GPSC's emphasis on an integrated approach directly mirrors Goal 11's target to increase the number of cities with integrated policies and plans towards sustainability and resilience. This emphasis is also woven into the USF by using SDG indicators. Through the SC-IAP's two tracks of being a global platform and having city-level projects, the cities can work the various SC-IAP partners to leverage their initiatives and make significant contributions to the implementation of Goal 11.

Dealing with complexity

The GPSC's integrated approach spanning 28 cities across the world is inherently complex due to the multi-dimensional environmental challenges encountered across the geographical spectrum. Recognizing these challenges, while also realizing the unique window of opportunity that comes with rapid urbanization, the SC-IAP seeks to promote the creation and implementation of comprehensive sustainability planning and management initiatives. Connections are used as the main tool to overcome complexity. The platform is primarily designed for sharing knowledge to support local strategic planning processes and implementation efforts in selected cities and countries. To the maximum extent possible, local challenges addressed by this work are linked to global challenges, such as climate change, biodiversity, water resources, chemicals and waste, land degradation, and so forth.



Tools such as the USF recognize the wide spectrum of challenges and contexts of each city. The USF is also not intended to provide a prescriptive step-by-step methodology, but instead sets out a flexible process through which cities can advance urban sustainability in a way that meets their own needs and priorities. It includes considerations for how cities can identify interventions to enhance existing processes, strategies, plans, and initiatives and thus leverage the most value from work already undertaken. Once again, connecting cities and sharing knowledge is how GPSC puts forward an integrated approach under complex circumstances.

Leveraging the Private Sector

The GPSC focuses on the cities themselves while also actively reaching out and engaging the private sector to influence large scale transformation through initiatives which involve project-scaling and financing. Municipal financing is one of the important pillars of the GPSC. Since the launch of the GPSC, the platform has provided a series of training programs to the participating cities:

- Private-Public Partnerships (PPP) workshop in March 2016;
- Creditworthiness training in December 2016; and
- Municipal financing and municipal PPP during GPSC's 2nd Annual Conference in October/November 2017.

These training programs have shown that GEF partners, such as the World Bank Group, are well positioned to support the cities' multi-layered efforts, through complimentary services and serving as a 'One Stop Shop' for sustainable urban development.

GPSC projects are however also planned on the premise that development finance will ultimately not be sufficient to cover all the urban infrastructure needs in the cities over the coming decades. While helping cities to improve their management and to prepare bankable projects, the GPSC also assists cities to build an evidence-based plan for the future, improve their financial management capacity, and also identify concrete financing needs.

Individual projects have a designated enabling dimension which focuses on fiscal sustainability. The inevitable goal is for cities to achieve fiscal sustainability and full access to capital markets. Through harnessing the investment of the private sector, cities will be able to better implement the sustainability recommendations of GPSC's programs enabled by GEF.

Highlights of Global / Regional Achievements

The Global Platform on Sustainable Cities (GPSC)

The 2nd Annual Meeting of the GPSC was held from 30 October to 2 November 2017, in New Delhi, India. The theme for this meeting was 'Better Cities, Better Planning,' to reflect the focus on sharing best practices in integrated planning and policy options towards a common vision of urban sustainability. The meeting brought together mayors and city leaders from around the world, together with experts from UN agencies, international organizations, financial institutions, and the private sector. A total 230 participants from 19 countries, 30 cities, and 35 organizations, attended the meeting. This included mayors and other municipal officials, representatives from technical institutions and academia, and business leaders.

The following were accomplished during the four-day meeting:

1. Learning events on Data-driven Approach to Urban Management, Smart Solution for Waste Management, and Municipal Finance, Bonds and PPPs.
2. Mayor's Roundtable, which featured challenges and experience-sharing among city leaders from Brazil, Cameroon, China, Cote D'Ivoire, Denmark, Japan, Lebanon, Malaysia, Mexico, Paraguay, Senegal, the United States and Vietnam.
3. Dialogue by International Finance Institutions (IFIs) on promoting collaborations and strengthening program impacts among development agencies;
4. Technical discussion on Climate Change Dimension of Integrated Planning, which covered the Paris Agreement and city actions; and Managing Urbanization to Build a Sustainable City
5. Launch of the Urban Sustainability Framework to provide guidance for cities on how to prepare and implement their sustainability action plans
6. Launch of the GPSC website - www.thegpsc.org for knowledge sharing and dissemination.

A separate full-day was dedicated to a SC-IAP Coordination Meeting where representatives from implementing agencies, participating cities, technical partners and City Networks on the GPSC (WRI, C40, and ICLEI), STAP and GEF Secretariat discussed the overall IAP program implementation. This



coordination meeting is a core component of the programmatic approach, and enables child project and city teams to align priorities with the GPSC, harmonize activities, and identify priorities for knowledge sharing and learning. In addition, city representatives discussed and prioritized areas for technical support and expertise to help them deliver on their respective work plans.

India – The Indian Platform on Sustainable Cities (IPSC)

During the 2nd Annual meeting of the GPSC in New Delhi, the Indian Platform for Sustainable Cities (IPSC) was launched by the Government of India as national platform for advancing its Smart Cities agenda. The IPSC is a multi-sectoral partnership platform created for the implementation of sustainable city strategies through two streams – a national stream which links with India's country-wide initiatives, and the global stream which links with the GPSC.

The new platform is nationally led by the Indian Ministry of Housing and Urban Affairs, globally

coordinated by UNIDO and the World Bank, and supported by GEF funding. The five cities in India already participating in the GPSC – Bhopal, Guntur, Jaipur, Mysore, and Vijayawada – are part of the new platform. Although the platform is in its early stages, this is an example of the GPSC encouraging country governments and pilot cities to build capacity to scale-up initiatives and spread the outcomes to a much larger audience. IPSC is a potentially transformative initiative for the world's second largest population. The announcement reinforces India's commitment to sustainable environmental stewardship and may galvanize other countries and regions to follow suit.

Malaysia - Melaka's Pilot Rapid Assessment Report (RAR)

Rapid urbanization confronts city governments with unprecedented challenges. City leaders must urgently develop a vision for their city's future. The GPSC has initiated the first RAR together with Melaka, Malaysia, the Government of Malaysia, and UNIDO, to utilize the USF to quickly and systematically approach a city's challenges and create prompt actionable recommendations.

The pilot RAR held a three-day workshop in Melaka 2–4 October 2017 in conjunction with the Sustainable City Developments in Malaysia 2017–2021 program. This event comprised of stakeholder consultations with both the public and private sectors, and deep-dive meetings with targeted national, state, and municipal agencies. The team producing the assessment report is comprised of local consultants and international specialists, together with UNIDO and World Bank staff. The RAR process is currently analyzing the outcome of the stakeholder engagement, preparing the “vertical” assessment, and finalizing the selection of the world-wide comparison of Melaka's peer cities for the “horizontal” assessment. The report will be launched at UN-Habitat's World Urban Forum (WUF) which is being advantageously held in Kuala Lumpur, Malaysia in February 2018.

Endnotes

1. ProDAF is French acronym for “Family Farming Development Program”
2. An ESA publication on its support to the IAP program can be found at: http://eo4idi.eu/sites/default/files/content/attachments/eo4sd_agri_foodsecurity_africa_2017.pdf

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