



**GLOBAL ENVIRONMENT FACILITY**  
INVESTING IN OUR PLANET

COMPILATION OF COMMENTS  
SUBMITTED BY COUNCIL MEMBERS  
ON THE  
MAY 2014 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 May 2014 Work Program

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## **BIODIVERSITY**

**1. Global ( *Bolivia Brazil, Burundi, Cambodia, China, DR Congo, Eritrea, Ethiopia, Kenya, Lao PDR, Malawi, Mozambique, Myanmar, Paraguay, Rwanda, South Sudan, Tanzania, Thailand, Uganda, Vietnam, Yemen, Zambia* ) - Effectively Mainstreaming Biodiversity Conservation into Government Policy and Private Sector Practice Piloting Sustainability Models to Take the Critical Ecosystem Partnership Fund (CEPF) to Scale – CI - GEF ID = 5735**

✓ **Canada's Comments**

- We are pleased to welcome this project, which includes innovative long-term financing for biodiversity hotspots, as well as high levels of co-financing. We are also pleased to note the inclusion of a knowledge management component and encourage this to be present in all GEF proposals.
- We look forward to the implementation of this project and its lessons learned, particularly as the mainstreaming of biodiversity into both public policy and private sector practice is a key area that requires additional attention and innovation.

✓ **France's Comments**

The goal of the project is to mainstream biodiversity conservation into government policy and private sector practice in three pilot biodiversity hotspots (Cerrado, Eastern Afromontane and Indo-Burma hotspots) through civil society by investing in innovating public-private partnerships and replicating approaches and innovations in other biodiversity hotspots

**Comments:**

- We globally support this proposal. The Project is well designed and documented. The project rationale is robust.
- We fully support the CEPF effort to increase targets in fostering the civil society and private sector's capacities and to invest part of its resources in sustainable financing mechanisms to increase sustainability of conservations actions. We would like to emphasize the use by the CEPF of the "civil society capacity tracking tool".
- We would suggest two main improvements to the proposal:
  - Examine the possibility of providing long-term support, with a goal of development and empowerment over 5 to 10 years, to a smaller number of NGOs per country that will forward the emergence of national "champions" and obtaining a critical mass of civil society in the hotspots

covered by CEPF. CEPF must redouble its efforts to increase the size and share of funding to local NGOs as their capabilities gradually increase, with a view to support future national champions on issues of biodiversity conservation.

- Although the CEPF was launched since 2000 (and “As of 2013, CEPF had granted more than \$163 million in 23 hotspots in more than 60 countries and territories, reaching out to over 1,800 grantees and influencing the management of more than 30 million hectares within Key Biodiversity Areas”), still today the CEPF lack a mechanism to monitor the impacts of its financing on conservation. Although it’s a complex subject, CEPF could surely develop a simple conservation impacts tracking tool, like it is doing for civil society assessment/ tracking tool.

❖ *Opinion: Favourable, with the two above recommendations.*

✓ *Japan’s Comments*

- Japan supports this project as it is clearly targeting 3 hotspots where Critical Ecosystem Partnership Fund (CEPF) has just started as their activities of Phase 3 and GEF fund will be highly leveraged by experiences and networks of CEPF in these hotspots. Since CI is a new GEF project agency, it is recommended for CI to closely consult with GEF in implementing this project, while retaining and making full use of innovative nature of CI.

**2. Global - Mainstreaming Biodiversity Information into the Heart of Government Decision Making – UNEP - GEF ID = 5730**

✓ *Canada’s Comments*

- We note the scaling potential of this innovative project, which aims to find practical, creative manners of mainstreaming biodiversity into public decision making processes, and hope to see it replicated. To support learning from this project, the final project proposal should include a robust knowledge management component, to allow a more systematic determination of what works and why, and for this knowledge to be disseminated.

✓ *Germany’s Comments*

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

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

Germany welcomes the PIF presenting a project that will utilize synergies between different ongoing initiatives. Germany offers the following comments for consideration:

- The project’s objective is based upon the assumption that improved access to and use of information will help to create political arguments to integrate biodiversity in different sectors. Experience shows that improving access to and use of information is not sufficient in itself to mainstream biodiversity. Germany therefore recommends describing more clearly how the projects will address the underlying causes for other sectors not taking up biodiversity as a priority. Consequently, component 1 should go beyond the identification of entry points and processes, and also consider differing interests, needs and political power relations between sectors. On this basis project measures can eventually contribute to a sustained or even increased political will to support the project activities in

the mid-to-long-term (compare page 13, 1st paragraph)

- The project aims at linking initiatives to get biodiversity taken up as a priority by other sectors (i.e. not environment-based) that work on the improvement of the data bases for biodiversity. How the project plans to foster alliances to set biodiversity issues on the political agenda of the countries should be more clearly elaborated on in the final project document.
- The full project document should describe how the development of effective information systems will be supported by the projects.
- The final project document should describe the capacity development strategy in more detail. Germany recommends to elaborate more on how public sector capacity will be built as well as to include institutional development components.

### **3. Global - Strengthening Human Resources, Legal Frameworks and Institutional Capacities to Implement the Nagoya Protocol – UNDP - GEF ID = 5731**

#### **✓ Canada's Comments**

- Given that the GEF has already approved a global Nagoya Protocol capacity-building project (project 4415), we request that the rationale for this new project be clarified in the final project proposal, including by adding references to the different country coverage.
- In addition, we request justification for the proposed \$25 million budget to cover 25 countries (average \$1 million). In particular, we note that project 4415 covered 50 countries with a total budget of just over \$2 million (average \$40,000).

#### **✓ Germany's Comments**

*Germany requests for the following projects 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 welcomes the proposed global ABS capacity development project, which would need to be developed and implemented in close exchange and coordination with existing ABS capacity development initiatives in order to create synergies, ensure complementarity and avoid duplications. However, as such crucial linkages have not yet been established, Germany objects to the PIF in its current form and will only be able to approve the PIF after the following changes have been made:

- With regard to the broad financial, temporal and geographical scope of the suggested project, the expected lessons learned and best practices - and the fact that it will build upon and run in parallel to other ABS capacity development activities, Germany suggests the establishment of an advisory committee for the project. Members of the advisory committee should be representatives of the relevant initiatives, e.g. the ABS Capacity Development Initiative. The committee should meet for the first time at the beginning of the PPG phase supporting UNDP in developing the activities conducted in the PPG phase. A second meeting should be conducted prior to the elaboration of the

final project proposal. During the implementation of the project the committee should meet regularly. This could be introduced as an additional project component.

Further suggestions to be taken up in the PIF:

- In the current form, the emphasis lies on the non-mandatory access measures (Art 6. ff. NP) whereas capacity development with respect to the mandatory compliance measures under the NP (Art 15-17) are not part of the project. Hence the PIF needs to include Expected Outcomes / Outputs covering explicitly user compliance measures as e.g. setting up checkpoints, enabling authorities / ILC to monitor the utilization and commercialization of genetic resources and associated traditional knowledge.
- The PIF includes capacity building for developing and implementing sui generis systems on a TK. It should also include capacity building on the equally important issue of granting legal rights over genetic resources that are traditionally owned by ILCs. Without strengthening the position of ILCs in this matter, it remains unclear how the project will contribute to build trust. Germany supports the corresponding comments of the STAP.
- In accordance with the STAP comments on GEBs, Germany calls for a more realistic formulation in paragraph 15 oriented at the ABS concept provided for by the Nagoya Protocol. The project will support the establishment of sound national ABS Frameworks and support the formulation of fair contracts that capture the optional values of genetic resources and associated traditional knowledge; there cannot be any guarantee that a specific act of access will result in (monetary) benefit sharing. The ABS framework and contracts need to secure the sharing of benefits arising through the value chains with the original providers. According to the objective of the Nagoya Protocol, the shared benefits should be reinvested in the conservation of biodiversity and support its sustainable use.

✓ **Japan's Comments**

- Japan supports these projects because effective implementation of these projects would contribute to the establishment of ABS mechanisms at the country level as well as capacity building for implementing these mechanisms, resulting in full implementation of the Nagoya Protocol.

✓ **USA's Comments**

- The United States requests the resubmission of this project.

The United States requests that this project be revised and re-submitted to the GEF Council prior to GEF CEO Endorsement to allow the UNDP to ensure that this project has been updated to reflect our technical comments below.

The Nagoya Protocol has not yet entered into force and many countries are still deciding how to best implement it. Given this uncertainty surrounding its national implementation, we believe it is important for the GEF to fund countries working to establish regimes that track what has been already agreed in the Nagoya Protocol.

- In the full project proposal, we request that the UNDP discuss how specifically they will assist countries in facilitating access to genetic resources. Presently, the PIF neglects to address the linkage between access to genetic resources and ensuing benefits. Without access there can be no benefits. When implementing the Nagoya Protocol, countries need to focus as much on facilitating

access to genetic resources as they do to the sharing of benefits arising from their utilization. UNDP's proposal fails to discuss how they will assist countries in facilitating access to genetic resources.

- In the full proposal, we would like to see a consistency with Article 8 of the Nagoya protocol. Article 8 of the Nagoya Protocol provides for special consideration of research contributing to the conservation and sustainable use of biological diversity. In doing so, it instructs Parties to provide simplified measures on access for non-commercial research purposes. Research contributing to the conservation and sustainable use of biological diversity is itself a clear and significant global benefit. UNDP's proposal neither discusses nor recognizes the need to promote this type of research and as such does not support GEF priorities.

#### **4. Global - UNEP-GEF Project for Sustainable Capacity Building for Effective Participation in the Biosafety Clearing House (BCH) – UNEP - GEF ID = 5688**

##### **✓ Germany's Comments**

*Germany requests for the following projects 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:

While Germany welcomes the suggested activities in general and acknowledges the progress made at the conceptual level of global BCH projects during the last decade one central element is missing in the PIF according to Germany's experiences:

- One main bottleneck that effectively hinders the publication of information in the BCH appears to be the procedures under which the responsible national officials need to operate. As reported at many international meetings, officials in many countries are not mandated to post documents – even public documents or obligatory information under the Cartagena Protocol – in their own capacity. Decisions by the higher level need to be sought, which might take a long time. The new BCH project needs to document these procedures in cooperation with each participating country, analyze the effectiveness to ensure a rapid flow of information and suggest possible improvements. These additional activities would close an obvious gap in the project and could increase its effectiveness and should therefore be considered in the project design.

#### **5. Regional (Angola, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mozambique) - Multi-Country Project to Strengthen Institutional Capacity on LMO Testing in Support of National Decision-making – UNEP - GEF ID = 5283**

##### **✓ USA's Comments**

- The United States, in light of its policies for certain development projects, abstains from the decision on this project.
- The United States requests the resubmission of this project.

The United States requests this proposal be revised and re-submitted to the GEF Council prior to GEF CEO Endorsement to allow the UNEP to incorporate responses to our technical comments.

- This project includes significant efforts to fund detection of living modified organisms (LMOs) without linking these efforts to the development of science-based regulations to meet the Cartagena Protocol on Biosafety (CPB) obligations. Testing alone is not an obligation under the protocol and does not serve as a substitute for risk assessments or risk communication activities. Thus, this proposed project will not provide a means to respond to information generated from the detection efforts in the absence of biosafety systems. To help this project have a greater global environmental benefit and to more directly respond to the CPB obligations:
  - We request that, as this project is expanded into a full project proposal, the UNEP explain how such supporting detection capabilities can be harnessed to directly support the development of science-based regulations to meet the Cartagena Protocol on Biosafety obligations and explore what the impact of obtaining this information will be and what happens when LMOs are inevitably detected.
  - We suggest the proposed project may produce a greater global environmental benefit if funds are spent developing transparent science-based biosafety systems rather than on systems to detect LMOs without a system to have a positive way to make use of those detections. The majority of the countries that are included in this proposal do not have biosafety legislation in place. The few countries that do have biosafety regulation either have not enacted it or are currently reviewing it. However, all of them are also members of the South African Developing Community (SADC) and under the current “SADC Guidelines on GMOs, Biotechnology and Biosafety,” imports of LMOs are effectively prohibited until regulatory systems governing biotechnology are developed.
- We agree with the STAP that the innovation of this project lies in the establishment of a network model for the provision of regional technical support. We are concerned about the project sustainability given the different strategies and policy frameworks that are in place and that may be developed as a part of this project. We request that significant attention in the full proposal is dedicated to how the project can be scaled up and sustained. Specifically we request that the project clearly address what environmental practice it is establishing, how the project will be scaled up and/or sustained over the long-term, and who will fund the expenses associated with running laboratories after GEF funding expires.

**6. Brazil - Capacity Building and Institutional Strengthening on the National Framework for Access and Benefit Sharing under the Nagoya Protocol – IADB - GEF ID = 5760**

✓ **Germany’s Comments**

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

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

Germany welcomes the proposal as a needed and conceptually well-structured project to redesign the Brazilian ABS framework and generally supports the STAP comments. In particular the STAP comment on the lacking coordination mechanism with respect to other relevant projects and programmes is

underlined.

Given the pivotal role of Brazil in the global ABS process and the learning experiences that can be expected during implementation, an advisory committee to the project might be considered. Actors such as the ABS Capacity Development Initiative (mentioned in the PIF) and the German supported project “Proteção e Gestão Sustentável das Florestas Tropicais” (also conducting ABS supporting activities) could participate in the committee. Also representatives from other BRICs countries, particularly from India and South Africa (where an informal exchange on ABS implementation with Brazil is already established through the ABS Initiative) could share valuable experiences.

Further to the STAP comments, Germany suggests the incorporation of the following aspects:

- Related to component 1: National Legal Framework on ABS. The PIF only refers to Art. 6 of the NP which is relating to clear access regulations. However, under the Nagoya Protocol (Art 15. – Art 17), Parties are also obliged to develop “user measures” (e.g., checkpoints, enabling authorities / ILC to monitor the utilization and commercialization of genetic resources). As Brazil bears a variety of commercial and scientific users of GR under its jurisdiction, this aspect should be explicitly reflected in the expected outcomes/ outputs.
- Related to component 2: The notion of Brazil to be a provider country - and not a country that uses GR at large scale – becomes apparent. Particularly with respect to the intention of the Brazilian government to support national R&D / innovation based on GR, increased and explicit attention should be given to how ABS regulations may affect domestic Brazilian users of GR on the one hand, and to how Brazilian public / private research could benefit from smart benefit sharing regulations on the other, e.g. promoting joint research efforts, capacity building and technology transfer during the R&D and the commercialization phase.

✓ **Japan’s Comments**

- Japan supports these projects because effective implementation of these projects would contribute to the establishment of ABS mechanisms at the country level as well as capacity building for implementing these mechanisms, resulting in full implementation of the Nagoya Protocol.

✓ **USA’s Comments**

- The United States appreciates and supports Brazil’s recognition of the importance of facilitating access to genetic resources as a key component of any access and benefit-sharing (ABS) regime. Although we are supportive of this project, we note concern about the likelihood of Brazil passing their draft ABS bill through Congress and assess this as “high risk” instead of “medium risk”. Thus, The United States requests that the IADB consider this during the development of the full project proposal prior to GEF CEO Endorsement.

**7. Colombia - Consolidation of the National System of Protected Areas(SINAP) at National and Regional Levels – IADB - GEF ID = 5680**

✓ **Germany's Comments**

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

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

The project's goal aligns well with Colombia's National Protected Areas System's priorities and as such it is very relevant. Germany would like to raise the following:

- Output 1.1.2, 1.1.3 and output 1.1.5 (p.1/2): There are several ongoing multi- and bilateral technical and financial cooperation activities (among others by KfW and GIZ) related to these outputs ongoing in Colombia. The PIF does not clearly define how the results and lessons learnt will be fed into the proposed project.
- Output 1.1.4 (p.2): For this output coordination with the Instituto de Hidrología, Meteorología y Estudios Ambientales de Colombia (IDEAM) is important.
- Co-financing by Local Government through regional environmental authorities (CARs) (as mentioned in part C, p. 4) in the extent of 10,300,000 US\$ as well as local stakeholder co-financing of 1,200,000 US\$ seems highly unlikely and should soon be specified (type of co-financing) in the case of CARs and be strictly monitored and reported in the case of local stakeholders.
- Part B2 GEF focal area and/or fund(s) strategies, eligibility criteria and priorities (p.11): It is stated that the project is consistent with outcome 1.2 (Increased revenue for protected area systems), but it is not explained clearly where the increased revenues for the proposed new protected areas might come from. Germany seeks clarification on that.
- Germany recommends building all project activities on a comprehensive assessment of the governance of protected areas in Colombia. The governance assessment guidelines developed by IUCN might provide a suitable framework for such analysis.

**8. El Salvador - Conservation, Sustainable Use of Biodiversity, and Maintenance of Ecosystem Services in Protected Wetlands of International Importance – UNDP - GEF ID = 5749**

✓ **Canada's Comments**

- We are pleased to see the project's inclusion of a wetland banking mechanism, which will allow for the conservation of wetlands as compensation for development in other wetlands while ensuring net positive environmental benefits. We also appreciate the proposal's comprehensive identification of how it will contribute to various Aichi Targets, with detailed explanations and recommend that this set the standard for future proposals. We look forward to the lessons learned from this project and encourage knowledge dissemination for similar projects in other GEF recipient countries.

✓ **Germany's Comments**

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

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

The project is well structured, addresses key challenges related to effective conservation of wetlands, and includes relevant management strategies (from coordinated decision-making with stakeholders, over environmental communication and education, indicator species monitoring, up to financial sustainability).

Germany suggests the following adaptations:

- Outdated management plans are briefly mentioned as hindering factors for effective conservation. However, throughout the PIF, management plans are hardly mentioned. Germany suggests addressing this issue by stating how the project goals and activities will feed into improved management plans.
- Germany agrees with the STAP recommendation to revise the links between barriers, outcomes and outputs. Some of the outputs seem to be activities (for example 1.1.1.) while others are formulated as goals.
- We recommend reformulating Outcome 2.1 to address the identified barrier of ineffective programs and strategies and lack of coordination.
- The project seeks to engage different stakeholders from various sectors including farmers, fishers, and private companies who are not fully reflected in the stakeholder list (A.2).
- The project will address financial limitations via, among many other actions, charging higher entrance fees to protected areas. This is a well-documented and successful strategy if protected areas offer satisfactory services for their visitors (clean sanitary services, rest areas, marked paths). For establishing appropriate fees Germany recommends assessing the level of services offered by the conservation areas in question and conduct willingness to pay surveys to complement the planned benchmarking exercises.
- Gender aspects should be included in a more specific form.

✓ **USA's Comments**

The United States is supportive of ongoing efforts in El Salvador to maintain protected wetlands and sees Bahia de Jiquilisco as an important shelter and nesting ground for globally threatened species. To ensure this project will be maximally effective, we request that the full project proposal be modified to respond to our technical comments prior to GEF CEO Endorsement.

- In the final project proposal, we request the UNDP include more information with respect to how waste will be reduced. The ability to reduce wastes depends greatly on the characteristics of the waste stream and domestic capacity to reduce wastes. Additionally, a discussion of how the project will overcome barriers to waste reduction will also be helpful.

- We are pleased to see that this project is being developed with the support of the Millennium Challenge Corporation (MCC). In the final project proposal, it may be important to consider that while the second compact was approved by the MCC board in 2013, the compact has not yet been signed to date. Fomilenio2 and the mentioned investments in the marine coastal zone will be on hold until the compact is signed.
- While the participation of civil society organizations is recognized and included in the PIF, efforts to identify the presence of indigenous people (or their absence) are not described. Therefore, in the final project proposal, we request that this information be included.

## 9. Indonesia - Mainstreaming Biodiversity Conservation and Sustainable Use into Inland Fisheries Practices in Freshwater Ecosystems of High Conservation Value – FAO - GEF ID = 5759

### ✓ Canada's Comments

- We note that the project has a good level of co-financing, though we request clarity on why there is no private sector participation, especially since the proposal notes the interest of a fish farm in the project, yet they are not involved in supporting the project.
- In addition, we request that further information be provided to clarify how the project will contribute to Aichi Targets 1,2,6,7,12,14,18 and 19, as per page 19 of the PIF.

### ✓ Germany's Comments

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

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

- Germany welcomes the proposal. In particular addressing the vast inland aquatic ecosystems in Kalimantan, Java and Sumatra is welcome, as these systems can be seen as real biodiversity hotspots. The proposed multi-agency coordination mechanism and the multi-level intervention with capacity building down to the local community level are seen as crucial for the project's success. All proposed approaches are sound and proven to work. Covering not only inland fisheries and aquaculture but the entire value chain with eco-labeling in the context of a total project area of 3000 km<sup>2</sup> can be seen as ambitious in the light of a project duration of merely 4 years. The STAP-comments are seen as valid.
- Germany would also like to stress that a higher prioritization of networking and alignment of activities with initiatives led by NGOs and local governments should be given.

## 10. Mexico - Strengthening of National Capacities for the Implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity – UNDP - GEF ID = 5738

### ✓ Canada's Comments

- We note that the project has a good level of co-financing, particularly for a Nagoya Protocol

capacity-development project.

- We note that the total cost of the project (\$10.7 million) seems high compared to other Nagoya Protocol capacity-development projects and request justification, to ensure cost-effectiveness of GEF funding. For example, some of the regional and global projects budgeted less than \$100,000 per country, and none exceeded \$1 million per country. A similar project in Brazil (presented in this work program) is budgeting about \$8.9 million (in GEF and other funds), while this project in Mexico, which has a lower population and smaller surface area, is budgeting about \$10.7 million.

✓ **Japan's Comments**

- In Mexico, Japan has been implementing a project “Diversity Assessment and Development of Sustainable Use of Mexican Genetic Resources” since 2013 (the implementation institution of Mexico is National Forestry, Crops and Livestock Research Institute (INIFAP)). In this regard, it would be highly appreciated if UNDP could keep sharing with us information on the progress of this project.

✓ **Germany's Comments**

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

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

The proposal has been elaborated upon in close cooperation with the complementary Mexican-German project “Governance on Biodiversity - Fair and Equitable Benefit-Sharing Arising from the Use and Management of Biological Diversity,” as described in detail in the project proposal. The approval of the GEF project will create significant synergies in national implementation of the Nagoya Protocol.

Germany suggests making the following corrections within the PIF:

- Page 7, bullet point No 3 and page 8, section 2, second paragraph: The funding of the project comes from the German Federal Ministry for Economic Development and Cooperation (BMZ) and is implemented by the Deutsche Gesellschaft fuer internationale Zusammenarbeit (GIZ).
- Pages 2, 3, 4 and Page 9: Within the drafting process it will be necessary to adjust the indicative co-financing amounts on the pages 2, 3 and 4 putting them in line with the contributions described in the table on page 9. Not all activities of the project implemented by GIZ are centered on component 3. The table on page 9 correctly shows that there are also contributions to the components 1 and 2.

✓ **USA's Comments**

- The United States requests the resubmission of this project.

The United States requests that this project be revised and re-submitted to the GEF Council prior to GEF CEO Endorsement to allow the UNDP to respond to our technical comments.

- We request that the full project proposal be modified to explore the linkage between access to genetic resources and ensuing benefits. Most references to “access” with regards to genetic resources in the current project document refer to the phrase “access to genetic resources regulation”

or “monitoring access to genetic resources”. Without access there can be no benefits, and the focus on regulation and monitoring of access to genetic resources instead of facilitation of access is not consistent with the Nagoya Protocol objectives. To be consistent with the Nagoya Protocol, this proposal should be modified to be equally focused on the facilitation of access to genetic resources as to the sharing of benefits arising from their utilization.

- We request that the full project proposal be modified to address the relationship between genetic resources and traditional knowledge. Not all genetic resources are associated with traditional knowledge, so these concepts should not be coupled. It is critical to address genetic resources and traditional knowledge associated with genetic resources separately, as is done in the Nagoya Protocol.
- In the full proposal, we would like to see attention given to Article 8 of the Nagoya protocol which provides for special consideration of research contributing to the conservation and sustainable use of biological diversity. In doing so, it instructs Parties to provide simplified measures on access for non-commercial research purposes. Research contributing to the conservation and sustainable use of biological diversity is itself a clear and significant global benefit. This proposal neither discusses nor recognizes the need to promote this type of research and is therefore inconsistent with GEF priorities.
- In the full project proposal, we request that the UNDP be more explicit about what can and will be done with GEF funds. As currently drafted, it is not clear how the GEF funds will be used. Furthermore, we request a more robust discussion of what the global environmental benefits will be achieved through this project.

#### **11. Sri Lanka - Implementation of the National Biosafety Framework in Accordance with the Cartagena Protocol on Biosafety (CPB) – FAO - GEF ID = 5720**

##### ✓ Germany's Comments

*Germany has objections against the following PIFs in their current form and requests that certain requirements are fulfilled before PIF approval:*

Germany has objections against the following PIFs in their current forms and will only be able to approve the PIFs after the requested changes have been made.

- The PIF in paragraph 31 implies that BL2 glasshouses and contained field testing sites will be established or upgraded through project funding to enable LMO analysis and RA reports according to international standards. While such glass houses and testing sites are certainly necessary for the development of LMOs as well as for actual research on LMO risks, Germany cannot see the necessity for such facilities in the context of LMO analysis and especially risk assessment. According to international standards including the Cartagena Protocol on Biosafety, it is not necessary to work in glass houses and do field trials. Financing of such facilities would fall outside the scope of the Cartagena Protocol on Biosafety and should not be contained in the PIF.

##### ✓ USA's Comments

- The United States, in light of its policies for certain development projects, opposes this project.

- The United States requests the resubmission of this project.

The United States requests that this project be revised and re-submitted to the GEF Council prior to GEF CEO Endorsement to allow the FAO to respond to our technical comments.

- The United States requests that the FAO work with Sri Lanka to determine how the global environmental benefits of this project may be enhanced. We see a compelling case to re-focus the project away from an emphasis on testing and living modified organism detection towards establishment of a functioning biosafety system that addresses risk management and risk communication. Notably, developing science-based regulations directly respond to the Cartagena Protocol on Biosafety (CPB) obligations. Importantly, testing alone is not an obligation under the CPB and does not serve as a substitute for risk assessments or risk communication activities. Thus, this proposed project will not provide a means to respond to information generated from the detection efforts in the absence of biosafety systems. If the detection component of the project remains intact in the future project proposal, we request that the proposal make clear what Sri Lanka do with the information generated from testing in the absence of a functioning biosafety system.
- As the proposal is modified, we suggest that assertions like on page 8 “LMOs . . . will result in irreversible loss of biodiversity and ecosystems of significant global significance” be removed since this has not been demonstrated.
- We request that, while various stakeholders are described in the PIF, the FAO consider in greater detail mechanisms that may need to be in place to ensure the broad participation with various CSOs and other parties as the project is implemented.

## **12. Turkey - Conservation and Sustainable Management of Turkey's Steppe Ecosystems – FAO - GEF ID = 5657**

- ✓ *Please refer to Germany's comments in the Compilation of Comments Submitted by Council Members on the GEF March 2014 Intersessional Work Program*

## **CLIMATE CHANGE**

### **13. Algeria - Algeria Energy Efficiency Project – IBRD - GEF ID = 5563**

#### ✓ **Canada's Comments**

- We are pleased to see private sector participation in this project proposal.
- Given that this project aims to replace inefficient air conditioners with more efficient units, we request that the final proposal provide further details on the consideration of low-global warming potential refrigerant. Also, given that energy efficiency projects with the private sector tend to generate high levels of co-financing, please explain the envisaged co-financing ratio of 2:1.

✓ Germany's Comments

*Germany requests for the following projects 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:

The project's objective is to strengthen verification capacity that promotes the use of energy efficient air conditioning units in Algeria, and to demonstrate the benefits of using more efficient air conditioner units to Algerian stakeholders. Germany requests:

- The project should explicitly seek for sustainable, developmentally sound, energy efficient as well as ozone and climate-friendly solutions. Lowest Global Warming Potential (GWP) and zero GWP solutions are not clearly defined and leave room for interpretation. Germany requests to define all envisaged refrigerants.
- The proponent should clearly show what will happen to replaced devices. Second hand usage is not acceptable in terms of emission reductions (source of project leakage).
- The project should build upon an analysis of existing legal frameworks and standards including energy and cooling standards (before promoting the use of energy efficient air conditioners).

Furthermore, Germany suggests:

- Considering energy efficient construction methods for residential and non-residential buildings as another key factor for reducing GHG emissions in the building sector as well.
- Raising awareness on the interrelation between heat waves, climate change, and energy efficiency/ GHG reduction is important to sensitize consumers for a climate-friendly and reduced usage of air conditioners. This should be included in collaboration with civil society and CSR.
- To ensure the sustainability of the project it is essential to place more emphasis on the integration, up-scaling and the implementation of existing strategies, development programmes and incentive schemes. This includes the national Climate Change Strategy, which is close to its validation, national development plans, and the "Fonds National pour la Maîtrise de l'Energie (FNME)". It could be examined in this context whether the resources of the FNME and the "Fond National pour les Energies Renouvelables (FNER)", could be used for subsidizing large energy-efficient facilities.
- The option of subsidizing large energy-efficient facilities should be thoroughly assessed against the option of guaranteed electricity prices for users of energy efficient technology- experience shows the success of such a measure.
- In view of the broader regional program and the regional dissemination of Algerian air conditioners, Germany suggests including a regional approach, i.e. a market study or exchange on a harmonized certification system facilitating trade and export as well as creating incentives for companies.
- When considering the replacement of existing air conditioners it is recommended that the entire product cycle (i.e., production of devices, use, and disposal) is considered, and applied to the question of whether the replacement makes sense at the corresponding point of the lifecycle.

- To use the up-scaling potential of the project, it might be interesting to consider expanding the laboratory suggested under Component 2 to other types of household appliances (e.g. refrigerators).

✓ **USA's Comments**

The United States recognizes that the need for energy has increased in Algeria and that much of this demand is driven by air conditioners. The program's forward-looking stances on creating regional testing facilities, setting of standards, enforcement are all greatly appreciated. We also appreciate the focus of the project to enable energy efficiency while also encouraging the introduction of the lowest global warming potential (GWP) refrigerant commercially available and technically appropriate, including zero-GWP options where feasible. To increase project impact, we request that the World Bank incorporate our technical comments into the project proposal prior to GEF CEO Endorsement.

- The proposal envisions setting up a laboratory for the testing and certification of air conditioners. Currently claims of efficiency of air conditioning equipment as well as use of specific refrigerants are not being verified, thus giving very little protection to the consumer that standards are being met. This component aims to provide a laboratory system for the testing of air conditioning equipment sold in the Algerian market, which will ensure that air conditioners sold on the Algerian market meet existing (or possibly improved) performance standards. The United States is supportive of these efforts. We also suggest that the World Bank may consider adding the development of standards for the use of flammable or mildly flammable refrigerants.
- The effort to focus on air conditioner efficiency in Algeria is laudable; however, to increase project effectiveness, we suggest that the World Bank may also consider working with Algeria to develop building standards and enforcement in the housing sector that would help to make buildings more efficient to prevent energy loss from air conditioning and other household appliances. In conjunction, it may be worthwhile for the Bank to analyze the benefits of better air conditioners, the World Bank collect data on how much energy is a wasted cooling poorly-built and uninsulated residential building.
- We request that in the full project proposal the World Bank consider the impact of market competition between imported and domestically produced air conditioners. Economic diversification and encouragement of domestic manufacturing is another important priority for Algeria; however, it will be very important to insure that incentive mechanisms are in place as needed to encourage utilization and adaptation of new, energy efficient design.

**14. Angola - Promotion of Sustainable Charcoal in Angola through a Value Chain Approach – UNDP - GEF ID = 5719**

✓ **Germany's Comments**

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

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

Germany welcomes the PIF and appreciates the aim of promoting the sustainable production of charcoal. The PIF review by the GEF Secretariat and STAP addresses most of the critical issues

including the continuation of the project after the gradual decrease of technology subsidies, the inclusion of the local commercial banking sector, the results-based remuneration of projects, the cost-efficiency per unit of GHG of the three suggested options compared with other options, the necessity to support the implementation of all three suggested options at once, as well as the STAP's comment that the how and who (including selection criteria) needs further elaboration.

On top of that, Germany would like to add the following:

- Sanction mechanisms need to be elaborated for charcoal producer associations who fail in demonstrating that a perverse incentive was not induced (in conjunction with risk mentioned under A.3);
- A clarification of the role of CPAs (charcoal producer associations) in the current situation is missing as well as an analysis of CPAs currently filling this role.
- Germany is uncertain about how the target of 60 CPAs has been defined.
- Further engagement with the Kreditanstalt für Wiederaufbau (KfW) is recommended as they launched a Standardized Baseline (SBL) development in the charcoal sector in Senegal.

✓ **USA's Comments**

- The United States, in light of its policies for certain development projects, abstains from the decision on this project.

**15. Argentina - Sustainable Business Models for Biogas Production from Organic Municipal Solid Waste – UNDP - GEF ID = 5734**

✓ **Canada's Comments**

- We are pleased to see a project focused on short-lived climate pollutants, such as methane in this case.
- We request the final project proposal clarify: how the economics of biogas line up with other alternatives, including heavily subsidized ones (electricity, natural gas); and, whether the guaranteed feed-in tariffs will ensure a positive business case.
- We also request that the proposal consider all elements of a sustainable integrated municipal solid waste management system, including source separation of organics, given that source separation and composting of organics would result in the near elimination of methane generation in landfills. We expect this could be more cost-effective and have less environmental impact than landfill methane capture.

✓ **Germany's Comments**

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

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

project proposal:

Germany welcomes the PIF and would like to add the following comments to the valuable STAP comments:

- It is not clear how the organic MSW will be separated out from inorganic components. As mentioned by the STAP it is crucial to define the mode and the process step at which waste fractions will be separated. Separation at the source has many advantages, as pollution from leaking batteries and other mixing is avoided from the beginning. This is especially important if the organic fraction is to be used further (e.g., in anaerobic digestors). However, separation at the source is difficult in areas where there is not any experience with this procedure.
- Germany seeks further information on whether tolling fees are acceptable for the Argentinian public.
- The need for a clear and sound baseline assessment is stressed by Germany: the generation of biogas in anaerobic digestors sometimes creates higher emissions than the natural decay in the baseline, if the latter is partly aerobic or organic fractions are sorted out to a significant degree by waste pickers.
- The potential overlap with the GENREN program needs to be clarified and the participation criteria in the government tender on renewable energies need to be clarified before endorsement.
- The barrier analyses should be robust and it should take into account the large number of existing CDM-projects in the Argentinian waste sector that might well serve as demonstration plants, too. In particular, the generation of electricity from biogas might not require many demonstration plants.
- The proposal mixes the terms biogas and landfill gas. This should be corrected.
- The landfills targeted should provide an analysis of available alternatives (taking into account potential disposal limitations) in order to know more about the baseline.

✓ USA's Comments

- The United States, in light of its policies for certain development projects, opposes this project.

**16. China - Accelerating the Development and Commercialization of Fuel Cell Vehicles in China – UNDP - GEF ID = 5728**

✓ Germany's Comments

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

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

Germany welcomes the PIF and the STAP comments. Germany requests clarification for the following issue:

- The proponent should clearly describe if the project targets the increase of market readiness of fuel

cell vehicles in China, or if research and development of the same technology is foreseen to be promoted by the GEF funds.

✓ **USA's Comments**

- The United States, in light of its policies for certain development projects, abstains from the decision on this project.

**17. Lesotho - Development of Cornerstone Public Policies and Institutional Capacities to Accelerate Sustainable Energy for All (SE4A) Progress – UNDP - GEF ID = 5742**

✓ **Germany's Comments**

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

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

The proposal is well thought through and it elaborates in detail the situation and problem. Barriers and risks are well examined and key lessons from previous energy access programs are taken into consideration and are integrated in the project proposal; current baseline activities are also well documented with regard to their gaps and required improvements in the alternative project scenario. Given the large number of government bodies, other institutions and facilities engaged in the project, the main challenge will be to clearly define the specific roles and responsibilities of the different stakeholders during the PPG phase.

Germany asks the following:

- It needs to be ensured that all relevant stakeholders understand their roles. An effective coordination and collaboration is key to the success of this project. Germany welcomes that all relevant stakeholders are invited to participate in the design of the project during PPG phase.
- To avoid duplication of activities, the full analysis of how the project can be harmonized and integrated with LEAP activities needs careful attention during PPG phase.
- Germany supports the comments by STAP, especially with regard to including the water, energy, land/agriculture nexus into the data collection efforts.
- Direct and indirect benefits of the project to be provided at CEO Endorsement should not be limited to GHG emission reductions, but should also include co-benefits.

✓ **USA's Comments**

The United States is supportive of Lesotho's efforts to support policies and catalyze investments in sustainable energy projects in rural areas. To increase project impact, we request that the following technical comments be considered in the final project proposal prior to GEF CEO Endorsement:

- The proposal notes that lack of high level policies pertaining to energy and private sector

engagement have been an obstacle in supporting investments in sustainable energy in Lesotho. To help address some of the barriers, we suggest that the UNDP develop a robust plan for coordinating among donors to ensure energy focused initiatives are supportive of off-grid technologies and to encourage an enabling environment required to allow relevant government ministries to support increased investment in sustainable energy initiatives.

- The proposal identifies a lack of feasible business models as a primary difficulty for accelerating investment in renewable energy. The focus on establishing quality standards and the idea of using mobile banking as a means of facilitating payments cost-effectively are good and have been keys to success in other countries. To develop standards and a framework for establishing mobile banking in Lesotho, it is likely that there will be a need for significant technical assistance for government employees, but also on the project developer side. We suggest that, as this project moves forward, that attention be paid to training those on the ground to get projects up to “bankable standards”.

#### **18. Nigeria - Preparation of Third National Communication (TNC) to the UNFCCC and Capacity Strengthening on Climate Change – UNDP - GEF ID = 5777**

##### **✓ Canada’s Comments**

- Given the potential for synergies from requesting funding for National Communication and a Biennial Update Report (BUR), we strongly encourage Nigeria to include a BUR request in the final proposal.
- We also note that this proposal states that the NatCom will be ready by 2017, but the deadline for the first BUR is December 2014. Please explain why the NatCom is prioritized over the more urgent BUR.

#### **19. Philippines - Promotion of Low Carbon Urban Transport Systems in the Philippines – UNDP - GEF ID = 5717**

##### **✓ Germany’s Comments**

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

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

Germany welcomes the proposal, but has a number of requests to be taken into account:

- The proponent should detail whether the output 1.2 (Low Carbon Transport Master Plan and supportive Infrastructure roadmap) is on a national or city level.
- Germany suggests supporting the institutionalization of an MRV system for the transport sector as part of the enabling environment for the commercialization of low carbon urban transport systems (see Component 2).
- In the context of Output 3.3.1, it needs to be clarified whether the route rationalization assessment is

different from the activities undertaken by MUCEP (JICA) and the WB. A duplication of efforts should be avoided.

- In the context of Output 3.3.2. it is suggested to draw back on existing standard procedures for on-road transport and laboratory tests of new fuel technologies. The development of such standards thus spares.
- The proposal envisages the introduction and operationalization of at least 15 - 20 low carbon transport modes such as hybrid buses, EVs and AGT systems. The selection of modes should be anchored on the suitability of such modes in the corresponding pilot cities. For the AGT, it should be clear that the project refers to electric-based AGT.
- It is not fully clear whether the proponent suggests the installation of charging stations powered by solar/ renewable energy only. If this is not the case, emission impacts should be taken into account accordingly (including the impact of timing of charging intervals on emissions).
- As it is now, the electricity price is already higher in the Philippines than in other Asian countries. The price might even increase once demand is fuelled by electric vehicles. Germany requests to consider this possible risk and to prepare mitigation measures.
- Germany requests that the disposal system for batteries (lithium-ion batteries) is described in detail.
- In terms of a comparison of baseline and project scenario, an analysis of whether the assumed EV are in addition to existing fleets or whether they replace existing vehicles is requested.
- The source of the specific energy consumption of EV buses (0.75 kWh/ km) should be mentioned, as it is central to calculations made.
- Regarding the private sector, Germany suggests considering potential conflict of interest with the Department of Transportation and Communication (DOTC), as some of the private companies are already in the process of securing franchises.

## **20. Russian Federation - Low Carbon Technology Transfer in the Russian Federation – UNIDO - GEF ID = 5366**

### **✓ Germany's Comments**

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

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

Germany would like to provide the same comments as in the previous work programme as the project is reappearing in the current programme.

STAP expresses its concerns about the sustainability of the proposed LCT Platform and its integration into the federal and regional processes. It doubts the integration into the other initiatives endorsed by the government including up to 30 other platforms, whereof at least four directly focus on energy systems,

energy efficiency and renewable energy. This is a serious concern. Germany asks for clarifying this issue in very detail before endorsing the proposal. Further, Germany requests considering the following issues:

- The proposal still needs to specify how though the large number of participants in the committee, duly decisions can be made.
- Clarification is sought how the platform shall be sustained after the phase out of the GEF engagement.
- It should be taken into account that piloting of low carbon technologies might only be helpful in cases where barriers can be removed through piloting. Other technologies have already been piloted in Russia. In general, the theoretic approach behind piloting is to be explained in more details taking into account the large geographical expansion of the Russian Federation and the possibility of the target population to access or get benefit out of pilot plants.
- The GHG emission reduction calculation, especially for biogas, should be laid down in all details. Methane generation in cold climate zones is significantly smaller than in moderate or warm climate zones and biogas digesters leak a certain share of biogas to the surrounding.
- The potential for synergies to other activities including GEF ID 3593, but also GEF ID 5072 should further be considered.
- The project aims to strike an effective balance between supporting an enabling environment for transfer and deployment and supporting the manufacturing capacity. Germany seeks clarification how the right balance will be determined and if a modification during the implementation shall be possible.
- It is anticipated that quantitative criteria related to the GHG emission reduction and other environmental impacts of each transfer or deployment project will be key in the awarding process. In this context, Germany seeks clarification if “counter measures” are planned for the case of non-delivery of the awarded projects.

## **21. South Africa - Promoting Organic Waste-to-Energy and other Low-carbon Technologies in Small and Medium-scale Enterprises (SMMEs): Accelerating Biogas Market Development – UNIDO - GEF ID = 5704**

### ✓ **Germany's Comments**

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

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

Germany welcomes the proposal but would like to add the following:

- Regarding other initiatives, Germany suggests coordinating with the South African German Energy Programme (SAGEN) financed by the German Federal Ministry for Economic Cooperation and Development (BMZ). In collaboration with the Department of Energy (DoE) and the South African

Association on Biogas, the project supports the national biogas platform which brings together all relevant stakeholders.

- Coordinate with the Climate Support Programme (CSP) financed by the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), which supports the implementation of the Waste to Energy Flagship Programme in collaboration with the Department of Environmental Affairs (DEA). It develops a guideline for the implementation of waste-to energy projects and supports the NAMA development.
- A further coordination with CSIR as well as biogas project developers which are organized in the biogas association SABIA would also be beneficial.
- Planned activities should avoid duplication of efforts and be linked with existing initiatives (e.g. Nersa, Eskom, the Department of Science and Technology (DST)).

## **22. Thailand - Reduction of GHG Emission in Thai Industries through Promoting Investments of the Production and Usage of Solid Bio-fuel – UNIDO - GEF ID = 5727**

### **✓ Germany's Comments**

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

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

Germany supports the comments by STAP and requests the following:

- Clarification is sought on how the sustainable use of the considered energy crops will be ensured. In accordance with STAP, we ask the proponent to conduct a feedstock assessment during the project preparation phase and not only during PPG phase, as envisaged by the project.
- A comparison of feedstock preparation methods is urgently needed. The production of pellets is rather cost-intensive and might not be necessary in all cases. Especially in larger industrial applications, as targeted by the activity in contrast to household applications, equipping boilers with feeding technology that also allows the use of less prepared materials than pellets is economically feasible. This might plead for use of other processing forms (e.g., wood chips) over pellets.
- Especially the Department of Alternative Energy Development and Efficiency (DEDE) of the Ministry of Energy should be included in the further elaboration of the proposal.
- Price scenarios should be well developed especially considering that some energy sources suggested by the proponents will be exploited to full extent. This will have a strong impact on prices and probably also on ecology for the proposed project and also for other projects consuming the same source. An exchange with the Thai Greenhouse Gas Organization (TGO) and biomass related institutes is necessary to estimate the current use rate of biomasses and remaining unused resources (see also assessment of availability in Clean Development Mechanism activities).
- The proposal says that produced pellets will be used in the corresponding clusters of origin. The

proponent should provide a clarification why this condition has been set or change it accordingly.

- Germany seeks clarification on whether the soft loan facility planned under Component 2 is in accordance with the decision of the Thai Government on soft loans.
- The project would benefit from contacting other initiatives, such as the German export initiative <http://www.renewables-made-in-germany.com>, including a focus on biomass energy.

### **23. Trinidad and Tobago - Improving Energy Efficiency in the Social Housing Sector – IADB- GEF ID = 5733**

#### **✓ Germany's Comments**

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

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

- In accordance with STAP, Germany seeks clarification on what kinds of standards are envisioned for energy efficient housing designs and what kind of low energy features the houses will have.
- The project envisages constructing 200 new energy efficient houses. However, to ensure the most effective combination of energy efficient technologies, the project might consider prepending a testing phase with a significantly smaller number of model houses.
- The German Energy Efficiency Export Initiative (<http://www.efficiency-from-germany.info>), for example, held a roadshow with such a model house for sixteen months in Latin America and the Caribbean. Exchange with experts from this initiative is recommended.
- The same applies to the Mexican-German programme on NAMAs (proNAMA) which is implementing a NAMA in the housing sector including monitoring of the activity and its co-benefits. Thereby, certainly different framework conditions, especially energy prices, should be taken into account when trying to transfer solutions.
- Trinidad and Tobago is very susceptible to the impacts of climate change, especially flooding. Although the PIF notes that climate adapted designs are only marginally introduced in most social housing developments to date, the project does not yet consider climate resilience measures.
- Germany seeks clarification on whether the project also covers renewables (as mentioned in the financial section, but not in the introduction), and if so, what forms of renewables will be taken into account.

#### **✓ USA's Comments**

- The United States is supportive of this PIF which targets an important sector previously underserved by energy efficiency efforts. We believe that the proposed project will lead to a better understanding of the market-place for energy efficiency and renewable energy technologies while simultaneously addressing barriers to finance in Trinidad and Tobago.

- We request that, as this proposed GEF project is implemented, the IADB be proactive about sharing the lessons learned to inform ongoing projects being conducted through regional centers. For example, the United States and Trinidad and Tobago signed a memorandum of understanding last year designed to lead to the establishment of a “Regional Energy Efficiency (Research) Center” that may be based at the University of the West Indies Trinidad and Tobago campus. Purdue University has received a grant to work with the University of the West Indies on a solar demonstration project. That is in progress, and it could also help feed into the Center, as well as the grant’s goal of promoting awareness of solar as a renewable energy source throughout the Caribbean.

**24. Turkey - Sustainable Energy Financing Mechanism for Solar PV in Forest Villages in Turkey – UNDP - GEF ID = 5732**

✓ **Germany’s Comments**

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

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

Germany agrees with the comments by STAP on the careful selection of demonstration sites and on the revision of the calculated mitigation cost and potential.

- Germany welcomes the formulation of a NAMA to further establish and support the medium term development of solar PV in Turkey. To ensure the successful development of a NAMA, the design of MRV systems and indicators as envisaged under Component 3 needs to be well aligned from the beginning with the NAMA development under Component 1. Indicators should not only focus on GHG emissions but also include other non-GHG related aspects such as the progress of the NAMA and potential co-benefits.
- Germany would welcome further information on the assigned responsibilities for the development of a NAMA.
- Clarification on the amount of co-financing that can be expected from the villages, especially when considering the individual household model and given that forest-villagers are among the poorest of the country, is necessary.
- The relation between technical and financial (and other) criteria in the weighing for the selection of pilot sites should be elaborated upon.
- Germany suggests involving the Turkish Ministry of Energy in the further process.

## INTERNATIONAL WATERS

### 25. Global - GEF International Waters Learning Exchange and Resources Network IW LEARN – UNDP - GEF ID = 5729

✓ *No comments were received for this project.*

### 26. Regional (Angola, Namibia, South Africa) - Realizing the Inclusive and Sustainable Development in the BCLME Region through the Improved Ocean Governance and the Integrated Management of Ocean Use and Marine Resources – UNDP- GEF ID = 5753

#### ✓ Germany's Comments

*Germany requests for the following projects 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 welcomes the proposal and its multi-sector approach, but requests that the following requirements are taken into account:

- Germany would like to emphasize that there is a clear need to prioritize the proposed project activities and to better align the project with other activities (e.g., the upcoming GIZ-project focusing on EBSAs (ecologically or biologically significant marine areas) and MSP (Marine Spatial Planning), funded by the German Federal Environment Ministry, BMUB) to focus investments and clarify complementarities with a goal of achieving higher leverage and realizing lasting synergies.
- Germany suggests that the co-financing from BMUB as indicated in the proposal is being classified as correctly (including in-kind contribution). Bearing in mind the multi-sectoral nature of the proposed intervention, Germany emphasizes the need for provision of more information on the nature and a detailed description of project co-finance by the private sector.
- Germany would like to emphasize the need for the elaboration and employment of an agreed and inclusively supported capacity development and financial sustainability strategy for the BCLME (Benguela Current Large Marine Ecosystem). This multi-level strategy should aim at incentivizing catalytic support for full SAP and BCC Convention implementation by clearly demonstrating to individual ocean space users, national institutions and the private sector that investing in the BCLME's ecosystem-based management and governance as well as the regional BCC (Benguela Current Commission) structure, results in a positive cost-benefit ratio and a higher return on investment (e.g. with regards to the investment security the private sector could obtain through marine spatial planning/management and related ocean zoning). This includes and is related to the development and implementation of a GEF support exit strategy.
- Consideration of GEF-STAP guidance: Germany wishes that the STAP's guidance is taken into account during the development of the project and in light of the outlined and STAP guidance related requests above.

✓ USA's Comments

- The United States, in light of its policies for certain development projects, abstains from the decision on this project.

**27. Regional (Belize, Guatemala, Honduras, and Mexico) - Integrated Transboundary Ridges-to-Reef Management of the Mesoamerican Reef – WWF US - GEF ID = 5765**

✓ Germany's Comments

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

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

Germany welcomes the proposal. In particular strengthening the Central American Commission on Environment and Development (CCAD), as a regional host for the management of the Meso-American Reef system (MAR), is seen as crucial for the project's success. The demonstration of the value of the ridge-to-reef approach through engagement of a broad range of stakeholders is a sound and proven one. The STAP-comments are seen as valid and a higher prioritization should be given to marine spatial and land use planning capacity building at CCAD.

Germany would like to add the following:

- The project should actively seek for more synergies gained from aligning the activities with other international projects in the region, e.g. the GIZ-project "Enhancing the Adaptive Capacity of Rural Economies and Natural Resources to Climate Change" based at St. Lucia and the GIZ-project "Climate protection through forest conservation".

✓ USA's Comments

The United States recommends that the WWF-US consider the following in the final project proposal prior to GEF CEO Endorsement:

- In the full project proposal, the United States would like to see greater detail for how sufficient coordination will take place with various agencies and ongoing projects in the region as well as with NGOs.
  - The project is very broad and covers a range of topics and activities, but the focus area of the project is a critical bridge between the Caribbean and the Gulf of Mexico. Further, the PIF draws upon previous work on the Caribbean coasts of Mexico, Belize, Guatemala, and Honduras and recognizes the importance of the area's transboundary ecosystem to the wider region. The size of the project calls for extensive engagement with other agencies and ongoing projects in the region in order to meet success, including the U.S. *National Oceanic and Atmospheric Administration (NOAA)*.
  - Notably, the appropriate agencies are mentioned, but how coordination will be achieved is not. SICA, the coordination system of Central American countries, has various sub-groups dealing with a range of issues. CCAD is the sub-organization that deals with the environment;

OSPESCA deals with fisheries. The two organizations collaborate on a number of issues in which two disciplines overlap. Although OSPESCA is mentioned in the list of stakeholders, how CCAD will accomplish the required cooperation with its sister agency is not addressed.

- Coordination with NGOs representing the Mosquito indigenous people, who are the main fishers in Honduras, is not mentioned in the proposal. These fishers harvest lobster, conch, and other coral reef species using poorly maintained SCUBA equipment at unsafe depths and dive times. One of the main problems in fisheries in Honduras is the rate of injuries and deaths in these SCUBA fisheries.
- The United States requests that the WWF-US consider other technical comments.
  - From the governance perspective, this project proposal describes the diversity of landscapes, range of governmental jurisdictions, and gaps and poor coordination among programs within and between countries. However, it plans to draw up on a number of successful local and regional programs to enhance regional collaboration. We suggest building upon the successful MPA and species management programs in the region.
  - On the environmental side, this region is prone to environmental damage from hurricanes and other weather-related events that are likely to increase in a changing climate. Particularly, floods and landslides are exacerbated by poor land use decisions such as deforestation. To strengthen the proposed project, we request these risks be addressed in the full project proposal.
  - The PIF recognizes the socio-economic barriers to maintaining the environmental health of the region and the actions needed to improve it. As the project moves forward, the project's success may be dependent on the strength of environmental policy enforcement in participating countries. As the full proposal is designed, please note that Mexico and Belize have relatively sound policy frameworks for environmental policy and enforcement compared to Guatemala and Honduras.
  - The amount of GEF funding to be provided does not appear to be sufficient to achieve the objectives of the project. Based on our knowledge of the region, the amount of co-financing from the participating countries, particularly cash, does not seem achievable.

## **28. Regional (Bolivia, Peru) - Integrated Water Resources Management in the Titicaca-Desaguadero-Poopo-Salar de Coipasa (TDPS) System – UNDP - GEF ID = 5748**

### ✓ Germany's Comments

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

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

- Germany supports the comments made by STAP. Given the long nature of the binational cooperation which started in 1992, sufficient baseline information should be available to update the Binational Master Plan of 1991. Germany agrees that a full TDA is not necessary. Germany is of the opinion that the project should not focus on updating the Master Plan, but on addressing the gaps and current insufficiencies while promoting and replicating good practices.

**29. Regional (Cambodia, China, Indonesia, Philippines, and Viet Nam) - Implementing the Strategic Action Programme for the South China Sea – UNEP - GEF ID = 5538**

✓ **Germany's Comments**

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

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

Germany welcomes the proposal. The STAP-comments are valid and a higher prioritization should be given to marine spatial planning capacity building in the partner countries within component 3. Project experience shows that no Marine Protected Area (MPA) lasts without a corresponding sustainable fisheries management in place and vice versa. The envisaged identification of protected areas can only be an initial step, which will hardly sustain itself without backing of resource user groups. So the project success bottleneck is seen not only on the level of political backing of the countries ministries, but also on the level of mobilization of on-the-ground implementation of sustainable natural resource management by the local government structures and/or other international development cooperation partners.

Germany would like to add the following comment:

- The project should actively seek more synergies achieved by aligning the activities with other international projects in the region as well as lobby for more natural resource management support in the coastal areas of the project partner countries in general and sustainable fisheries management projects in the envisaged MPA-areas in particular.

✓ **USA's Comments**

- The United States, in light of its policies for certain development projects, abstains from the decision on this project.

**30. Regional (Indonesia, Timor-Leste) - Enabling Transboundary Cooperation for Sustainable Management of the Indonesian Seas – FAO - GEF ID = 5768**

✓ **Germany's Comments**

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

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

Germany welcomes the proposal. In particular addressing the fisheries management problems and nesting them within a broader “ridge to reef” approach is seen as very important in the region. The project design appears holistic and the requested funding as well as timeline very ambitious for the set targets. Intensive cooperation with other projects in the region is seen as important to increase the project leverage and success probability.

Germany would like to add the following:

- The project should actively seek more synergies, specifically gained from aligning the activities with other international projects in the region.

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✓ **USA's Comments**

To strengthen the proposed project, the United States requests that the final project proposal be revised to allow the FAO to respond to our technical comments below prior to GEF CEO Endorsement.

In general, the United States has been quite supportive of large marine ecosystem (LME) projects, which bring together multiple countries to address transboundary marine resource issues of mutual interest using an ecosystem-based approach. The Indonesian Seas LME project is a welcome addition. Overall, the proposed concept is strong and incorporates lessons learned from a previous successful LME project in the region, specifically the Bay of Bengal LME project (BoBLME).

The United States submits the following comments for consideration:

- Although this project takes into account potential risks, we request an enhanced focus in the final project proposal on vertical integration of governance across different levels (ie: from community to district to provincial to national to regional).
- In order to help enhance this project's impact through greater adoption/scaling up, we request that the full proposal have an enhanced focus on habitat conservation, protection, restoration as a means to conserve biodiversity and sustain fisheries. Additionally, we would like to see an enhanced focus to incorporate considerations of climate and ocean change into ecosystem-approaches to fisheries management (EAFM).
- The proposal mentions several times doing ecosystem services valuations; however, it is unclear whether or not this includes working towards implementation of "payment for ecosystem services" (PES). In the complete proposal, it may be helpful to include more detail on how ecosystem services valuation will be done.
- As the FAO prepares the full project proposal, the United States requests offers several resources that may be considered or utilized that were not explicitly mentioned in the PIF:
  - The U.S. *National Oceanic and Atmospheric Administration (NOAA)* has done considerable work in the Coral Triangle (CT) region including for EAFM, an element highlighted in this proposed project. NOAA is currently closely engaged in similar activities to those proposed in the Indonesian Seas and CT region (including with Indonesia KKP), as well as are a science and technical support partner to the BoBLME. As relevant and appropriate, if the Indonesian Seas LME project is interested, NOAA is willing to consider and assess its capacity to similarly participate as a science and technical support partner to this project, including to help extend the EAFM work to this new LME initiative, and to ensure coordination with such plans and efforts already ongoing in the region.

- The Coral Triangle Atlas (<http://ctatlas.reefbase.org/>) includes information to support management. The FAO could work with NOAA DMSP and VIIRS satellite data of fishing night light activity to help with surveillance and combating of IUU fishing (<http://ngdc.noaa.gov/eog/>).

### **31. China - Mainstreaming Integrated Water and Environment Management – IBRD - GEF ID = 5561**

✓ *No comments were received for this project.*

## **LAND DEGRADATION**

### **32. Global - Participatory Assessment of Land Degradation and Sustainable Land Management in Grassland and Pastoral Systems – FAO - GEF ID = 5724**

✓ *USA's Comments*

- The United States requests the resubmission of this project.
- The United States welcomes this project and echoes the recommendations of the Scientific and Technical Advisory Panel (STAP). We request this project be revised and re-submitted to the GEF Council prior to GEF CEO Endorsement to allow the FAO to respond to the major revisions requested STAP.

## **MULTI-FOCAL AREA**

### **33. Global (Armenia, Burundi, Cameroon, Ghana, Kyrgyz Republic, Mongolia, Maldives, Thailand, Ukraine, Vietnam, Congo DR) - GEF SGP Fifth Operational Phase - Implementing the Program Using STAR Resources III – UNDP - GEF ID = 5736**

✓ *France's Comments*

The project intends to secure Global Environmental Benefits through community-based initiatives and actions.

#### Comments:

- We globally support this proposal and would like to congratulate UNDP to integrate CBOs and CSOs capacity building activities and outcomes/outputs in the SGP design.
- These are globally in line with GEF 6 strategic directions concerning SGP.
- Most of capacity building outcomes are anticipated through workshops and trainings. We suggest to support the development of capacity building output within CBOs and CSOs' small grant projects and to experience direct "learning by doing" capacity building results.

- Most of capacity building outputs are concerning “increased understanding of global environmental challenges” and “increased capacity to develop local solutions to global environmental challenges”. We would suggest the SGP to diversify these outputs like improved internal management (legal, technical or financial management outputs) or like “CSO-Government Policy and Planning Dialogue Platform establishment” mentioned in the strategic directions for example.

❖ **Opinion: Favourable, with the above recommendations.**

✓ **Germany’s Comments**

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

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

The project includes 11 countries that are all eligible for GEF funding. The proposed SGP financed activities are well aligned with national priorities and this was also reflected in the composition of the NSCs including civil society leaders. The activities are integral across the focal areas of the GEF-5 and synergy to non-STAR focal areas (i.e., international waters and chemicals) will be ensured through allowing the use of a certain percentage for these areas.

The proposal says that in each national policy and strategy such as NBSAP, NAP, NIP and others, SGP’s community-based approach targeted a critical constituency of small-scale localized actions which represented a critical contribution to the implementation and achievement of these policies and strategies.

- Germany suggests a more detailed description of the catalytic character of the SGP contribution for all eleven country cases.

**34. Regional (Guinea, Ivory Coast, Mali, Burkina Faso, Niger, Benin, Chad, Cameroun, Nigeria) - Integrated Development for Increased Rural Climate Resilience in the Niger Basin – AfDB - GEF ID = 5487**

✓ *No comments were received for this project.*

**35. Regional (Kazakhstan, Russian Federation) - Enabling Transboundary Cooperation and Integrated Natural Resources Management in the Ural River Basin II – UNDP - GEF ID = 5739**

✓ **Germany’s Comments**

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

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

- The project recognizes Ural as an important stop-over for migratory birds along the Asian flyway. However, the relation between the project and implementation of the Convention of Wetlands

(Ramsar), Convention on the Conservation of Migratory Species of Wild Animals (CMS) and Convention on Biological Diversity (CBD) should be clearly stated. An available assessment made by FLERMONECA on CAF AEWA can be taken into consideration in this context.

- The project should make an analysis of the status quo and sustainability of the Basin Councils established in the framework of the UNDP funded project (2004). Lessons learnt from the past initiatives should be taken into account in order to enhance sustainability of the project results. It is known that most of the councils stopped their activities after the funding through the projects has ended.
- The project should also address the issues related to operation of the North Caspian Oil Spill Response Base launched in 2013 in the Ural river delta and followed by serious public debates (e.g., <http://tinyurl.com/ked9x37>) on its environmental impact. The possible construction of the new response bases should be taken into account. This might involve policy dialogue on transboundary environmental impact assessment and Espoo Convention.

### **36. Regional (*Latin American and Caribbean*) - IDB-GEF Climate-Smart Agriculture Fund for the Americas (PROGRAM) – IADB - GEF ID = 5754**

#### ✓ *Canada's Comments*

- We are pleased to welcome this project which engages the private sector, uses innovative finance and features high co-financing levels.
- We note that GEF resources will be used to provide first loss risk mitigation and concessional loans. We request that the final project proposal clearly outline the expected reflows to the GEF, as set out by the Operational Modalities for Public Private Partnership Programs.
- As the project is developed, we look forward to seeing a clearer goal definition, to ensure that the Fund specifically addresses global environmental and development goals in Latin America and the Caribbean related to climate-smart agriculture. This should include issues related to mitigating climate change through sequestering carbon, while enhancing food security.
- In addition, we request clarification on how the program will address the challenge of enhancing climate adaptation related food security and net global environmental benefits, while being mindful of possible pressures on biodiversity, land degradation and greenhouse gas emissions.

#### ✓ *Germany's Comments*

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

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

Germany sees the project as being highly relevant due its goals of fostering sustainable land management. Land rehabilitation by climate smart and sustainable agriculture is one main challenge for achieving food security in future. In addition, the project is of great importance for climate protection and holds a great potential to counteract climate change. The promotion of the engagement and commitment of the private sector in this field is one key element for large scale impacts. Germany asks

the following:

- The agribusiness private sector is a key player in land degradation, but can also become a key player in SLM. Political framework and its implementation must provide strong incentives for this sector for engagement in SLM. Therefore activities of the proposed fund should be linked to an improved framework – either by its own activity lines or in collaboration with other partners.
- Investments in climate smart agriculture need long term commitment, which may inhibit private sector engagement. The international initiative Economics of Land Degradation (<http://www.eld-initiative.org/>) is providing evidence that investment in SLM is also economically worthwhile. The proposal should consider the option to undertake selected ELD case studies to produce arguments and incentives for SLM engagement of the private sector.
- Regarding Brazil, the analysis and definition of interfaces between Climate-Smart Agriculture and the governmental ABC program (Agricultura de Baixo Carbono) should be enhanced. Funds for investment in large scale producers are sufficiently available in the advanced emerging power of Brazil. Therefore, small scale producers should be targeted during implementation of project activities, primarily focusing on eliminating shortage in technical assistance and the methodology development.
- Regarding Paraguay, the project should focus on the Chaco region where the impacts of deforestation and land degradation are critical. Public and private funds for investment, especially in large scale agribusiness are sufficiently available but have to be mobilized. The project can function as a game changer to promote more private investment in SLM in Paraguay. Private sector involvement is key for the successful project implementation in Paraguay. Synergies may arise from a close coordination with the cooperation project between the European Union and Mercosur (ECONORMAS). Technical support and experience in the area of SLM is available in the bilateral BMZ program for “Sustainable Management of Natural Resources” implemented by GIZ.

### **37. Benin - Promotion of Sustainable Biomass-based Electricity Generation in Benin – UNDP - GEF ID = 5752**

#### **✓ France’s Comments**

Overall, we are not convinced by the phasing of this project. Components 1 and 3 of the project aim respectively at working on the institutional framework and setting a first pilot unit, and constitute a first project. Working on component 2 (establishment of financial tools for the implementation of other units) assumes that we have already solved the previous two (1 and 3). As for the 4<sup>th</sup> component (land use and forest management), it is clearly out of the project’s scope. In other words, initiate component 1 without techno-economic feedback from component 3 may prove risky. Indeed, in the absence of lessons learnt from a project in operation (and thus a market of agricultural residues), who can say what will be the actual cost of electricity?

In details:

- It may be preferable to start a pilot installation without private investment (but with private management) in order to identify the barriers which will appear, whether regarding raw material supply, connection to an electricity network with pop-up and multiple cuts (when there is a cut on a

network, those producing are not paid throughout this cut), or human resources challenges to manage and maintain such a facility in such an isolated city (about 100 km from asphalt road, except if new roads have been recently built).

- Availability and management of raw material. The project seems based, technology-wise, on the gasification of cotton stalks (but it is not clear whether the project gives priority to this agricultural residue or not). Apart from a mention in a study conducted by UEMOA in 2008 (unavailable on the internet), availability at the ginning factory of this resource is nowhere mentioned. Although there is of course cotton in this territory of Benin, there is no practice of collecting and centralizing cotton stalks (the logistics of the cotton seeds is already difficult...). Such a project would involve setting up a chain of these stalks, which suggests studying the schedule of collection, storage issues, pricing and back on the fields as (directly or indirectly) of the value in terms of fertilization of these stalks that are usually burned in the field;
- Indicators: as it is mentioned “avoided tCO<sub>2</sub>”, the document does not provide information on the necessary quantity of agricultural residues, and their equivalent in hectares.
- Human Resources competence and maintenance circuits: knowing that the selected municipality has not the easiest access to the Department, the question of the provision of a team of skilled technicians for maintenance or settings will be part of the delicate aspects for a private operator.
- Finally, central biomass technology is not, unlike solar or hydro, highly capital-intensive. The issue, in addition to be sure that the public actor will respect its contract, is the access to raw material with an interesting rate for both parties.

❖ **Opinion:** *A major revision of the PIF is required in order to address the above weaknesses.*

✓ **Germany’s Comments**

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

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

- The development of new (biomass) power plants should not result in additional pressures on ecosystems, in particular forest resources, or have a negative impact on the provision of ecosystem services in the Three River area. Otherwise, mitigation measures should be taken.

**38. Bolivia - Sustainable Management of Forest Ecosystems in Amazonia by Indigenous and Local Communities to Generate Multiple Environmental and Social Benefits – UNDP - GEF ID = 5755**

✓ **Germany’s Comments**

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

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

Germany welcomes the PIF proposing a consistent and relevant project. However, Germany requests that following comments are taken into account:

- The project concentrates on non-timber forest products (NTFP). The silvioculture elements concentrate exclusively on keeping a healthy nut tree population. In order to reduce income and production uncertainty (fluctuation in prices, production, etc.), the promotion of other forest uses, such as timber and other NTFP should be added to the planned activities in sustainable agriculture and agroforestry practices in non-forest areas ((42) - output 2.3 ,iv)).
- The “Plan de Gestión Integral de Bosques y Tierras (PGIBT)” is a new instrument of the Bolivian Authority for Surveillance and Social Control of Forests and Lands (Autoridad de Bosque y Terra - ABT). It seems this is not considered in the proposal. We request that instruments to ensure the viability and sustainability of forest-related production systems (see p. 30) should only be developed taking the PGIBT into account and in coordination with the ABT.

### **39. Indonesia - Sustainable Management of Peatland Ecosystems in Indonesia (2014-2018) – IFAD - GEF ID = 5764**

#### **✓ Germany’s Comments**

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

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

The proposed project builds upon outcomes and lessons learned of the ASEAN Peatland Forest Project (APFP) implemented between 2010 and 2014, especially on improving the sustainable peatland management and local livelihoods. The proponent describes comprehensively the current situation and approaches to address such challenging issues through process involving multi-stakeholders. The proposal is well-outlined by highlighting the source of problems and summarizing the strategies to be implemented.

Germany asks the following comments being taken into account:

- It would be commendable to clarify methodologies to be used for addressing the key challenge in peatland management. The proponent needs to highlight activities for synergizing efforts between and among institutions at sub-national, national and regional levels responsible for peatland management.
- The proponent should clarify on lacking activity in strengthening law enforcement, which is one among the root problems in addition to human capacity.
- It is important to highlight the role of sub-national and national planning agencies and how the proposed project will support them in integrating outcomes from previous and proposed activities into the annual planning and strategies. This will demonstrate that the project activities, such as proposed coordination and capacity building are not business-as-usual.
- Approaches to deal with current overlapping topics (i.e., between ministry of forestry and

environment and the REDD+ Agency) should be described including national and regional REDD+ action plans and strategies.

- It is important that the proponent focuses on implementing better management practices through improving coordination and law enforcement while carrying out scientific and technical approaches for reducing gas emissions and improving local communities.
- The proposal is already mentioning several potential financing mechanisms for village development (e.g., micro-credits, revolving funds, performance bonds, conditional transfers based on progress). Potential incentive systems for private sector engagement should be further elaborated upon.

✓ **Japan's Comments**

- JICA implemented a project “Wild Fire and Carbon Management in Peat-forest in Indonesia”, ended in March 2014 and this GEF project can be built on the outcomes of JICA project such as MRV methodology in Peatland. Subsequently, since JICA implements a project “Indonesia-Japan Project for Development of REDD+ Implementation Mechanism (IJ-REDD+, duration: June 2013 – June 2016)” and activities are highly relevant to GEF project, it is recommended for IFAD to consult with JICA on technical issues.

**40. Mozambique - Payment for Ecosystem Services to Support Forest Conservation and Sustainable Livelihoods – FAO - GEF ID = 5516**

✓ **Finland's Comments**

- We consider crucial to manage expectations among all levels (among community members, among Gov. Officials nationally and regionally) regarding the word “payments” (for environmental services). Easily beneficiaries understand that the project will give payments but as far as we understand there is no established funding existing at this point to pay for future performance based offset. Managing expectations toward beneficiaries needs to be taken into account in the way project staff communicates. Another reason why expectation among beneficiaries need to be managed not to raise false hopes of quick money is the fact that it usually takes a long time before payments can be made. This is due to the fact that mechanisms first need to be established and the implemented and funding source found etc. The fact that things tend to take a long time might create frustration among beneficiaries and work against the project. Also the word "Payments" is a bit risky as de facto it might turn out that the benefits from the performance based offsets are not paid in cash but rather in form of a service, such as for example a school or health services. Generally people prefer hard cash but it might not be the best option.
- Efforts to find a source of funding for the actual payments (for the environmental services) needs to be done right from the start of the project. It is worth to explore opportunities with the World Banks Carbon Fund. They have a pot of 360 million USD dedicated to pilot REDD+ payment mechanisms.
- The activities listed in component 3 are not related to piloting PAYMENTS for environmental services but rather related to start up the possibility to sometime in the future be able to generate offsets and then have the right to obtain PES.
- Connected to the first comment under 3.1. it is expected that communities income will increase. This alludes to that we de facto are aiming for cash payments. This might be worth rethinking. There are a

number of challenges in regards to sustainability etc. when it comes to cash payments.

- There are no references in the logical frame to clarification of land tenure and establishment of community based land tenure schemes. Clear tenure is directly linked to a functioning benefit sharing system.
- Regarding component 1. Strong coordination and keeping track of what other REDD+ related projects are ongoing. There are quite a few already ongoing in Mozambique – not only FCPF.
- A comment regarding the budget: Component 2 (capacity building) is over budgeted. Recommendation: move funds from component 2 to component 3 (implementation) and slightly to component 1 (design).
- 3.3.1. belongs to component 2 not 3.

✓ **France's Comments**

The project objective is to promote biodiversity conservation and climate change mitigation in miombo ecosystems, through the development of a payment of ecosystem services (PES) scheme that supports sustainable use and conservation of forests and wildlife and improves local peoples' livelihoods.

The project will focus its activity in the Zambezia province and concentrate PES development in two project sites bordering two conservation areas in this Province: the Derra Forest Reserve and the Gile Wildlife Reserve.

Comments:

- We globally support this initiative and its objective to reduce deforestation through PES scheme.
- We would like to raise attention to the FAO and JICA that the French Development Agency and the FFEM are completing a first 3,7 M € support to the Ministry of Tourism (MITUR) focused in the Gile national reserve and its bordering area (notably with the development of a buffer zone officially established November 1st, 2011 through a decree n°70/2011 over 167,100.00 ha) and are at the inception of a 5 M € second phase project dedicated to the development of a REDD + mechanism to finance avoided deforestation in the bordering area of the same Gile Wildlife Reserve.
- There's clearly important opportunity of complementarity between the new REDD+ project (benefiting from FFEM funding) and this one (with GEF/JICA/FAO funding) if both Mozambican agencies (MINAG and MITUR) improve interministerial coordination to avoid competitive activities or overlaps of activities in the same bordering area of the Gile Wildlife Reserve.
- The two projects could definitely work synergistically together and generate complementary outcomes, if they work closely together in a coordinated manner.
- We urge FAO and JICA to support MINAG to coordinate this GEF project development with the REDD+ one managed with MITUR, and to associate AFD agency in Maputo to this project development phase to facilitate the final project design and a coordination framework amongst both projects.

❖ ***Opinion: Favourable, with the above recommendation of coordination with MITUR and the French development agency office in Maputo.***

✓ **Japan's Comments**

- It is highly recommended that FAO coordinate this project with a JICA expert, dispatched to Ministry of Agriculture National Directorate of Land and Forests, as to effective alignment of the project component, especially because this project promotes development of PES schemes targeting ecosystems including forests and JICA supports establishment of national monitoring system of the forests.
- Paragraph38 :
  - It is true that one of the barriers to promote private sector engagement is the perception of risk and the long payback periods for investment. On the other hand, it is also true that the opportunities for networking and exchanging information on the development needs are not sufficiently provided. The lessons learned from GEF projects should be widely shared in order to stimulate private investments.

✓ **Germany's Comments**

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

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

Germany welcomes the PIF and agrees with the STAP assessment that the PIF provides a very relevant and feasible project design built on a thorough problem analysis. Germany would like to add the following comments for consideration:

- Experience shows that short-term economic benefits, for example from charcoal production, are an important driver for illegal logging. Germany therefore recommends a very careful consideration of the (short-term) benefits that can be derived from the sustainable production practices introduced by the project.
- In this context the project's support for the implementing of the National Biomass Energy Strategy providing incentives for the use of alternative energy sources plays a crucial role. Although already mentioned in the PIF (part A.1), Germany recommends to elaborate on this in greater detail in the project preparation.
- The described risks for the project implementation do not consider risks associated with political instability and changes in the security situation in the project region. Germany recommends including these risks.
- As part of the regional SADC REDD activities, Mozambique has also been selected as pilot country for the development and testing of a regional approach to measure changes in forest areas and associated carbon stocks in Mopane woodlands in the Tete area (Part A1, page 7). Germany recommends incorporating experiences already made in these regions in the project.

**41. Nigeria - Sustainable Fuelwood Management in Nigeria – UNDP - GEF ID = 5745**

✓ *No comments were received for this project.*