



CELEBRATING TWENTY YEARS

**GLOBAL ENVIRONMENT FACILITY**

INVESTING IN OUR PLANET

COMPILATION OF COMMENTS  
SUBMITTED BY COUNCIL MEMBERS  
ON INTERSESSIONAL WORK PROGRAM  
APPROVED BY COUNCIL ON MARCH 29, 2011

NOTE: This document is a compilation of comments submitted to the Secretariat by Council members concerning the project proposals presented in the Intersessional Work Program approved by the Council in March 29, 2011.

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**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
(REFERENCE GEF/IS.24)

**BIOLOGICAL DIVERSITY**

**1. China: Securing Biodiversity Conservation and Sustainable Use in China's Dongting Lake Protected Areas, FAO; ID 4356.**

✓ **Switzerland Comments**

*General Comments*

The proposed project complies with CBD strategies and priority programs. If successful, the proposed interventions will significantly contribute to the sustainable conservation of key wetlands and lake ecosystems of global importance.

*Main Concerns*

- 1) How to achieve financial sustainability of proposed interventions? Source of seed money for proposed ecological fund and how to replenish fund?
- 2) Is the legal framework for co-management arrangements of protected areas (including affected communities depending on the resources within the NRs) in place?
- 3) Ecological Compensation Fund: what is the funding source and is the fund sufficient to compensate all affected communities for lost traditional user rights and opportunities, safeguarding sustainable livelihoods of families reportedly representing some of the poorest in the country?
- 4) How exactly will the project mainstream biodiversity conservation into sector planning in all of China (see Project Framework 5)?
- 5) It is not clear how the proposed harmonized multi-stakeholder management of the NRs will be achieved in view of the numerous resource- and land-use mandates and authorities related to the target area.

*Conclusions and Recommendations*

In spite of the recognized global ecological importance and urgent protection needs of the targeted wetlands, stabilizing and safeguarding the livelihood of the economically marginalized communities depending on the NRs for their survival should receive top priority. There are doubts on how the project deals with social justice and human life.

The project is sound and justified and should be endorsed in principle taking these concerns into consideration.

### *Further Comments*

It is suggested that the proposed threat analysis is included in the multi-stakeholder inception workshop. Following the threat analysis, potential mitigation measures and related interventions/strategies should be discussed at the same event in a participatory fashion involving all workshop participants in order to keep the planning process transparent and open, and providing all stakeholders with the opportunity to express their concerns and lobby their interests. It is advised against conducting “exclusive” workshops (technical workshops as proposed in the document). All workshops should include representatives of current user groups of the NRs in view of the importance of the targeted ecosystems related to the livelihood of the communities located within. Ownership and buy-in by all major stakeholders will be the key to the success of this highly ambitious project.

#### ✓ **Germany Comments**

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

As the proposed FSP is expected to provide experiences and “lessons-learned” that could prove to be catalytic in launching similar approaches in other national wetlands, we would expect coordination with ongoing donor initiatives in the design of the project. In particular, we recommend cooperation with the Sino-German Project on Wetland Biodiversity Conservation in China (2010-2014).

#### ✓ **France Comments**

The project targets the Dongting Lake, a wetland of global importance. It proposes to develop a classical approach when dealing with ecosystem management focusing on 1) policy planning and institutional arrangements, 2) protected area management with a view to ensure their sustainable financing, 3) capacity building...

While the intentions are sound, the possibility to implement all of them can be questioned. Considering the complexity of the legal context of the area (4 protected area, several public agencies involved, etc.), the large geographical scope (more than 1 Mha), and the project appears quite ambitious.

Those ambitions should be confronted to the ambitions of former project on the area, in particular the GEF/PNUD project and what could be actually achieved.

Those ambitions contrast also with a thinly developed social context and thinly evaluated social stakes of the project:

- The PIF provide only scarce background data as for example the number of people living in and around the project area, the human density we are dealing with, the number of people depending directly and indirectly from the lake and its resources, etc.

- The PIF doesn't look into the potential impact of the project on the lake direct and indirect users:
  - a) Who is going to win (and then support the project) and who is going to lose (and then resist the project)?
  - b) How do we compensate or deal with the losing ones?

The contribution to the project to the local development must be developed. The project is planning for example to close down for example 50 paper mills. It means so many workers out of job.

What concrete opportunities and when will the project offer in return?

Opinion: Favorable, under the condition that the next step of preparation look more deeply into the concrete feasibility of the project and its social context and impact (and hence acceptability).

## INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS

(REFERENCE GEF/IS.24)

### CLIMATE CHANGE

#### 2. **Russian Federation: Russia Energy Efficiency Financing (REEF) Project, World Bank; ID 4427.**

##### ✓ Switzerland Comments

###### *Overall Comments*

The project aims at reducing GHG emissions by improving energy efficiency (EE), which constitutes one of the most important mitigation potentials in Russia, through the development of an in-house energy efficiency lending business. The project builds upon a US\$300 million IBRD loan and is supported by strong national policies and strategies in the field of energy efficiency improvement.

The development of an in-house energy efficiency lending business will be done through efforts expanding in two main directions: a) first, loans to large energy-intensive companies, and then to regional and municipal entities; b) first, through Gazprombank (GPB), and then through other banks which will receive training and technical assistance as well as benefit from Gazprombank's experience.

While the project has some strong features for success with regard to the implementation (use of existing tools to analyze energy uses and prioritize actions, development of models that will be replicated on a large scale, training of new banking partners, etc.), some aspects of the project need further elaboration and clarification (sectors that will be targeted, evaluation of barriers and risks for EE loans, identification of potential banks and services partners for the market development phase, etc).

The project objective is to reduce greenhouse gases through the removal of barriers related to energy efficiency investments in the large scale industrial and municipal sectors. The implementation of the project activities will strengthen Russia's capability in establishing financing and delivery mechanisms supporting energy efficiency investments in the country's industrial and municipal sector. Russia's economy is one of the most energy-intensive in the world.

###### *Questions, Concerns and Challenges for further Project / Program Refinement*

Even after 20 years of market reforms, there are persistent barriers to enhancement of energy efficiency. STAP observes that while the PIF lists barriers to enhanced energy efficiency, it provides very little information about the intended lending priorities associated with its mitigation potentials and how markets will really be

transformed through the implementation of this large project. ESCO promotion and financing has been pursued by the World Bank (with GEF funding) in Russia and Ukraine since in the mid 1990s. One would hence expect that this PIF proposal would refer to **key lessons learned** (since 1995) through earlier GEF funded interventions in enhancing EE and how the intervention through this comparatively large project would be made more effective (with regard to ESCOs) and policy conducive. Such information is however largely lacking. There is reference to the “GEF EE Umbrella Programme” implemented by UNDP/UNIDO and EBRD, which should contribute to bring down apparently still significant barriers. The PIF is however silent on how this project itself addresses the policy dimension. Surprisingly, the STAP review does not point to this gap. Considering the size of the project, what, if not such a large project, is capable of generating the policy gains stipulated in the GEF 5 intervention strategy for EE in the industrial and the building sector? In 2010, EBRD and IEA published a review paper on energy efficiency governance, a document which seems not to have been fully taken into consideration while drafting this PIF note. The Chinese 12-year plan provides an example of what can be achieved in enhancing energy efficiency in the industry sector through a conducive policy framework (e.g. by increased taxation of companies who fail to meet required energy efficiency benchmarks). Russia should adopt this ambition as well and GEF/World Bank could contribute to this process.

- The project is described as being framed within the Energy Strategy 2030 that, among others, aims at increasing energy prices (particularly in the public buildings and housing sectors) and thus will support energy efficiency (see pp.6-7). How will the project support the phasing out of the energy subsidies in the above-mentioned sectors and in the other sectors that are being focused on in component 1 (petrochemical, machinery, metal, agro-processing, regional/municipal utilities) and 2 (regions/cities with no mention of the sectors that will be focused)?
- What sectors will be targeted in component 2 (regional and municipal level) (pp.10-11) and based on what criteria?
- What potential energy services companies and banks have been identified for component 3A and B (technical assistance to support broad market development) (p. 11)? What strategy will be used to recruit them?
- The PIF analyses the situation as follows: “(...) without GEF resources, it is likely that GPB would only lend to its existing customer base, and only finance very large (...) industrial EE and modernization projects. While the result would likely be very large energy savings, it is unlikely that the project would lead to substantial uptake by other banks (...)” (p. 9). What analyses support these assumptions?
- What difficulties did the banks see (with the exception of Gazprombank) when they were presented with the project and declined the invitation to participate in its first phase? (p.9) How will these difficulties be overcome so that these banks are able to participate in a later phase of the project?
- To what extent do the GEF funds, blended with the loan funds for the implementation of pilot EE action plans on the regional/municipal level (component 2B), help to overcome the repayment risks? To what extent are new banking

partners recruited in component 3B (market development) able to provide loan funds without grant funds for reducing repayment risks (p. 11)?

*Conclusions and Recommendations*

Switzerland welcomes this ambitious World Bank project proposal.

In the further process of Prodoc preparation, more effort should be made to integrate policy gains into the lending policy and the overall project design. We further recommend strengthening the search for best policy practices in the STAP review.

Important critical issues have been identified for ensuring the success of this project. Since the identified risks under B.4 are significant, the above-mentioned concerns and challenges should be satisfactorily addressed before project endorsement.

✓ **Germany Comments**

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

- The Russia Energy Efficiency Financing (REEF) proposal tackles, amongst other issues, also building insulation. Potentially this means that HFC (as standard mainstream technology) will be applied. The proposal as such is lacking detailed elaboration on the choice of technologies which has also been criticised by STAP. Details should indicate clearly that natural blowing agents will be used for production of insulation materials.
- Germany supports the STAP comments with regard to the baseline scenario and the barrier analysis which, given the large scale of this project, would both benefit from a more detailed elaboration.
- Germany notes that while the project focus is clearly on increasing supply of EE financing through financial institutions, more attention needs to be given to generating the demand for and the capacity to absorb and deploy the financing. Germany therefore suggests that the market development component puts greater emphasis on outreaching to and capacity development for the end-users of the grants provided, i.e. industrial companies.



**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
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LAND DEGRADATION

**3. Tajikistan: Second Upland Agricultural Livelihoods and Environmental Management, World Bank; ID 435**

✓ *Switzerland Comments*

*Overall Comments*

The social and environmental relevance of SL/WM to overcoming resource degradation and climate change impacts is proven. The inclusion of SL/WM in the World Bank's 2010-2013 Country Partnership Strategy for Tajikistan shows the importance of the project for these goals. The available project documentation, however, does not reflect the claim to integration in existing strategies and programmes, nor does it do justice to the statement that this project has been requested as a follow-up to the successful World Bank/GEF financed Community Agriculture and Watershed Project (CAWMP). As stated by the STAP, the project description is too general and does not yet respond to "how questions" and related criteria. The main hypothesis, stating that "improved land management over a larger area would reduce the vulnerability of agro-ecosystems to soil erosion and pasture deterioration - major factors in degradation of uplands" is indeed the key for the success of the project. Implementation concepts, methods, and approaches should be much clearer than in the current PIF; this is all the more relevant in view of the fact that the World Bank has the main responsibility for this project due to their additional financing of a total of 15 million USD. There are high risks that funds will not reach targeted beneficiaries. This weakness and the need to develop knowledge and institutional capacity highlight the importance of investing into capacity development and integrating local resource users and civil society.

*Questions, Concerns and Challenges for further Project Preparation*

The financing of farmers' subprojects provides a strong incentive to participate in the project. The elaboration of village action plans risks being driven mainly by the hidden agendas of the more powerful local stakeholders to gain access to funding. How can the conditions for SL/WM planning at the village level be improved? Such planning requires joint analysis in view of common interests, including secure access to land by users. It would be helpful to show how this is successfully done by the CAWMP.

According to the PIF, all subprojects for farmers will address sustainable development. How will this be put in practice considering the lack of capacity and the risks of the project being misled by individual interests?

Improved capacities and knowledge regarding sustainable agricultural practices are expected to increase agricultural productivity, resulting in greater household financial capital and contributions to national-level economic growth. But it remains unclear how this benefit will be achieved. Output 1.5 refers to this in terms of dissemination, but the state of the art does not confirm the efficacy of a dissemination approach.

Nevertheless the magnitude of WB engagement in SL/WM programmes in Tajikistan requires and allows for knowledge management for the region considered. What are the project's approaches to participatory learning and knowledge integration, and what tools and networks (e.g. WOCAT, see <http://www.wocat.net/>) for knowledge management support are applied?

In social terms it remains unclear how the project intends to avoid the risks of contributing to further segregation and disparity within rural society and thereby maintaining high rates of poverty.

The present project's risks of failing to reach targeted beneficiaries and capture benefits contrasts with the WB's claim to great experience in investment lending focusing on institution building, infrastructure development and policy reform.

### *Conclusions and Recommendations*

Further project formulation has to address the current lack of adequate approaches, tools, networking and project design in order for the project to make enhancing contributions to SL/WM and governance in Tajikistan.

#### ✓ **Germany Comments**

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

We strongly recommend actively consulting and coordinating with the Central Asian Country Initiative on Land Management CACILM, additionally to being “consistent with the land degradation focus” of CACILM. We strongly recommend actively coordinating and consulting with ongoing projects related to land management implemented by USAID, IFAD, GIZ and others.

The PIF states that “Capacities will be built to reduce desertification, soil erosion and deforestation”. We would like to emphasize that we see the problem of rural energy supply as one of the root causes of deforestation. Therefore we suggest to

clearly address related issues and to identify how a reduction of deforestation can be achieved. German Development Cooperaton has extensive experience in addressing deforestation and desertification in Tajikistan, therefore we suggest consulting GIZ on this issue.

We suggest to place special emphasis on the question, how sustainability of capacity development can be achieved.

The PIF mentions land insecurity, limited private sector capacities, lack of investment capital as additional problems. We suggest to clarify how these problems will be addressed.

INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS  
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MULTI-FOCAL AREA

**4. Azerbaijan: Sustainable land and forest management in the Greater Caucasus landscape, UNEP; ID 4332.**

✓ *Switzerland Comments*

*Overall Comments*

The high local and global relevance of the project is obvious.

Thematically, the primary focus has to be given to inadequate pasture management and overgrazing. The herders' interests cannot be neglected and must be integrated into solutions to reduce overgrazing. The problem structure identified matches available experience and impressions. The difficulties related to the legal, regulatory and institutional framework (identified in the baseline and addressed in Component 1) have to be emphasised and further specified in order to facilitate a coherent functioning of the governmental structures. These difficulties are related to minimal experience, which seems to be the key and calls for integrative bottom-up learning processes in order to create motivation, competence and cooperative relations between herders and government representatives. Such an experience will provide a basis for building an enabling legal, policy and institutional framework. Working with pilot rayon-level and intersectoral committees could offer an opportunity to overcome specific difficulties and the lack of experience and create capacity to transform the institutional framework.

*Questions, Concerns and Challenges for further Project Preparation*

- Models for sustainable land and forest management are not blueprints. They have to be rooted in the local and regional society and context and must be formulated in a bottom-up process in which external experts and representatives contribute constructively and are integrated in the joint learning process.
- The strategic procedure is the key for the success of the project. The project should begin with pilot initiatives to jointly understand the current degradation dynamics and develop countermeasures.
- The enhancement of the institutional framework depends on legal enforcement, which therefore may represent a critical factor that must be addressed in addition to direct measures to avoid project failure due to corruption.
- Carbon sequestration can only be enhanced if the dynamics of degradation are reversed. It would be therefore beneficial to the project to revise the planned procedure and create opportunities for learning processes in pilot contexts to initiate transformation of the institutional framework.

- Specific integrative joint learning concepts for mixed groups of local resource users, experts and institutional representatives may be a key complement to planning support from cross-sectoral expert groups.
- WOCAT (<http://www.wocat.net/>) offers expertise, concepts and techniques for the further preparation, implementation and monitoring of projects for SLM.
- Insecurity due to conflicts in certain regions may constitute a major obstacle to the project's progress. A good regional balance and flexibility may be necessary in order to reduce risks without leaving out needs that have to be addressed.

#### *Conclusions and Recommendations*

The importance and magnitude of forest and pasture degradation in Azerbaijan need to be addressed. However, there is much negative experience with previously launched action plans and programmes. This project must therefore avoid the known risks and operate with a procedure that allows for innovation and builds on pilot experience. Competences developed in specific pilot municipalities and rayons (see above) may be an important precondition for initiating the transformation of the current institutional framework into a more enabling one.

Overall, Switzerland recommends to GEF the approval of this project.

#### ✓ *Germany Comments*

*Germany requests the Secretariat to send draft final project documents for Council review four weeks prior to CEO endorsement for the following projects:*

Sustainable Land and Forest Management in the Greater Caucasus Landscape, Multi Focal Area (Azerbaijan), GEFID = 4332

**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
(REFERENCE GEF/IS.24)

**5. Costa Rica: Fifth operational phase of the GEF's Small Grants Programme, UNDP; ID 4382**

✓ **Switzerland Comments**

*Overall Comments*

This commentary refers to six projects, n°05 to n°10, of the current IWP, which are all subscribed to the fifth operational phase of the GEF's Small Grants Programme. For all of them, UNDP figures as implementing agency.

- All six projects are designed in line with the 5<sup>th</sup> phase of the SGP.
- Part 1 (project identification) of the six PIFs is done in a rather coherent way. For each project the Focal Area Strategy Frameworks are systematically described and the Project Frameworks are well specified.
- Part 2 (project justification) of the six PIFs is individually done for each project. Particularly the project overview is very well specified.
- We regret, however, that the STAP reviews for all six projects are identical. They do not deal with the individualities of each project.

*Questions, Concerns and Challenges for further Project / Programme refinement*

We basically feel that the six projects are well designed. The challenges for further Project refinement are in general not project specific but refer more to the overall SGP (programme) level. The latter have been commented on and discussed earlier.

There are only three challenges we would like to emphasise again:

- All six projects look rather like stand-alone projects. We particularly regret that little attention seems to be given to their links with the respective GEF country portfolios.
- All six projects seem very ambitious and deal with very different focal areas and geographic territories. The risk of a dispersion of efforts is evident.
- The verification in project monitoring and assessments is a major challenge.

*Conclusions and Recommendations*

Overall, all six projects are well designed and the project frameworks are well specified and given very individually.

Switzerland supports the approval by GEF of all 6 SGP projects

✓ Germany Comments

*Germany requests the Secretariat to send draft final project documents for Council review four weeks prior to CEO endorsement for the following projects:*

Fifth operational Phase of the GEF Small Grants Program (Costa Rica), GEFID = 4382

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

Climate change:

- The GAP Analysis is based on the work of GRUAS until 2009. There is no reference to the potential climate variability or the potential effects of climate change. Although we support the assumption that the resilience of ecosystems can be supported through an enhanced connectivity, we suggest to carry out supplementary vulnerability assessments (Biodiversity, Agriculture, and Tourism) to analyse the expected impacts of climate change.

Risk analysis:

- The risk analysis is very optimistic. Experiences with small scale measures cannot be transferred easily into the complex design and management of biological corridors. Governance aspects are only briefly described as barriers, but they are not addressed as part of the solution. Therefore we suggest elaborating the risk analysis.

Cooperation with other initiatives

- It should be clarified how the proposed project relates to the Costa Rica Forever Initiative, an association that manages the public-private conservation initiative developed by the Costa Rican Government together with NGOs and private foundations. Within this initiative, the German Government supports the project “Marine and coastal biodiversity, capacity development and adaptation to climate change (BIOMARCC)”. Potential for coordination and cooperation should be explored. The stakeholder analysis should be enhanced in this context.

Co-financing:

- Germany notes that only \$200,000 of the anticipated \$4,625,000 co-financing sources have been identified at this stage. Sources of co-financing should be confirmed prior to approval of the Final Project Document.

✓ **France Comments**

The project's objective is to use the Costa Rican STAR allocation to contribute to the GEF/UNDP Small Grants Programme (SGP).

The PIF explain very clearly how this country contribution to the SGP is consistent with the GEF focal area strategies and national strategies/plans, which is a very good mainstreaming exercise.

On the contrary to the PIF number 6 and 8 below, this PIF provides at least some ideas on the project outputs toward the civil society. The § B.3 p14 explains that a maximum grant of 20.000 US\$ will be provided per project and that it is expected that 120 Community Based Organizations should benefit from this GEF Grant.

Then, one question raises: if the GEF grant is 4.398 M US\$ and only (20,000.00 US\$ x 120 CBO => 2,400,000.00 US\$ is directly awarded to CBOs, where the rest of the grant (1,998,148.00 US\$) is going?

Moreover, the PIF lack of an assessment of previous SGP supports, successes and failures and the current status and needs in capacity building of the Costa Rican grant beneficiaries (there is some information on the global SGP program outcomes, but little if no detailed information on the Costa Rican SGP results and national CBOs issues).

**Opinion: Favorable, if the previous questions on civil society support are clarified.**

✓ **Denmark Comments**

Denmark has the following comments to the Fifth Operational Phase of the GEF Small Grants Programme (UNDP) (GEF Project Grant : \$4,398,148)

- Monitoring is only vaguely described.
- It is not clear if the GEF small grant monitoring scheme is linked to the national monitoring schemes in Costa Rica.



**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
(REFERENCE GEF/IS.24)

**6. Ecuador: Fifth operational phase of the GEF's Small Grants Programme, UNDP; ID 4375**

✓ **Switzerland Comments**

*Overall Comments*

This commentary refers to six projects, n°05 to n°10, of the current IWP, which are all subscribed to the fifth operational phase of the GEF's Small Grants Programme. For all of them, UNDP figures as implementing agency.

- All six projects are designed in line with the 5<sup>th</sup> phase of the SGP.
- Part 1 (project identification) of the six PIFs is done in a rather coherent way. For each project the Focal Area Strategy Frameworks are systematically described and the Project Frameworks are well specified.
- Part 2 (project justification) of the six PIFs is individually done for each project. Particularly the project overview is very well specified.
- We regret, however, that the STAP reviews for all six projects are identical. They do not deal with the individualities of each project.

*Questions, Concerns and Challenges for further Project / Programme refinement*

We basically feel that the six projects are well designed. The challenges for further Project refinement are in general not project specific but refer more to the overall SGP (programme) level. The latter have been commented on and discussed earlier.

There are only three challenges we would like to emphasise again:

- All six projects look rather like stand-alone projects. We particularly regret that little attention seems to be given to their links with the respective GEF country portfolios.
- All six projects seem very ambitious and deal with very different focal areas and geographic territories. The risk of a dispersion of efforts is evident.
- The verification in project monitoring and assessments is a major challenge.

*Conclusions and Recommendations*

Overall, all six projects are well designed and the project frameworks are well specified and given very individually.

Switzerland supports the approval by GEF of all 6 SGP projects

✓ Germany Comments

*Germany requests the Secretariat to send draft final project documents for Council review four weeks prior to CEO endorsement for the following projects:*

5th Operational Phase of the GEF Small Grants Program in Ecuador (Ecuador),  
GEFID = 4375

The proposed GEF small grant project "Increase in sustainable managed landscapes and seascapes that integrate biodiversity conservation" picks up on important and necessary issues and activities for Ecuador.

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

1) General remarks

- Comment on Expected Output 2.1.1: “Twelve biological corridors designed and their management plans prepared...” The number of 12 biological corridors seems very high considering the timeframe and financial resources.
- Comment on Expected Output 1.1.2: “Eco-friendly economic activities such as alpaca breeding and production of alpaca wool”: We suggest – if not yet done – to exchange experiences and coordinate activities with ECOCIENCIA as this NGO is since several years working on this topic in Chimborazo.
- The strategy on capacity building for the involved institutions should be described in more detail in the Final Project Document.
- The Final Project Document should state, how the project is related to Ecuador’s “Plan de Buen Vivir”.
- It should be considered to promote the certification of aquaculture (via the ASC) products in order to meet sustainability targets. By certifying aquaculture products it is possible to achieve ecological, social and economic benefits concurrently.

2) Coordination with ongoing projects in the region

- The proposed GEF project focuses on subjects that are very similar to the GIZ programme Gestion Sostenible de Recursos Naturales (GESOREN). Coordination between the GEF SGP and GIZ is recommended.

3) Co-financing

- Several Bilateral Cooperation Agencies, amongst them GTZ, are mentioned in “Sources of Co-financing”. Sources of co-financing have to be confirmed before submission of the Final Project Document. From the side of (GTZ/GIZ) so far no co-financing has been agreed.

✓ **France Comments**

The project's objective is to use the Ecuadorian STAR allocation to contribute to the GEF/UNDP Small Grants Programme (SGP).

The PIF explains very clearly how this country contribution to the SGP is consistent with the GEF focal area strategies and national strategies/plans, which is a very good mainstreaming exercise.

On the contrary to the previous Costa Rican PIF, there is almost no information on the beneficiaries of the small grants (for comparison see the Costa Rica PIF above). On the quantitative side for example, there is no information on the number of communities/ civil society organizations which will benefit from the GEF funds and how much money in average will be granted to each of them (there is some communities output numbers in the table § "B Project Framework" page 2, but it's not clear if they can be summed up or if one community can benefit from one grant comprising/covering several project components).

From a qualitative point of view, as the SGP is to support and foster the civil society of the beneficiary country, the PIF lack of an assessment of previous SGP supports, successes and failures and the current status and needs in capacity building of the Ecuadorian grant beneficiaries.

If the global environment purpose of this 4,398 M US\$ grant is clear, the civil society purpose and rationale is unclear.

**Opinion: Favorable, if the previous questions on civil society support are clarified.**

✓ **Denmark Comments**

Denmark has the following comments to the Fifth Operational Phase of the GEF Small Grants Program in Ecuador(UNDP) (GEF Project Grant : \$4,398,145)

- Monitoring is only vaguely described; the project applies internal GEF/SGP monitoring, which is probably acceptable to donors; but it is not clear in which way is the GEF small grant monitoring scheme linked to the national monitoring schemes in Ecuador?

**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
(REFERENCE GEF/IS.24)

**7. India: Fifth operational phase of the GEF's Small Grants Programme, UNDP; ID 4383**

✓ **Switzerland Comments**

*Overall Comments*

This commentary refers to six projects, n°05 to n°10, of the current IWP, which are all subscribed to the fifth operational phase of the GEF's Small Grants Programme. For all of them, UNDP figures as implementing agency.

- All six projects are designed in line with the 5<sup>th</sup> phase of the SGP.
- Part 1 (project identification) of the six PIFs is done in a rather coherent way. For each project the Focal Area Strategy Frameworks are systematically described and the Project Frameworks are well specified.
- Part 2 (project justification) of the six PIFs is individually done for each project. Particularly the project overview is very well specified.
- We regret, however, that the STAP reviews for all six projects are identical. They do not deal with the individualities of each project.

*Questions, Concerns and Challenges for further Project / Programme refinement*

We basically feel that the six projects are well designed. The challenges for further Project refinement are in general not project specific but refer more to the overall SGP (programme) level. The latter have been commented on and discussed earlier.

There are only three challenges we would like to emphasise again:

- All six projects look rather like stand-alone projects. We particularly regret that little attention seems to be given to their links with the respective GEF country portfolios.
- All six projects seem very ambitious and deal with very different focal areas and geographic territories. The risk of a dispersion of efforts is evident.
- The verification in project monitoring and assessments is a major challenge.

*Conclusions and Recommendations*

Overall, all six projects are well designed and the project frameworks are well specified and given very individually.

Switzerland supports the approval by GEF of all 6 SGP projects

## INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS

(REFERENCE GEF/IS.24)

### 8. Kenya: Fifth operational phase of the GEF's Small Grants Programme, UNDP; ID 4362

#### ✓ Switzerland Comments

##### *Overall Comments*

This commentary refers to six projects, n°05 to n°10, of the current IWP, which are all subscribed to the fifth operational phase of the GEF's Small Grants Programme. For all of them, UNDP figures as implementing agency.

- All six projects are designed in line with the 5<sup>th</sup> phase of the SGP.
- Part 1 (project identification) of the six PIFs is done in a rather coherent way. For each project the Focal Area Strategy Frameworks are systematically described and the Project Frameworks are well specified.
- Part 2 (project justification) of the six PIFs is individually done for each project. Particularly the project overview is very well specified.
- We regret, however, that the STAP reviews for all six projects are identical. They do not deal with the individualities of each project.

##### *Questions, Concerns and Challenges for further Project / Programme refinement*

We basically feel that the six projects are well designed. The challenges for further Project refinement are in general not project specific but refer more to the overall SGP (programme) level. The latter have been commented on and discussed earlier.

There are only three challenges we would like to emphasise again:

- All six projects look rather like stand-alone projects. We particularly regret that little attention seems to be given to their links with the respective GEF country portfolios.
- All six projects seem very ambitious and deal with very different focal areas and geographic territories. The risk of a dispersion of efforts is evident.
- The verification in project monitoring and assessments is a major challenge.

##### *Conclusions and Recommendations*

Overall, all six projects are well designed and the project frameworks are well specified and given very individually.

Switzerland supports the approval by GEF of all 6 SGP projects

✓ **Germany Comments**

***Germany requests the Secretariat to send draft final project documents for Council review four weeks prior to CEO endorsement for the following projects:***

5th Operational Phase of the GEF Small Grants Program in Kenya (Kenya), Multi-Focal Area (Kenya), GEFID = 4362

While the PIF effectively identifies a wide range of environmental challenges that need to urgently be addressed in Kenya, Germany notes that the focus is very broad and an integrated focus is lacking between the proposed project components and focal areas. The proposal seems to suggest that in a four-year timeframe some very serious challenges can be resolved, which seems unrealistic given the stated barriers. Therefore,

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

- Consider setting the project goals to overcome stated barriers as a first step, i.e. awareness-raising.
- Address how the breadth of focus and ecosystems can effectively be managed under the SGP
- Address how the stated goals can realistically be reached in the 4-year time horizon.

Experiences in many countries show that these processes take time and require enormous amounts of capacity building, awareness raising and coordination at many levels. The question is whether the proposal for Kenya is realistic for the number of communities and time horizons proposed. Further justification on this point would be helpful.

✓ **France Comments**

The project's objective is to use the Kenyan STAR allocation to contribute to the GEF/UNDP Small Grants Programme (SGP).

The PIF explain very clearly how this country contribution to the SGP is consistent with the GEF focal area strategies and national strategies/plans, which is a very good mainstreaming exercise.

On the contrary to the previous Costa Rican PIF, there is almost no information on the beneficiaries of the small grants (for comparison see the Costa Rica PIF above). On the quantitative side for example, there is no information on the number of communities/ civil society organizations which will benefit from the GEF funds and how much money in average will be granted to each of them (there is some communities output numbers in the table § "B Project Framework" page 2, but it's

not clear if they can be summed up or if one community can benefit from one grant comprising/covering several project components).

From a qualitative point of view, as the SGP is to support and foster the civil society of the beneficiary country, the PIF lack of an assessment of previous SGP supports, successes and failures and the current status and needs in capacity building of the Kenyan grant beneficiaries.

If the global environment purpose of this 5 M US\$ grant is clear, the civil society purpose and rationale is unclear.

**Opinion: Favorable, if the previous questions on civil society support are clarified.**

✓ *Denmark Comments*

Denmark has the following comments to the Fifth Operational Phase of the GEF Small Grants Program in Kenya (UNDP) (GEF Project Grant : \$5,000,000):

- Problem analysis seems to be satisfactory, but do not reflect previous four phases of the small grant programme e.g. lack of information and capacity is apparently still a barrier, but what has the previous four phases achieved in this respect? For second (or in this case fifth) phases of small grants programmes it would be highly beneficial if the PIF format included a section on past experiences and results.
- With regard to arid lands the problem analysis is rather short and weak, despite the rather complex relationship between forces of nature and culture (desertification, pastoralists livelihoods etc.)
- With regard to renewable energy (biomass), the general idea is great, however there are issues and uncertainties to note: 1) energy is not an end in itself, and it is unclear what is the overall objective of this intervention (e.g. private sector growth, increase access to energy etc.)?, 2) the intervention will now involve banks and apparently include micro-finance credits/loans, and not just involve a grant subsidy/co-financing of initial investment costs. How will pay back on credits and loans be dealt with e.g. is the small grant programme in reality subsidising a bank?
- Limited/absent link to certain key national developments and framework e.g. the recently adopted constitution with strong provisions for decentralisation (not mentioned), the Ministry of Northern Kenya and their draft policy for Arid lands (not mentioned) etc. Building upon these elements when working on sustainable rural livelihoods (especially targeting arid lands) is key.
- Kenya is one of the few countries in Africa which express a strong commitment to green growth and are actively pursuing a transition to a greener economy. That is not highlighted in the PIF or utilised in the design.
- The degree of harmonisation and consultation with other interventions is not clear.

**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
(REFERENCE GEF/IS.24)

**9. Pakistan: Fifth operational phase of the GEF's Small Grants Programme, UNDP; ID 4380**

✓ **Switzerland Comments**

*Overall Comments*

This commentary refers to six projects, n°05 to n°10, of the current IWP, which are all subscribed to the fifth operational phase of the GEF's Small Grants Programme. For all of them, UNDP figures as implementing agency.

- All six projects are designed in line with the 5<sup>th</sup> phase of the SGP.
- Part 1 (project identification) of the six PIFs is done in a rather coherent way. For each project the Focal Area Strategy Frameworks are systematically described and the Project Frameworks are well specified.
- Part 2 (project justification) of the six PIFs is individually done for each project. Particularly the project overview is very well specified.
- We regret, however, that the STAP reviews for all six projects are identical. They do not deal with the individualities of each project.

*Questions, Concerns and Challenges for further Project / Programme refinement*

We basically feel that the six projects are well designed. The challenges for further Project refinement are in general not project specific but refer more to the overall SGP (programme) level. The latter have been commented on and discussed earlier.

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- The verification in project monitoring and assessments is a major challenge.

*Conclusions and Recommendations*

Overall, all six projects are well designed and the project frameworks are well specified and given very individually.

Switzerland supports the approval by GEF of all 6 SGP projects



✓ *Germany Comments*

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

- Germany notes that a significant 50% share of the cofinancing for the proposed SGP is planned to be private sector contribution. However, the PIF lacks detail on the identity or general nature of the private sector agents that would contribute this funding. Therefore, Germany recommends that the strategy for leveraging these funds is given further thought and spelled out clearly during the drafting of the final project proposal.
- Germany recommends a calculation of the emission reduction achieved by building low carbon housing and by the promotion of solar energy products, since this would further demonstrate the significant GHG benefit and the cost-effectiveness of this project. The PIF just indicates emission savings achieved by cookstove distribution and reforestation activities.

**INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS**  
(REFERENCE GEF/IS.24)

**10. Philippines: Fifth operational phase of the GEF's Small Grants Programme, UNDP; ID 4380**

✓ *Switzerland Comments*

*Overall Comments*

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- All six projects are designed in line with the 5<sup>th</sup> phase of the SGP.
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- We regret, however, that the STAP reviews for all six projects are identical. They do not deal with the individualities of each project.

*Questions, Concerns and Challenges for further Project / Programme refinement*

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- The verification in project monitoring and assessments is a major challenge.

*Conclusions and Recommendations*

Overall, all six projects are well designed and the project frameworks are well specified and given very individually.

Switzerland supports the approval by GEF of all 6 SGP projects

✓ *Germany Comments*

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

The objectives of the proposed Small Grants Programme are very ambitious. Enhanced coordination among the different stakeholders will be necessary to achieve these objectives and to support the implementation of national and regional development strategies (such as the Comprehensive Land Use Plan (CLUP)). The following points should be taken into account during the further planning of the project:

- Apply a more holistic ridge-to-reef approach that enhances the combination of land use plans for terrestrial and coastal zone/ marine areas more thoroughly.
- Enhance the integration/ combination of management plans in conservation and resource use

Possible overlaps between the program “Protection and Rehabilitation of Coastal Ecosystems for an improved Climate Change Adaptation in the Philippines as a contribution to the Coral Triangle Initiative - ACCCoast” (funded by the German Ministry for the Environment) should be explored, in order to enhance synergies and avoid duplication of work.

INTERSESSIONAL WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS  
(REFERENCE GEF/IS.24)

PERSISTENT ORGANIC POLLUTANTS (POPs)

**11. China: Minimizing Formation and Releases of Unintentionally Produced POPs (UPOPs) from China's Pulp and Paper Sector, World Bank, ID 4441:**

✓ *Switzerland Comments*

*Conclusions and Recommendations*

We fully support the very well-described comments of the STAP reviewer and expect that they are followed further in the project planning.

Overall, the support of this project is justified by: the reduction of the exposure, the economic importance, and the existence of a sector policy. Therefore, Switzerland recommends to GEF the approval of this current project.

✓ *France Comments*

The project targets the Unintentionally Produced POPs produced by China's pulp and paper sector, in particular **non wood** pulp and paper production. This sector contributes significantly to the total UPOP production in China.

The project rationale is based on a business as usual scenario where the industrial and environmental policies, guidance and standards are not enforced. It proposes accordingly **an incentive approach** by demonstrating the economic viability of improved technologies.

The success of such an approach will depend in particular on the convincing force of the pilot technology test.

In this regard, the PIF lacks information on the number of mills which would be selected, their geographical repartition, etc. i.e. the criteria used to ensure those pilot case offer a good representation of the sector.

The incentive approach (the "carrot") also eclipses the coercive one (the "stick"): what is happening at the end of the project if the updated industrial and environmental policies, guidance and standards are still not applied?

The project should look into a balance approach between the "carrot and the stick".

**Opinion: Favorable taking into account above remarks**