



**GLOBAL ENVIRONMENT FACILITY**  
INVESTING IN OUR PLANET

**COMPILATION OF COMMENTS  
SUBMITTED BY COUNCIL MEMBERS  
ON THE JUNE 2015 WORK PROGRAM**

Note: This document is a compilation of comments submitted to the Secretariat by Council Members concerning the project/program proposals presented in the June 2015 Work Program  
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## COMPILATION OF COUNCIL COMMENTS JUNE 2015 WORK PROGRAM

### PROGRAMMATIC APPROACHES

#### General Comments from USA

The United States recognizes that the Programmatic Approaches, including the Integrated Approach Pilots (IAPs) in this work program, have great potential to enhance the GEF's ability to achieve global environmental benefits. We request that the GEF Secretariat consider the following questions to help improve the implementation of the five programmatic approaches and to provide recipient countries, Agencies and Council Members with additional clarity on program development and implementation:

- How were lead agencies and participating agencies determined?
- How were agencies chosen to lead specific child projects?
- Do all participating agencies have to approve all child projects before they are submitted to the GEF Secretariat? (If not, please specify exactly how agencies approve child projects.)
- At what stage do participating countries endorse the Project Framework Documents (PFDs) and "child project" documentation? If countries are added to a programmatic approach, must all participating countries re-endorse PFDs? Must Council re-approve the framework?
- Has the GEF Secretariat provided guidelines for agencies to inform Council of anticipated child projects under a programmatic approach program at the time of PFD review?
- How will the GEF evaluate the success of a program and its child projects? For example, will mid-term and terminal evaluations of each child project be submitted?

Global (Brazil, Cote d'Ivoire, China, India, Mexico, Malaysia, Peru, Paraguay, Senegal, Vietnam, South Africa) : Sustainable Cities Integrated Approach Pilot (IAP-PROGRAM) (Lead agency: World Bank; ADB, AfDB, DBSA, IADB, UNDP, UNEP, UNIDO) (GEF Project Grant : \$137,822,072) (GEF ID 9077)

#### Comments from Germany:

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

- Germany welcomes this proposal which aims at promoting integrated urban sustainability approaches among participating cities and Germany agrees with the comments by STAP.
- The proposal has parallels to the very successful Cities Development Initiative Asia (CDIA, with parallel funding from BMZ and ADB), which supports medium sized Asian municipalities in infrastructure projects development and access to finance (from development banks and private sector). It needs to be ensured that this project can learn from CDIA's experiences and success factors.

#### Comments from the USA:

The PFD provides too few details of the activities the program will support and how they will differ from those of other organizations that are developing similar sustainable cities-focused programs. We expect that the PFD will be modified to respond to STAP comments, and look forward to reviewing the child projects for this program prior to GEF CEO Endorsement.

Comments from France:

The project will contribute to promote among participating cities an approach to urban sustainability that is guided by evidence-based, multi-dimensional, and broadly inclusive planning processes that balance economic, social, and environmental resource considerations. We globally support this proposal but we would like to underline the following points. Indeed, regarding the aim of the project and its thematic and geographical (11 countries) scope, it seems that :

- the common methodological framework could be strengthened by systematically conducting vulnerability studies on hydrological, environmental and socio-economic aspects. These studies will notably allow to take into account resilience and adaptation to climate change;
- the common framework of knowledge capitalization must be more precise ;
- the issues of urban mobility, in particular in Abidjan, might benefit from the application of innovative planning tools based on analysis of Big Data that have already been tested in these contexts.

**Opinion :** Favorable provided the above comments are taken into account in the design phase.

Comments from Canada:

Canada supports the proposed IAP and notes there are many potential benefits, such as co-benefits with the different GEF focal areas, and addressing key global environmental issues such as urbanization and population growth in a more integrated and comprehensive way . To support its success, we request that the following concerns be addressed prior as the IAP and child projects are further developed, and prior to CEO endorsement:

- The scope of this IAP will make it difficult to sufficiently finance and manage, and it is uncertain that funding and resources spread across 23 cities will result in the desired beneficial outcome for improving local sustainability planning efforts. Please strengthen the proposal to show how these risks will be mitigated.
- While we recognize that multidimensionality is an aspect of the program, it may be useful to limit the variables for each city. This would make the information more comparable, make it easier to assess overall objectives of the program, and facilitate the exchange and dissemination of knowledge.
- Please clearly outline the methodology for this IAP, including: the criteria used to choose cities; and, the criteria that will be used to measure the effectiveness, efficiency, budgetary cost, and level of stakeholder engagement involved within each child project.
- We note that sound management of harmful chemicals and wastes in urban environment is an expected outcome of the IAP. This link should be strengthened in the project proposal, as only two cities identified chemicals and wastes management as a dimension of their project. We propose that more emphasis be placed on the objective of developing “the enabling conditions, tools and environment for the sound management of harmful chemicals and wastes” within all pilot cities proposals, and more detail be included as to how this objective would be met.

**Global (Brazil, Indonesia, Liberia, Paraguay) :** Taking Deforestation Out of Commodity Supply Chains (IAP-PROGRAM) (Lead Agency: UNDP; IADB, CI, UNEP, World Bank, WWF-US)  
(GEF Project Grant : \$40,332,518) (GEF ID 9072)

Comments from Germany:

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

- Germany recommends that the focus be not limited on the three commodities mentioned in the PFD (palm oil, soy and beef), as there are other important agricultural drivers, such as Cacao (important in West-Africa), Sugar, Rubber, Paper/Pulp.
- Regulatory measures can be implemented on supply and demand side (e.g. FLEGT-EUTR). Providing further details on the demand-side markets that are focus of its approach and whether and how regulatory measures can be addressed would be useful.
- Initiatives on deforestation-free supply chains contain many aspects and approaches that are already covered in previous or existing efforts on environmental governance (in particular FLEGT and REDD). The PFD should describe how planned activities can be built on such efforts and specifically for the pilot countries that are foreseen.

Comments from the USA:

We welcome the PFD and look forward to further information about the proposed activities. We are broadly concerned, however, about the degree of reliance on private sector contributions. Such funding has been difficult to secure for similar recent initiatives. Further, the program's potential to increase the sustainability of commodity supply chains and achieve resultant environmental benefits appears stronger in some areas than in others. Accordingly, the United States requests that this IAP PFD be modified to reflect the following comments (including those from the STAP):

1. Co-financing:

- As child projects are developed, UNDP and other agencies should incorporate lessons learned from the World Bank BioCarbon Fund's Initiative for Sustainable Forest Landscapes (ISFL) and the Tropical Forest Alliance 2020 to increase private sector interest and support.
- The level of co-financing from recipient governments is only \$3.5 M. Therefore as the child projects are developed, we expect agencies will engage recipient countries to preserve country-driven programming – a hallmark of GEF success.

2. Project Scope:

- The United States welcomes the components of the proposal that focus on creating enabling environments (including land use planning, available land, financing), and producer capacity and practices (restoration, monitoring and enforcement, dialogue). These components should be further developed as countries formalize their participation in this IAP and determine which of the proposed elements included in this PFD will be consistent with their priorities.
- The most promising aspects of the demand-focused child project should target major buyers and traders, particularly in the private sector, as compared to demand-side elements such as public procurement standards in consumer markets. Therefore, we request that WWF, UNDP and CI focus during the development of child projects on awareness campaigns targeting private sector partners for each commodity in primary demand markets. Further, the support tools and educational campaigns should target major buyers. To date, private sector actions to eliminate deforestation from supply chains have focused on making and implementing pledges. While consumer pressure has been important, it has not been the primary driver of business decisions. Therefore, we caution strongly against projects addressing global trading and markets and developing certification schemes, areas within the purview of organizations like the World Trade Organization.

- We encourage the UNDP to strengthen the adaptive management and learning child project. Since there is already a great deal of understanding about the root causes of deforestation, the proposed strategy may merely duplicate current efforts. The more interesting elements of this PFD are those related to innovation, sustainability, and potential for scaling-up (discussed on page 19) including for determining new markets, products, frontiers and rehabilitation of lands. In the future revisions of this PFD and in the child project, we request that these elements become the primary focus and that all agencies involved actively participate in this effort.
- As the child projects are developed, the priority for GEF funding should be: (1) developing country governments, (2) producers, (3) financial institutions and (4) large buyers. We believe this order reflects the greatest potential to improve supply chain sustainability. Also, the PFD should provide more detail regarding support for development country governments.

**Global (Cote d'Ivoire, Cabo Verde, Ecuador, Indonesia, Peru, Senegal):** Coastal Fisheries Initiative (PROGRAM) (Lead Agency:FAO; CI, UNDP, UNEP, World Bank, WWF-US) (GEF Project Grant: \$33,731,193) (GEF ID 9060)

Comments from Germany:

Suggestions for improvements to be made during the drafting of the final project proposal: Germany welcomes the approach of targeting the efficiency and transparency in the fisheries value chain. Especially the foci on introducing co-management, the reduction of post-harvest losses, increasing the energy efficiency in processing, introducing ecolabelling and value chain approaches with decent work and gender considerations are seen as vital for the project success. The full proposal should clearly point out (according to 53. and 54. on page 18 of the program framework document), while combining the introduction of co-management and rights based fisheries management approaches, that any implementation of the right-based approaches in partner countries will be compliant with the FAO Voluntary Guidelines on Small Scale Fisheries and based on stakeholder participation (including small-scale fisheries).

Comments from the USA:

The United States is supportive of the Coastal Fisheries Initiative (CFI) Programmatic Approach and its goals. The CFI is a very comprehensive, wide-ranging initiative that has the potential to produce excellent outcomes for the countries involved. To make the project most effective, the CFI coordinators should take into account the following suggestions:

- The PFD should explain how other GEF projects intersect with and reinforce the CFI. In particular, we would like more details regarding how this project will work with current GEF efforts (e.g. Humboldt current LME project) to promote sustainability in the anchovy fishery and conservation solutions through Marine Spatial Planning.
- Engagement with the Indonesia Seas Large Marine Ecosystem (ISLME) project, Arafura and Timor Seas LME (ATSLME) project, and Bay of Bengal LME (BoBLME) project, which is not mentioned in the PIF, should be better defined.
- Page 11, Paragraph 28: We believe Chile and Peru collaborate on sustainable fisheries in the context of the HCLME, rather than Ecuador and Peru.
- Page 11, Paragraph 29: We note that WWF is supporting trainings for MSP in Peru, and this should be tied in with already ongoing HCLME efforts on (C)MSP.



Will funding directly support LME project work? LME projects will provide critical support to the CFI, and the PFD should specify the amount of funding for on-the-ground project implementation.

- Pages 1 and 2: Tables A and B should be completely filled in.
- The PFD should clearly explain how this project will support the science needed to achieve the stated management results.
- The GEF IW:LEARN project should be clearly identified as an important partner.
- Regarding the Child Project Concept Note: Delivering Sustainable environmental, social and economic benefits in West Africa through good governance, correct incentives and innovation, we would like to see more emphasis on engagement with the other partners in the region to build on existing work, leverage resources and consider lessons learned.
- Point 6 of the Child Project Concept Note identifies the project as innovative, but seems to overlook how existing projects in the region are working toward similar objectives. We suggest more specific explanation of how this project is innovative.

Global (Botswana, Cameroon, Congo Republic, Ethiopia, Gabon, Indonesia, India, Kenya, Mozambique, Tanzania, Zambia): Global Partnership on Wildlife Conservation and Crime Prevention for Sustainable Development (PROGRAM) (Lead Agency: World Bank, UNDP, UNEP, IUCN, WWF-US, ADB) (GEF Project Grant: \$90,377,470) (GEF ID 9071)

#### Comments from UK

The UK strongly welcomes the adoption of the Global Partnership on Wildlife Conservation and Crime Prevention for Sustainable Development by GEF. The UK has promoted the urgent need for concerted international action to combat the illegal killing and trafficking of wildlife, including through hosting the high-level London Conference on the Illegal Wildlife Trade in February 2014, and by supporting a second conference in Kasane in March 2015. The political declarations agreed at each of these conferences emphasised the importance of supporting sustainable livelihoods as an important element to combat this illegal trade, so we welcome the recognition placed on this aspect in the programme.

The UK is also a strong supporter of action through the Convention on International Trade in Endangered Species (CITES). As such the UK shares the concerns raised by Germany that the programme presented does not adequately reflect the central role of CITES.

The programme should clearly define illegal trade, and in particular recognise that CITES provides the international legal framework for regulating international trade in wildlife. It should also be made explicit that the programme will be delivered within this legal framework and will contribute towards the full and effective implementation of relevant CITES Resolutions and Decisions on illegal trade in wildlife.

Action to tackle the global illegal wildlife trade is a high priority for the UK Government and we are very pleased to see the attention that GEF is placing on this subject. We would support further close collaboration between the GEF Secretariat and the CITES Secretariat to ensure that the new GEF Global Partnership is able to make the most effective contribution to global efforts to combat the illegal wildlife trade.

Comments from Germany:

Germany welcomes this comprehensive approach to promote wildlife conservation, combat poaching and tackle illegal wildlife trade. Based on a thorough analysis of root causes, the proposed approach and objectives are aligned along the entire illegal trade chain, addressing conservation, sustainable use, law enforcement and demand reduction. A positive element is the explicit consideration and involvement of (local) communities. Germany also welcomes the combination of urgent, short term measures, with finding necessary long term solutions.

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

- Overall, the objectives seem fairly ambitious. Reducing poaching numbers and illegal wildlife trade is highly complex, and will require time, political will and resources;
- The proposal would benefit from more strongly highlighting the necessity to work across sectors and on an inter-institutional basis. This involves e.g. communities, rangers, game scouts, police, military, justice system, and customs authorities, among others, as well as the private sector (tourism, lodge operators, etc.);
- The strengthening of the dialogue between particularly African range-states and esp. Asian consumer countries may be included and reinforced where feasible;
- Outcome 2: involving communities and increasing benefits from wildlife will in many countries also require policy and legal frameworks to support access to natural resources, land use rights, governance of protected areas, and benefit sharing agreements. This needs to be taken particularly into account;
- The elements of enhancing site-based enforcement, e.g. through ranger training, motivation, social security, equipment and capacity development may be strengthened;
- There are a number of operational and planned German-funded initiatives (mainly implemented through GIZ and KfW) which are highly relevant for the implementation of this programme and should be involved, e.g. the global cross-sectoral project to combat poaching and illegal wildlife trade (“Polifund”), as well as bilateral and regional programmes, such as in Tanzania, Cameroun/Chad, SADC-region, West Africa (WAP-Complex), etc.;

Comments from the USA

The United States is extremely supportive of the GEF’s role in combatting wildlife trafficking, and we welcome this programmatic approach project framework document. As the project is further developed, we look forward to receiving more information about country-to-country coordination essential for program success and expect that recommendations from the forthcoming GEF IEO Protected Areas Thematic Evaluation will be incorporated into the child project design. Since the projects under this program are still in their very early stages of development, and since wildlife trafficking is a critical priority for the United States, we are very interested to see how the program will take shape and build on other ongoing activities to achieve similar objectives. As the PFD is further developed, we encourage the agencies involved to consider STAP comments and our thoughts below.

1. The attention that wildlife trafficking has received and continues to receive is due largely to the dramatic increases in elephant and rhino poaching and the illegal trade in ivory and horn. This poaching crisis continues, and it is appropriate to continue to designate significant resources to these issues. That said, there are myriad other species that are equally or more significantly impacted by poaching and illegal trade, and we encourage the GEF Secretariat, agencies, and participating countries to consider that the PFD could

more fully reflect a broader array of wildlife trafficking issues. Again, depending on the potential scope, here are some other taxa and trades that would benefit from additional attention:

- Terrestrial reptiles (snakes, lizards and freshwater and terrestrial turtles); used in leather, food, medicinal and pet trades.

- Birds (Psittacines, song birds, toucans, owls, raptors, hornbills, Birds of Paradise, etc.); used in pet trade and in the manufacture of cultural and decorative items. Species would vary by region.

- Small mammals (cats, civets, pangolins, monkeys, etc.); used in food, medicinal, fur and pet trades. Most acutely affected in Asia, these are also problematic in Africa and Latin America.

- Marine turtles; particularly problematic for Asian hawksbills; also a problem in Asia for green and olive ridley turtles. Used in food trade and for decorative items and instruments. Nest egg poaching is also a serious issue, along with harvest at sea.

- Coral; particularly problematic in Southeast Asia, but occurs elsewhere. Used in marine aquarium trade, for decorative items and building materials.

- Precious shells; many fisheries around the world. Souvenir and collector trades.

- Sea cucumbers; many regions around the world, food trade.

- Abalone; while farmed in aquaculture, the harvest of wild abalone, particularly in South Africa, is a serious issue. The illegal trade in South Africa is tightly tied to narcotics trafficking. Food trade.

2. The framework rightly identifies weak governance and corruption as barriers to be addressed and mitigated, but does not specify actions to do so. Strategies to address weak governance and corruption will be critical to success in places where wildlife poaching and trafficking are prevalent, and additional thought on this in the framework would be useful.
3. The framework identifies demand reduction in key consumer countries as an important area of focus. We agree, but would like to see greater detail on how the project would focus on demand reduction. We welcome a greater level of detail in future project documents, and caution that, given limited GEF funds, it may not be possible for child projects to focus on demand reduction in China, Europe and the United States, where demand for most wildlife products is greatest.
4. We believe that the U.S. National Strategy for Combating Wildlife Trafficking and its implementation plan provide an strong model that could be replicated in other countries, tailored to each country's specific role and needs. We are pleased to see a similar model discussed in the child project for Tanzania.
5. We are pleased that the South Asia Wildlife Enforcement Network (SAWEN), the primary regional entity in South Asia devoted to combatting the illegal trade in wildlife, is mentioned in the proposal and are happy to learn that the UNDP implemented “Securing Livelihoods, Conservation, Sustainable use and Restoration of High Range Himalayan Ecosystems (Secure-Himalayas)” child project will coordinate with SAWEN in a number of ways. We hope that SAWEN’s inclusion in this project will not only strengthen this programmatic approach program also provide support for SAWEN.

Comments from Canada:

Canada supports this project and notes that the promotion of innovative techniques, such as forensics work, is consistent with current best practices.

We note and welcome INTERPOL and the ICCWC's contribution to this initiative, which we see as important to the promotion of information exchange across jurisdictions. We also welcome the program's efforts to involve communities in reducing poaching.

**Regional (Burkina Faso, Burundi, Ethiopia, Ghana, Kenya, Malawi, Niger, Nigeria, Senegal, Swaziland, Tanzania, Uganda) :** Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa - An Integrated Approach (IAP-PROGRAM) (Lead agency: IFAD; CI, FAO, UNDP, UNEP, UNIDO, World Bank) (GEF Project Grant : \$106,359,290) (GEF ID 9070)

Comments from Germany:

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

Germany welcomes the PIF, particularly as it takes a long-term perspective on sustainability and resilience of food-systems, promotes broad up-scaling of Sustainable Land Management (SLM) practices, integrates the (agro-)biodiversity and land degradation agendas and focusses on smallholders. The proposal is highly relevant for the economic and social development and stability of the region and it marks an important step forward in advancing paradigms of agricultural policies.

However for finalisation of the project documents Germany suggests the following:

General suggestions:

- Land tenure issues are mentioned as major barriers for Integrated Natural Resources Management (INRM) in certain contexts but the programme does not address these. It is recommended to support ongoing land policy reform processes where possible, particularly through capacity development of local level institutions.
- Technical innovation needs to be fully adapted to physical and socio-economic conditions at target group level (critical example: Biogas in regions with extreme lack of biomass). Piloting exercises should as far as possible be redesigned in favour of broad application of simple technologies. Particular emphasis needs to be given to up-scaling of organic fertilization technologies and management of biomass.
- Rain fed agriculture and upland parts of the landscapes need not to be neglected. Both, livelihood perspective and value chain approach can therefore be considered within the landscape framework.
- Since the non-sustainable provision of wood energy is one important element of forest and landscape degradation and since wood energy plays a key role for food security, Germany suggests addressing this theme within strategies for food security. Existing good practices for sustainable wood energy production can be up-scaled within the project component "scaling up integrated approaches for sustainability and resilience"
- Within its special unit "*One World, No Hunger*" the German Ministry of Economic Cooperation and Development (BMZ) has launched regional programmes to which synergies and linkages could be established. These are in particular:
  - *Programme on soil protection and rehabilitation for food security* in Kenya, Ethiopia, Burkina Faso
  - *Programme on Green Innovation Centres* in Burkina Faso, Ghana, Kenya, Nigeria, Malawi

- *Programme on food security and resilience* in Burkina Faso, Malawi, Kenya and Ethiopia
- Strengthening evidence of the benefits of investment into SLM is a priority issue for monitoring and research and a key motivation for investing in SLM. This is the special focus of the Economics of Land Degradation Initiative (<http://eld-initiative.org/>) which is preparing also a regional approach in Sub-Saharan Africa. Links and synergies could be established.
- The monitoring system which will be established within the programme could be aligned with / made applicable for national monitoring systems, in order to establish / support long term monitoring of food security progress and resilience.
- The planned budget of 35 to 120 Mio USD per child project is for the envisaged implementation period of 60 month quite high. Necessary ownership of land users for SLM needs to build up; capacities of implementing partners might not be sufficiently available and needs to build up. Were these aspects analysed and considered in planning? What are options to adapt budget planning if necessary (shifts between child projects, extension of project period)?

*Specific suggestions to the child projects:*

Niger

- The cited stakeholders in the chapter civil society and indigenous people are governmental organisations. Other stakeholders need to be identified.

Ghana

- The Savannah Accelerated Development Authority (SADA) is mentioned in the text, but it seems no specific role has been attributed to SADA although it is supposed to coordinate and oversee development activities in the Northern Region. Germany suggests clarifying the potential role of SADA.
- It is important to note that in many places of the Northern Region, farming and herder communities are separated. To supply livestock feed in a sustainable way, there needs to be a joint planning of these communities. Some effort will be necessary to reconcile the interests of these groups.

Ethiopia

- Component 2: Increase of irrigated land will also affect the value of this land. A combination with a do no harm check regarding land use rights, which is particularly relevant for the pastoralist regions, is recommended.
- Irrigation strategy should be done on a cost-benefit analysis and risks for ground water levels etc. need to be taken into consideration
- The following governmental policies need to be considered: Ethiopian Strategic Investment Framework for Sustainable Land Management (ESIF 2008); Soil Fertility Research and Management Road Map (2010); Soil Sector Strategy (2013)

Kenya

- Partner selection: Due to the newly founded Ministry of Water the responsibility for policy development in the field of watershed management is not quite clear at the moment. Germany suggests to re-consider the division of labour and newly allocated core functions after the restructuring process is finalized / during the design phase.
  - Consultation for using potential linkages with the bilateral Mount Kenya, Food Security and Drought Resilience as well as the Integrated Water Management programs of the German-Kenyan cooperation is recommended

Burundi

- Soil erosion could be addressed more prominently in the text, as soil loss rates of about 100-150t/ha/annum are common in Burundi. Soil erosion will be aggravated by future climate change signals such as increased annual precipitation and occurrence of more extreme weather events hence climate change as such should be incorporated into the proposal as factor and not extreme weather event only.
- The proposal points out that expansion of agriculture into wetlands are part of a wider problem in terms of freshwater resources base. The proposal further notes under paragraph 2 “Context and baseline scenario” the aim to effectively link the project with PRODEFI, IFAD. One of its objectives is to manage and rehabilitate wetlands for agricultural use. There seems to be incongruence in the proposal between the need for expansion of agriculture land and an ecosystem approach that regards ecosystem services deriving from wetlands.
- In the present context the risk of political unrest and conflict needs be considered and marked as high. Furthermore, Germany suggests to consider the question of land ownership as highly relevant in the context of SLM where long terms approaches require land security and user rights.
- Exchange and collaboration with the GIZ Project “Climate Change Adaptation for the protection of water and soils resources” is recommended, in order to multiply impacts in the context of climate change mitigation and adaptation.

#### Comments from the USA

The United States welcomes this IAP Project Framework Document. We were encouraged that so many countries are actively participating in this IAP, that the process has been country driven, and that the agencies and the STAP will continue to work together to bring some of the state-of-the-art approaches into practice. The PFD, however, lacks certain critical details about stakeholder engagement strategies, particularly how multi-stakeholder frameworks will be achieved and deforestation due to expanded and intensified agriculture resulting from GEF activities will be avoided. We expect that, prior to GEF CEO endorsement of this PFD and development of child projects, all agencies involved in this project will incorporate the comments from the STAP and our specific comments below.

- There is a wide scope of activities centering on intensified agriculture, but no specificity on a framework for how these activities will proceed without impacting forest and key biodiversity areas that will be opened or face pressure from expanded agriculture. With new financing and access to markets, new lands will be opened on the periphery of high-density rural areas as populations take part in training and gain market access. Expanded agricultural production could have the unintended result of rapidly increased deforestation absent more carefully defined strategies to avert it.
- An equally significant concern arises from the goal of creating multi-stakeholder frameworks at the national and local levels. While a necessary and laudable goal, it is also an extremely elusive one given the reality of current patterns of lands occupation and stakeholder access to resources such as credit, training and extension services across most countries of sub-Saharan Africa. We recommend that, prior to implementation of this IAP, the agencies and participating countries better define the process for creating viable and inclusive multi-stakeholder groups at national and local jurisdictions, with specific attention to including traditionally marginalized groups such as rural smallholder agriculturalists and shifting subsistence farmers who are most in need of extension services, training and improved

livelihood strategies. Without this level of inclusiveness, the effectiveness of the large number of proposed activities will certainly be compromised.

- We encourage the implementing agencies involved in this IAP to collaborate with activities funded by the World Bank's Cooperation in International Waters in Africa multi-donor trust fund that may compliment the river basin work that is part of this project.

Comments from Canada:

- Canada welcomes this IAP and its efforts to improve food security in Sub-Saharan Africa.
- We welcome IFAD as the lead agency for the IAP. IFAD has strong resident in-house technical knowledge, including consideration of natural resource management and climate change, and is a thought leader on food security and agricultural transformation. In terms of the other implementing agencies, please elaborate on how UNIDO and UNDP will contribute to the food security IAP, including by discussing their plans to ensure the appropriate expertise is brought forward.
- The child project in Burkina Faso proposes to develop biodigesters and improve soil quality, citing the environmental benefits of both. However, both activities will likely be competing for the same organic resources, which are likely already limited due to dry climate and low agricultural/livestock production. The major challenge with biodigesters is ensuring a steady year-round supply of consistently high quality feedstock; however, these crop residues and livestock manure will also probably be the principal source of inputs to improve soil quality. As this child project is further developed, we request that the project proposal include sufficient analysis of the quantity and quality of organic resources required to operate biodigesters year round, as well as to apply to soils to improve quality.

## **MULTI-FOCAL AREA PROJECTS**

**Regional (Kyrgyz Republic, Kazakhstan, Tajikistan, Turkmenistan, Turkey, Uzbekistan) : Integrated Natural Resources Management in Drought-prone and Salt-affected Agricultural Production Systems in Central Asia and Turkey (CACILM2) (FAO) (GEF Project Grant : \$10,981,815) (GEF ID 9094)**

Comments from Germany:

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

The regional GEF project proposal addresses an issue of utmost importance for tackling the challenges ahead in the fields of land management, biodiversity preservation and adaptation to climate change. It aims at “strengthening the multi-country collaboration and partnership”.

However the financial allocation under GEF is very unequal – 0,18 Mio USD for Kyrgyzstan versus 4,06 Mio USD for Uzbekistan. Already during the planning phase this inequality led to tensions between the participating countries and in spite of all countries having signed the support letter for the project, there is a high risk that this asymmetry leads to “splitting” of the regional project during the implementation into country-segments not really willing to cooperate under these unequal terms. The Project proposal should specify how the danger will be mitigated during the implementation.

- The description of barrier 1 (“Inadequate regional mechanism for evidence based knowledge”) is based on a situation as it was at the end of CALCILM I. In the last two years a significant

progress has been achieved in interconnecting and harmonizing the SLM knowledge platforms. Examples are the IFAD financed ICARDA regional knowledge management project (called CACILM II) or the multi-donor K-Link Approach (IT-solution for linking existing internet based platforms) developed in the framework of the Regional Programme for Sustainable Use of Natural Resources in Central Asia and adopted recently by the World Bank and also WOCAT is in the process of complete overhaul and modernization of their data base approach. The GEF Project should therefore put high emphasis on supporting these positive trends and on strengthening the existing initiatives and platforms and their linkages instead of establishing yet another “efficient multi-country knowledge platform” (Component 1, pg 12 of PIF). The core problem is not the lack of such platforms, but the fact that there are too many of them and that they are all too fragmented and isolated. Output 1.2 should be redesigned correspondingly.

- The PIF should give a more detailed indication, how the Project intends to achieve the high impacts on reduction of “POP, ODS mercury and other chemicals of global concern” (s. Project Target 5. e.g. 80.000 tons of POP) when in several countries of the region the illicit use of obsolete pesticides is not decreasing, and on the contrary the trend shows a significant increase over the last years. No specific actions to counteract this trend are to be found in the Project proposal.

**Belarus** : Conservation-oriented Management of Forests and Wetlands to Achieve Multiple Benefits (UNDP) (GEF Project Grant : \$4,263,561) (GEF ID 7993)

Comments from Germany:

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

- It is mentioned that major parts of the forests in Belarus are certified (e.g. FSC). The PIF should clarify the links to this certification approach, whether biodiversity aspects are respected in these areas and whether this can be adapted to non-certified areas.

**Chad** : Building Resilience For Food Security and Nutrition in Chad’s Rural Communities (AfDB) (GEF Project Grant : \$5,329,452) (GEF ID9050)

Comments from Germany:

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

- Since decentralisation is still relatively weak in Chad, interaction between national and regional / local level is often not effective. Germany suggests to ensure the active involvement and ownership of decentralised administrative and traditional structures as well as the target group. The role and the responsibilities of all involved parties should be clearly defined on a participatory basis.
- Women bear a lot of responsibility especially regarding food security, but their power to take decisions is relatively weak. Therefore, it is recommended to strengthen the role of women in rural regions

Comments from the USA:

The United States supports this proposal. The PIF articulates well how the GEF will complement AfDB food security funding, and we look forward to additional details regarding how global environmental benefits will be measured. As the full project proposal is developed,



we encourage the AfDB to incorporate the comments below, in addition to those provided by the STAP:

- This proposal for Chad includes many elements that relate to those being proposed as a part of the Food Security IAP. Although this project will be implemented outside of the IAP framework, we hope that the AfDB will apply lessons-learned from the IAP experience, particularly how indicators and technologies and approaches to stakeholder engagement, can help enhance the outcomes of this project.
- The PIF incorrectly identifies the “Ministère de l’Agriculture et de l’Environnement.” Also, the separate Ministère de l’Elevage et de l’Hydraulique, which is responsible for water and livestock, should be identified as a stakeholder/partner.
- Page 8 refers to “...dry farming activities [which] form the basis of their livelihoods.” The FEWS Net classification of livelihood zones shows Kanem and Bahr el Gazal as mostly falling within the “Transhumant Livestock Zone.” Dry farming activities (understood to mean rain-fed agriculture) may not figure as prominently as suggested by this characterization on page 8. We believe this is worth reflecting more accurately in the full project proposal.

**Costa Rica** : Sixth Operational Phase of the GEF Small Grants Programme in Costa Rica (UNDP) (GEF Project Grant : \$2,319,635) (GEF ID 9088)

*No Council comments received.*

**Ecuador** : Sustainable Development of the Ecuadorian Amazon: Integrated Management of Multiple Use Landscapes and High Value Conservation Forests (UNDP) (GEF Project Grant : \$12,462,550) (GEF ID 9055)

*Comments from Germany:*

*Germany requests for the following project 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:

- **Concerning the institutional set-up and setting of the project:** Considering the thematic relevance, mandates and functions of MAGAP regarding the main project activities (productive activities and promotion of value chains) and its contribution with the highest amounts of co-financing (ATPA), it seems to be recommendable to have MAGAP together with MAE as Executing Partner (and not only MAE). In the opposite case there will be a high risk of conflicts related to mandate and functions between MAE and MAGAP. Germany hence suggests including MAGAP as an executing partner when preparing the final project proposal.
- The project’s success seems to depend to a large degree on effective coordination between institutions (for example MAE-MAGAP) and between different administrative and political levels (for example MAGAP-GADs). Even when executing the project with both ministries, there is a considerable risk that the necessary coordination cannot be achieved. This poses a considerable risk for the project’s success. Germany hence recommends that the final project proposal considers additional measures to manage this risk.
- **Concerning content:** To guarantee consistency regarding Carbon-Values and deforestation risk, the project would benefit from using Ecuador’s Forest Reference

Emission Level as orientation, which can be requested of MAE (SCC) and is currently being reviewed in the context of the UNFCCC. Additionally, by the end of May 2015 MAE will publish the new deforestation map 2013, which allows for quantifying the deforestation of the period 2009-2013 and represents a better baseline information for the project start (regarding actual deforestation risk and rates). Germany strongly suggests that the final project proposal considers this data source.

- **Regarding the baseline amount of the current initiatives in the project area (421 Mio USD) and the additionality of the project:** There are considerable baseline amounts and initiatives present in the area. The final project proposal should state how the project's impacts will be distinguished from the impacts of the baseline programs. ATPA is given as an example: At the moment ATPA-implementation is in a very early stage and still not fully designed. The final project proposal should state clearly how "it will build on the baseline initiatives and especially the ATPA".
- The proposed indicators are ambitious, as for example "30.000 ha under sustainable forest management". In the central and South Amazon the potential for sustainable use is limited. In the preparation of the final project proposal it should be verified that the indicators are realistic.
- **Concerning co-financing and cooperation:** The PIF states that "under the REDD+ Early Movers Programme an additional US\$ 11.4 m will be mobilized". Germany considers it necessary that the final project proposal states the exact source of this information.
- Germany seeks further specification on the cooperation between the project and ongoing programs. For example, the cooperation with the German Technical and Financial Cooperation in Ecuador could create synergies.

Comments from the USA:

The United States supports this proposal and its objectives. We have seen successful models of providing incentives for sustainable production practices through public lending institutions and expect this project could generate significant global environmental benefits. As the project concept is developed into a full proposal, we recommend the UNDP consider the following comments prior to GEF CEO endorsement:

- More information should be provided on how UNDP will achieve consensus on the range of issues (policies and regulations, land use planning, incentives for adoption of best practices, linking buyers and producers, etc.) described in the proposal. Component 1 (Multi-level governance framework, paragraphs 12-16) says UNDP will achieve "multi-level coordination among the diverse public stakeholders" and "[revise current regulations] to incorporate guidelines and specific regulations addressing sustainable production of NTFPs and of the main supply chains (palm, coffee and cocoa, among others)." While the PIF indicates that there are existing platforms in the sub-regions, it does not provide sufficient information about how these would serve as the basis for achieving the project's stated objectives. We request more information regarding the sustainability of the activities and benefits after the project period, specifically after payments and financial incentives end. For example, the Socio Bosques Program, highlighted in the proposal, pays landowners to conserve forests for a determined period. The proposal also cites REDD+ incentives (at the national level). There is little discussion of whether or how those types of incentives will be maintained.

- We suggest that the scaling-up section on page 14, which focuses primarily on translating learning across the sub-regions in Ecuador, should also consider how UNDPs involvement could apply broader lessons learned for the region and other countries, for example, the UNDP Green Commodities Program in Indonesia. Also, Ecuador’s experience with the UNDP Green Commodities Program on sustainable fisheries involving MAGAP, a key project partner, could be highly relevant.

**Egypt** : Sixth Operational Phase of the GEF Small Grants Programme in Egypt (UNDP)  
(GEF Project Grant : \$2,913,241) (GEF ID 6956)

*No Council comments received.*

**Indonesia** : Sixth Operational Phase of the GEF Small Grants Programme in Indonesia (UNDP)  
(GEF Project Grant : \$3,561,643) (GEF ID 9086)

*No Council comments received.*

**Indonesia** : Strengthening Forest Area Planning and Management in Kalimantan (UNDP)  
(GEF Project Grant : \$9,000,000) (GEF ID 6965)

*Comments from Germany:*

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

- The objectives and activities described in the PIF are very relevant to the country and the region. However, the approach chosen is not new to the province of Kalimantan and very similar initiatives are already conducted, particularly in the districts of Kapuas Hulu, Malinau and Berau, e.g. by the GIZ-FORCLIME Programme. The PIF should hence specify the regions in which it will be active and coordinate with already existing initiatives.
- The work foreseen in the PIF has a focus on working with government agencies in providing support to planning and enforcement. The private sector is another important actor in this context, as mentioned in the list of stakeholders. Germany seeks further elaboration on how the private sector is involved in the project activities.
- The list of stakeholders does not cover all organizations that support already similar initiatives in Kalimantan, among them the German Development Cooperation’s (GIZ) FORCLIME Programme. Germany strongly recommends coordinating with already existing programs.
- In January 2015 institutional changes have been decided in Indonesia, namely the integration of the REDD Agency (“BP REDD”) and the National Climate Change Council into the Ministry of Environment and Forestry. The PIF should consider these institutional changes.

**Kyrgyz Republic** : Conservation of Globally Important Biodiversity and Association Land and Forest Resources of Western Tian Shan Forest Mountain Ecosystems and Support to Sustainable Livelihoods (UNDP) (GEF Project Grant : \$3,988,575) (GEF ID 6958)

Comments from Germany:

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 proposed project objective “to promote landscape approach to protection of internationally important biodiversity, land and forest resources in Western Tian Shan in Kyrgyzstan” addresses important issues which fall under the GEF focal area strategy framework. However, Germany has some concerns regarding the following points:

- As the recently proposed UNDP PIF “Conservation and sustainable use of Pamir Alay and Tian Shan ecosystems for Snow Leopard protection and sustainable community livelihoods; Tajikistan (GEF ID 6949)” the project proposal seems not to be focused and contains manifold contradictions and doubtful assumptions. Germany emphasizes that key parts of the logic of the PIF need serious revision during the further project development process, including the title of the PIF which needs further elaboration to be clearly understandable. The importance of the proposed project area for global biodiversity conservation is described inaccurately and should be improved (A.1.1); e.g. Dhole (*Cuon alpinus*) and Ovis ammon nigrimontana are not found in the KGZ part of Western Tianshan. The same is true for Otis tarda (not present) and other mentioned species (either not present or area not of special significance).<sup>1</sup>
- Juniper forests are not important for snow leopard migration. The PIF correctly states: “*Snow leopards are usually found between 3,000 and 5,400 meters above sea level where the environment is harsh and forbidding, the climate is cold and dry, and the mountain slopes sparsely vegetated with grasses and small shrubs, providing good cover and clear views to help them sneak up on their prey.*” The link between Snow Leopard protection and the proposed sustainable forestry measures is not clear. Moreover snow leopards do not follow “migration routes”, but rather randomly use large areas as their habitat. This respectively requires a different protection approach.
- While competition with livestock is correctly identified as key barrier (A1.1) causing wild ungulate and subsequent snow leopard decline, the other (and much more significant) threat to wild ungulates – poaching – is neither mentioned nor properly addressed. The mentioned “decline in the practice of moving livestock between summer and winter pastures”, which is definitely problematic in terms of local pasture degradation, has positive impacts on the habitat of snow leopard and its prey. Respectively it should be better explained, why an intensified use of pastures in snow leopard and wild ungulate habitats should be fostered by a GEF project aiming at conservation of snow leopard and its prey (Activity 2.2.1 and 2.2.2). Improved access will lead to pasture competition with wild ungulates, conflict (predation on livestock), accidental and intentional killing of snow leopards and poaching on its prey (including predation by herders’ dogs).

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<sup>1</sup> See Durbin, L.S., Hedges, S., Duckworth, J.W., Tyson, M., Lyenga, A. & Venkataraman, A. (IUCN SSC Canid Specialist Group - Dhole Working Group) 2008. *Cuon alpinus*. The IUCN Red List of Threatened Species. Version 2014.3. <[www.iucnredlist.org](http://www.iucnredlist.org)>. Downloaded on 13 May 2015.; Red Book of KGZ 2006 (p.497, [http://nature.gov.kg/images/files/redbook/RB\\_KG\\_472-499.pdf](http://nature.gov.kg/images/files/redbook/RB_KG_472-499.pdf)); Argali Action Plan (Mallon, D., Singh, N., and Röttger, C. (2014) International Single Species Action Plan for the Conservation of the Argali Ovis ammon. CMS Technical Series No. XX. Bonn, Germany; BirdLife International 2013. Otis tarda. The IUCN Red List of Threatened Species. Version 2014.3. <[www.iucnredlist.org](http://www.iucnredlist.org)>. Downloaded on 13 May 2015; Red Book of KGZ 2006 (p.431, [http://nature.gov.kg/images/files/redbook/RB\\_KG\\_426-449.pdf](http://nature.gov.kg/images/files/redbook/RB_KG_426-449.pdf)

- The Protected Areas system in Kyrgyzstan suffers from a lack of funding. Protected Areas support their operations largely from formal and informal land and natural resource use in the areas actually to be protected. The expansion of the economically already not viable Protected Area system into new areas bears the risk of creating more parks that only exist on paper, not improving the conservation status. Given the economic situation of existing Protected Areas, the expectation of achieving Sustainability of new Protected Areas, established under the project, through state budget allocation, seems barely realistic and would need further explanation (A.1.6).
- The baseline does not refer to ongoing conservation activities by international NGOs such as WWF, NABU, Snow Leopard Trust Fund, Panthera (A.1.2.). Although crucial for the project success, under A2 the important State and Non-State partners from the hunting sector are missing, – Department of Rational Use of Natural Resources of the State Agency on Environmental Protection and Forestry (SAEPF), private concession holders, local hunters in the communities, relevant NGO partners, such as WWF, NABU and Panthera. The way of cooperation or coordination with these stakeholders should be clearly described.
- Most serious questions arise, concerning the proposed Co-Financing. It remains unclear, how the stated 13,8 Mio USD of Grant Co-financing by the State Agency on Environmental Protection and Forestry (SAEPF) should be mobilized. The mentioned State Programs all lack funding and consequently are not or poorly implemented. More detailed explanation on the Co-financing should be provided.
- The description of coordination with ongoing development measures is insufficiently elaborated (A 5.). Different to what is stated in the PIF (p.14: “The project does not overlap either geographically or thematically with the GEF-FAO project Sustainable management of mountainous forest and land resources under climate change conditions”), we see clear thematic linkages with the ongoing GEF 5 FAO project on “Sustainable management of mountainous forest and land resources under climate change conditions...”. This project likewise the GEF-6 project proposal by the World Bank on Sustainable Forest and Land Management Project, as well as the GIZ Regional Programme on Sustainable Use of Natural Resources in Central Asia, partner with the SAEPF on piloting a forestry sector reform and supporting efforts for an integrated land management. A Governmental Decree on piloting of the forestry sector reform is expected to be issued in the upcoming weeks and will increase the formal status of the steering committee for coordination of all activities in the forestry sector, which is currently functioning under the SAEPF. The 5 Mio Euro GIZ Programme “Biodiversity Conservation and Poverty Reduction through Community-based Management of Walnut Forests and Pastures in Southern Kyrgyzstan”, which is financed out of the German Energy and Climate Fund and is working in similar Eco-Zones is not mentioned, as many other important partners. During further project development the proposal should be better aligned with ongoing project activities, coordinated by the SAEPF.

**Kyrgyz Republic** : Sustainable Forest and Land Management Project (World Bank) (GEF Project Grant : \$4,109,589) (GEF ID 9037)

*No Council comments received.*

**Myanmar** : Ridge to Reef: Integrated Protected Area Land and Seascape Management in Tanintharyi (UNDP) (GEF Project Grant : \$5,250,000) (GEF ID 6992)

Comments from Germany:

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

- Germany recommends considering a governance assessment of the PA system in Tanintharyi Division according to the IUCN methodology (PA Governance: From Understanding to Action, 2013) to be conducted in project component 1 as a baseline and to explore different governance options for the expansion of the PA system. This could also provide a good basis for interventions in component 2 with regard to enhancing management effectiveness and establishing shared governance systems.
- More explicit reference should be made to coastal zone management and sustainable fisheries in component 1.

Comments from France:

The goal of the project is to secure long-term protection of key biodiversity areas through integrated planning and management of the protected area land/seascape in Tanintharyi. The most innovative aspect of the project is that the project will build on existing multi-stakeholder initiatives covering terrestrial and marine ecosystems to support integrated land and seascape planning and management, and strengthened management and threat reduction in protected areas.

This project is ambitious, but builds on solid assessments and realistic approaches.

We globally support this proposal and would suggest reinforcing two points i) to secure the collaboration of local communities in this process (participation of stakeholders) ii) to motivate changes in local practices like oil palm and rubber plantations, or illegal logging, illegal wildlife trade, pollution, etc. :

- Use the economic lever and support sustainable economic alternatives activities;
- Use the social lever, informing all stakeholders on natural ecosystem services to address climate change (such as mangroves, etc.).

**Opinion:** Favorable with the above suggestions.

**Peru :** Sixth Operational Phase of the GEF Small Grants Programme in Peru (UNDP) (GEF Project Grant : \$3,196,672) (GEF ID 9044)

*No Council comments received.*

**Sri Lanka :** Sixth Operational Phase of the GEF Small Grants Programme in Sri Lanka (UNDP) (GEF Project Grant : \$2,497,078) (GEF ID 9093)

*No Council comments received.*

**Uzbekistan :** Sustainable Natural Resource and Forest Management in Key Mountainous Areas Important for Globally Significant Biodiversity (UNDP) (GEF Project Grant : \$6,209,863) (GEF ID 8031)

*No Council comments received.*

**Zambia :** Zambia Lake Tanganyika Basin Sustainable Development Project (AfDB) (GEF Project Grant : \$7,334,247) (GEF ID 8021)

Comments from Germany:

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

- It is recommended to clearly identify how the project will support GRZ in the implementation of relevant national policies (i.e. Forestry policy 2015) and Acts (i.e. Water Resources Management Act 2011). The WRM Act prescribes the establishment of Catchment Management Organizations, Catchment Management Plans and Water Users Associations. For integrated watershed management, which is to be supported through this project, integration of plans of different sectors and harmonization and coordination of organizations will be essential. A close cooperation with organizations responsible for water resources management is suggested.
- Furthermore, the water resources development programme (World Bank loan) and the water sector reform programme, (funded by German Cooperation), which are both implemented by the Ministry of Mines, Energy and Water Development, are supporting the implementation of the reforms in water resources management. Cooperation with these programmes is suggested.

Comments from the USA:

The United States welcomes this project concept. That said, the PIF lacks specifics regarding outputs, impact, selection of participants, stakeholder engagement, and possible externalities resulting from interventions such as expanded agriculture, irrigation and livestock schemes. We were, however, pleased with the detailed comments we received from the AfDB in response to our technical concerns and comments and look forward to further details in the PPG phase.

## **SINGLE FOCAL AREA PROJECTS**

### [Biodiversity](#)

[Fiji : Building Capacities to Address Invasive Alien Species to Enhance the Chances of Long-term Survival of Terrestrial Endemic and Threatened Species on Taveuni Island and Surrounding Islets \(UNDP\) \(GEF Project Grant : \\$3,502,968\) \(GEF ID 9095\)](#)

Comments from Canada:

Canada supports this project, and notes that the project's objective - of building national and local capacity to address Invasive Alien Species (IAS) that are threatening biological diversity – is consistent with the guidance from the Convention on Biodiversity (CBD).

We would like to ensure that project proponents are aware, and take into account, CBD Decision XII/16, which provides voluntary guidance on devising and implementing measures at national and subnational levels, to address the risks associated with the introduction of alien species as pets.

[Peru : Effective Implementation of the Access and Benefit Sharing and Traditional Knowledge Regime in Peru in accordance with the Nagoya Protocol \(UNEP\) \(GEF Project Grant : \\$2,190,000\) \(GEF ID 8025\)](#)

Comments from Germany:

*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:

- **General remarks:** The Nagoya Protocol as well as Peru's national legislation cover ABS issues with regard to genetic resources (GR) and associated traditional knowledge (aTK). Germany requests further clarification on the extent to which the outputs as well as the descriptive text actually relate to GR or aTK alone or to both. For example, output 2.a.2. should certainly mention GR and aTK. Germany strongly suggests revising the text in this regard.
- It is not clear in how far the activities and outputs relate to the utilisation and commercialisation of GR and aTK which was already accessed (with / without ABS agreements under Peruvian law) or which will be accessed during the project phase (potentially under a revised ABS regime). Germany seeks further clarification on this aspect.
- The proposal mentions that the current complex ABS system is not functional due to lack of coordination which should be improved through the project. The proposal does not describe the underlying reasons of this lack of coordination and how the proposed project can overcome the bottlenecks. Germany strongly recommends that this element be added to the problem analysis.
- **Output 1.a.:** Germany considers it necessary to include a baseline of the administrative and operational structure, highlighting the main gaps which will be addressed by the GEF Project. It is not clear if an IT solution, different to ABS-CH, will be required for the functioning of a national ABS mechanism.
- The overall goal also seems to be very challenging. For **1.a.3.**, Germany suggests elaborating on methodologies that would enable the authorities to detect illegal access. The monitoring of patent applications will not suffice because only a small fraction of all access will result in patents.
- **Output 1.b.:** It is necessary to clarify the scope of the compilation or systematization of the genetic resources with potential for R&D and its expected use. For 1.b.2. the sought for information should be available in those cases where utilisation and commercialisation are based on ABS agreements with monitoring requirements and benefit sharing provisions. For all other cases, the proposal needs to elaborate on methodologies that would enable the authorities to identify the benefits which arose from utilisation (and commercialisation, if it happened).
- **Output 2.a. and output 3.b.:** Because of the time passed since design period, it is necessary to check again/clarify the complementarity between the GEF ABS Project and the ProAmbiente Project of the German-Peruvian Cooperation, given that ProAmbiente has already started addressing ABS activities which were sought to contribute to the GEF ABS project once started. Germany seeks further clarification in the final project proposal to ensure coordination and effectiveness of activities.
- **Output 2.a.4. and output 3.a.1.:** It is not clear why output 2.a.4. is separated from outputs under 3. Germany seeks further clarification in the final project proposal on whether the non-wood concessionaries in 2.a.4. are the same as those delivering the raw material for output 3.a.1.



- **Output 3.a.2:** Germany strongly recommends elaborating on methodologies that would enable the authorities to monitor R&D activities which, presumably, to a large extent would be ongoing outside of Peru. Furthermore, the project needs to clarify on which mandate it bases the suggested activity to supervise any of the R&D projects.

Comments from the USA:

The United States appreciates that this proposal acknowledges the importance of creating regimes that foster both access to and the sharing of benefits arising from the use of genetic resources since without access there cannot be benefits. In particular, we welcome the explicit mention of the need to facilitate access for non-commercial research purposes, which will clearly define the distinction between basic research and bio prospecting. As this PIF is developed into a full project proposal, the United States requests that UNEP respond to the comments from the STAP. In addition, we recommend this proposal be improved by developing stronger connections to how this project will conserve important biodiversity and address other GEF priorities and by incorporating our comments below:

1. Throughout the proposal, we recommend that the agreed terminology of the Nagoya protocol be utilized. There are several instances in which “just and equal” benefit sharing is used, instead of the Nagoya Protocol term of “fair and equitable.” Further, there are other instances in which “biological resources” is used rather than the term “genetic resources.”
2. The final paragraph of Component 1 suggests that one focus of this project will be to systematize information on species containing genetic resources with the potential for research and development activities to strengthen the knowledge base of experts and authorities and to inform future negotiation strategies. It is unclear how this can be done, and if there is any validity to this approach. Thus, we recommend that this component be removed from the final project proposal.
3. In component 2, it is unclear why *sui generis* protection regime of traditional knowledge is an alternative to intellectual property. Further, we recommend that in order help the community members fully understand their rights, trainings also include an overall background on IP, including, for example, patents, trade secrets, and copyrights.
4. We note in Section 5 of this proposal, there is a discussion that states “it is necessary that international community must clearly and specifically understand the challenges and difficulties that this phenomena implies, and how adjustments and modifications on policies and international regulations on intellectual property (i.e. improving search systems for patents, establishing requirements for source and legal origin, protecting traditional knowledge), can be a global contribution that this ´project, directly and indirectly.” It is our view that this is an inappropriate issue for a GEF project to address. The focus should be about biological conservation, not changing the international IP system.
5. We note that Peru has had GEF projects that have focused on particular aspects of Access and Benefit Sharing. We request that during the revisions to this proposal that there be a more clear indication for how this project relates to previous investments.

**South Africa** : Unlocking Biodiversity Benefits through Development Finance in Critical Catchments (DBSA) (GEF Project Grant : \$7,201,835) (GEF ID 9073)

*Comments from Germany:*

Germany agrees with the proposal. However, Germany would like to emphasize that a focus on solely a monetary valuation of ecosystem services includes certain risks due to large value ranges (depending on individual income and willingness to pay), its time and resource intensive character (particularly if it is to be applied to a big variety of ecosystem services) and will most likely not reflect a tradable value (particularly regulatory services are oftentimes considered as public benefits).

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

The final project proposal would benefit from considering other methodologies for valuating ecosystem services as well. For example, quantitative insights expressed in bio-physical units might- depending of the specific case- be already sufficient to communicate benefits (e.g. number of people benefitting from clean water provision).

*Comments from the USA:*

The United States is broadly supportive of this project's objectives, and appreciates the references to the Wealth Accounting and Valuation of Ecosystem Services (WAVES) initiative in the project outputs. The WAVES experience and knowledge is not limited to accounting for ecosystems in monetary terms and their work with many ecologists is indicative of the expertise they bring from active efforts on Ecosystem Accounting Applications in Botswana, Guatemala, Colombia, Peru and Philippines. It is critical that South Africa actively engage the WAVES program to benefit from the experience of its implementation and experts. Therefore, we request that as DBSA develops this PIF into the full project document:

1. Section 2.4 is modified to provide more details about the coordination or cooperation with the WAVES partnership, which are acknowledged in the repeated and welcome references in the expected outcomes.
2. The DBSA, or its South African Government Partners, should actively engage with the World Bank WAVES initiative to take advantage of their experience and expertise. It would be valuable for those involved in the project to attend some of the WAVES workshops that share experiences. The WAVES program manager is Glenn Marie Lange ([glange1@worldbank.org](mailto:glange1@worldbank.org)) and we are sure he would welcome active engagement. We encourage project implementers to actively engage with the WAVES partnership to exchange ideas not only with the Secretariat but with the other governments and partners involved in Natural Capital Accounting. The WAVES Fifth Annual Partnership was held in June, and it was unfortunate that neither DBSA, nor its South African Government Partners attended. We believe that the projects should incorporate support for participation in WAVES annual, regional and thematic workshops.

## Chemicals and Waste

### Regional (Ethiopia, Gabon, Kenya, Madagascar, Mali, Senegal, Tanzania, Zambia, Zimbabwe) :

Integrated Health and Environment Observatories and Legal and Institutional Strengthening for the Sound Management of Chemicals in Africa (African ChemObs) (UNEP) (GEF Project Grant : \$10,500,000) (GEF ID 9080)

#### Comments from Germany:

Suggestion for improvements to be made during the drafting of the final project proposal:  
Component 1: The regional centres of Basel /Stockholm Conventions are mentioned as leading institutions for the development of health and environment observatory in each country involved in the mentioned project. From our experience, the regional centres of BRS Conventions need assistance and support to actively operate in the given regions. Hence, the executing partners should ensure that the regional centres have the necessary capacities to carry out the planned development of health and environment observatory.

#### Comments from Canada:

Canada supports this project, which provides regional benefits for nine African states and could strengthen the capacity of the regional relevant Basel/Stockholm Regional Centre. We note and welcome that all nine African states have submitted their Stockholm Convention National Implementation Plans, showing their commitment to the Convention. .

- We welcome that project components include: strengthening capacity of selected existing relevant national government departments and institutions to monitor pollution; development of action plans to promote sound chemicals management to be executed in partnership with the relevant Basel/Stockholm Regional Centre, and, targeted development of integrated waste management approaches at national level.
- We request that the following comments and questions about some aspects of the proposal be addressed before the project proceeds to CEO endorsement:
  - We note that of the total project cost of \$33.5M, \$7M is proposed for the preparation of all national action plans, while \$18M is proposed for delivering the plans. The cost to prepare plans seems high and further justification should be provided and/or the costs re-examined.
  - Please add clarity to the outcome for Project Component 1. Specifically, it is unclear how barriers will be identified and what kind of sound data would be made available. In addition, on page 6, it states that Component 1 will lead to “removal” of barriers preventing adequate management of harmful chemicals, whereas the outcome statement refers to “reducing”. The language should be consistent throughout the proposal (reduce vs remove).
  - In terms of stakeholder engagement, the related section notes how civil societies and indigenous people will be involved; however, the document provides limited specificity with respect to organizational name and engagement approaches. Given the importance of stakeholder engagement, this section should be expanded in the subsequent document to ensure full and meaningful inclusion of relevant stakeholders, including CSOs and indigenous people.

Regarding the section on knowledge management (page 9), please identify how the project will draw from lessons learned from other relevant/ similar initiatives. This specificity is important to help ensure project success.

**China :** Demonstration of Mercury Reduction and Minimization in the Production of Vinyl Chloride Monomer (UNIDO) (GEF Project Grant : \$16,200,000) (GEF ID6921)

*Comments from Germany:*

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

Component 1 refers to the institutional, regulatory and enforcement (IRE) capacity in VCM (Vinyl Chloride Monomer) production. Germany suggests including IRE capacities for the recovery of mercury out of mercury containing wastes in order to enhance the efficiency of the Component 3 (Promotion of mercury recycling from VCM production).

Further we would like to emphasize that the application of the Zeolite-based catalyst is suggested as a low mercury catalyst technology during VCM production. However, no information is provided if the technology has been successfully tested or not. Germany requests to clearly justify the suggestion of using the Zeolite-based catalyst as BAT/BEP with referring to onsite tested examples of the technology.

*Comments from the USA:*

The United States supports China's strong interest in addressing mercury use and emissions in this important sector. Overall, we think the proposed project has the potential to greatly improve environmental and human health since this project incorporates several elements to address key obstacles that often prevent sector-wide improvements. Since we would like the project to be as forward-leaning and effective as possible, we request that in addition to incorporating input from the STAP, that the UNIDO consider the following suggestions prior to GEF CEO endorsement:

1. Because of evolving private sector activities in China, we suggest that the project would benefit from more frequent evaluation of the potential for deployment of non-mercury catalysts throughout the course of the project, not just at the outset, and that non-mercury catalysts should also be considered when mid-term and final project results are evaluated.
2. We believe that, for this project to be successful, baseline and mass balance measurements need to be conducted at typical Chinese VCM facilities to account for mercury inputs and outputs (air emissions and other mercury losses), which can be used to determine current emission levels. Similarly, it would be helpful if, as a part of this project, a life cycle assessment of the process from cradle to grave is conducted to establish an environmental footprint for the production of vinyl chloride monomer that can be used as a basis for measuring the success of the project and global environmental benefits of this proposed investment.
3. While we welcome the ambition to achieve a 50% reduction per ton of VCM production in 2020 in China, we recommend that measurements be conducted with low mercury catalysts that are expected to be available in China during the project implementation period to show that a 50% reduction can be achieved. Additionally, we would like to emphasize how critical it will be for all Chinese stakeholders to be engaged in this process for this project to be successful.
4. While we are supportive of UNIDO encouraging "information dissemination and awareness raising among stakeholders," we are concerned that this project component

may not be the best use of GEF resources since China is the only country that utilizes calcium carbide based VCM production to produce PVC. Thus, the global environmental benefit of this project component is limited, and information will primarily be disseminated locally. However, the activities related to mercury emissions from the energy sources of the VCM production units, including coal-fired power plants, would be very useful to disseminate not just within China, but for the global community.

5. Since this project is large and important, we highly recommend that international experts be invited to participate on an advisory panel or steering committee for this project. We would request this group evaluate at a minimum: baseline assessment and life cycle analysis of the VCM sector in China (as described in 2); technology verification (i.e., the ETV component of this project); and evaluation and monitoring.

Comments from Canada:

Canada welcomes the first mercury demonstration project under GEF-6. Nevertheless, we have a number of concerns with this particular project and request that they be addressed in the final project proposal; they are as follows:

- The amount of GEF funding sought (\$16.2M) seems high. Please provide more information and further justification to ascertain the value of each proposed activity, as well as the cost breakdown.
- It is unclear if a “demonstration” project should be used to minimize/reduce mercury use in the production of Vinyl Chloride Monomer (VCM), given this project would only benefit China, as it is the only country using a coal-based process with mercury catalysts to make VCM. As the project proposal notes, alternative petroleum-based processes that do not use mercury catalysts are already being used worldwide. In our view, the onus should be on China to switch to the low-mercury alternatives, and the 360 tonne estimated mercury reduction should not be dependent on this project. Please elaborate on the rationale for providing GEF funding for this project.
- Given that China already received GEF funding to develop a mercury inventory (Pilot Project on the Development of a Mercury Inventory in China, implemented by UNEP- GEF Resources \$1M), it is unclear why further mercury inventory work is needed under the current proposal. Please explain and justify.

We note that many of the listed project outcomes (e.g., developing national regulatory policy, developing a national inventory on mercury waste, national inventory of contaminated sites, strategy for reduction of health risk, etc.) do not apply to a demonstration project and appear to relate to funding national programs . Given that the GEF does not fund national programs in countries, please revise the project outcomes to better align with GEF objectives.

**China :** Reduction and Phase-out of PFOS in Priority Sectors in China (World Bank) (GEF Project Grant : \$24,250,000) (GEF ID 9046)

Comments from Germany:

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

- Since the EU just suggested PFOA as Persistent Organic Pollutant (POP) it could be discussed if PFOA could possibly also be addressed.

- The cost for the policy component (Component 3) seems too high.
- While labelling in respect to POPs (as proposed in Component 3) is useful, a “non-PFOS” label is not useful. Rather the project might consider labelling products which contain PFOS.
- The project information document in its actual form (concept stage) needs to be further elaborated and updated, the recent amendments of the Stockholm Convention regarding PFOS phasing out are not considered. Most of the 7 mentioned exemptions of PFOS use will phase out and should be in consequence completely substituted. The PID should elaborate on the planned measures of technology transfer and the introduction of non-PFOs alternatives.

Comments from Canada:

- Canada supports this project, and positively notes the level of co-financing (almost 1:6) as well as the ongoing work on the National Implementation Plan (NIP) Update by China.
- We also note that the objectives of the project is to reduce and phase-out perfluorooctane sulfonic acid (PFOS), which presents unique challenges given the high level of PFOS production and use in China. In this regard, we are pleased to note that the proposal includes the establishment of a domestic PFOS management and regulatory framework, as well as the demonstration of BAT/BEP for environmentally sound production and use of PFOS in acceptable purposes.
- Until complete elimination of PFOS, measures need to be taken to ensure that production and use under such exempted or acceptable purposes are carried out in a manner that prevents or minimizes human exposure and releases to the environment, given the project has ramifications for global benefits in reducing the long-range transport of POPs.

**Honduras** : Environmentally Sound Management of Products and Wastes Containing POPs and Risks Associated with their Final Disposal (UNDP) (GEF Project Grant : \$3,460,000) (GEF ID 9079)

Comments from Germany:

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

- The proposal could elaborate in more detail which synergies could be created through good coordination and/or joint activities with on-going and future projects in the field, especially with the GEF/UNIDO Project on Environmentally Sound Management of POPs in Waste of Electronic or Electrical Equipment (WEEE) in Latin-American Countries.
- While the involvement of public and private sector actors is sufficiently outlined in the proposal, participation of civil society is only mentioned with regard to the municipal waste management activities under Component 3. We suggest to integrate civil society participation as an integral part of awareness raising and knowledge dissemination activities (Component 4).
- Since the project focuses much on the newly-listed POPs under the Stockholm Convention, the timely completion of the updated National Implementation Plan (NIP) is crucial for a sound inception and implementation of the project. This accounts especially for Component 1, but also for the other components.
- Regarding awareness raising, Component 4 relatively focuses activities on the academic sectors, however the barrier 2 discusses lack of awareness in the public and private sectors. This should be clarified for proper allocation of resources.

- The project output 1.1.4 (“Pollutant Release and Transfer System (PRTR) developed and implemented.”) under Component 1 is not sufficiently described. Information on the institutional allocation of and responsibility for the PRTR system is lacking, but required. It has to be clarified if the data bank referred to in Paragraph 56 (“(...) will promote the creation of a centralized data bank to be further used by the NMC (...)”) equates the proposed PRTR system.
- Regarding the disposal option on cement kiln the SC BAT/BEP guidelines considerations should be taken into account.
- A socio-economic or livelihood analysis to identify vulnerable groups should be performed.
- All components are marked as technical assistance components while GEF is looking for investments components. Please consider which component can become investment component.

Comments from the USA:

The United States supports this GEF concept, which seems to be backed by both the public and private sectors and includes capacity building, technical assistance and awareness campaigns with government organizations, private sector, hospitals and schools and a targeted campaign to reduce community level backyard burning. We especially appreciate the aspects of the proposed project that address inventory and disposal of POP’s in an environmentally-sound manner and reduction of POPs releases. We concur with the STAP recommendation that the assessment of risks associated with this project should be examined and request that, if any elements of this project will involve handling of hazardous waste, appropriate safeguards be followed.

Comments from Canada:

- We support this project. To improve the clarity of the proposal, we request that the following comments be addressed prior to CEO endorsement:
  - Concerning project component 3 (page 4), *Reduce UPOPs releases from priority sources*: A series of technical manuals and guidelines are proposed as outputs of this project; however, it is unclear whether, and to what extent, existing guidance documents developed and adopted by the international community will be or have been consulted. For example, the Basel Convention has developed a number of relevant technical guidelines for the environmentally sound management of specific wastes (e.g., biomedical and healthcare wastes, used and waste tyres, unintentionally produced POPs wastes). Technical guidelines have also been adopted on environmentally sound co-processing of hazardous wastes in cement kilns. Please elaborate on this component.
  - We note that while the proposal provides information on plans to share experiences from the project with relevant stakeholders (page 20), it does not take into account lessons learned from similar projects and initiatives that have already been carried out. These should be carefully examined to increase chances of the project’s success. In addition, it should be made clear how the proposed project will draw from and build on all the work that has already been done in Honduras to fulfill its obligations under the Stockholm Convention (page 8).

- In terms of stakeholder engagement, the related section notes how civil societies and indigenous people will be involved; however, the document provides limited specificity with respect to organizational name and engagement approaches. Given the importance of stakeholder engagement, this section should be expanded in the subsequent document to ensure full and meaningful inclusion of relevant stakeholders, including CSOs and indigenous people.

**Montenegro** : Comprehensive Environmentally Sound Management of PCBs in Montenegro (UNDP) (GEF Project Grant : \$3,500,000) (GEF ID 9045)

Comments from Germany:

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

- It is not clear from the current project proposal how awareness raising will be integrated to involve civil society. Ideas on how NGOs can play a stronger part in the monitoring process have to be developed.
- It might be interesting to explore options of a common use of disposal facilities between Montenegro and Macedonia. When conducting the PPG, the feasibility of procurement of PCBs disposal service and equipment vs. the feasibility of transferring stockpiles for treatment in Macedonia, which recently set a PCB disposal facility throughout another GEF/UNIDO project, might be considered.
- In determining disposal options, it is recommended to incorporate the Stockholm/Basel and GEF guidance on technology selection for POPs disposal and the overall development of the ESM system for PCBs.
- The section on Global Environment Benefits is missing and should be completed.
- It is suggested to perform a socio-economic or livelihood analysis to identify vulnerable groups.
- All components are marked as technical assistance components while GEF is looking for investments components. Please consider which component can become investment component.

Comments from the USA:

The United States welcomes Montenegro's desire to establish an environmentally sound management system for PCBs. We support the STAP comments, and agree that as this PIF is further developed into a full project proposal the UNDP should develop more holistic baseline assessment to select appropriate technologies and waste disposal options. Additionally, the United States continues to believe that while contaminated site cleanup is important, it is not the most effective use of GEF resources to achieve global environmental benefits. Thus, we hope that as this project is further developed other aspects of the proposal will be prioritized.

Comments from Canada:

While Canada welcomes this project, we have some concerns with aspects of the proposal, particularly as some sections appear incomplete and some components may be duplicative of efforts already undertaken by the international community. We request that all sections of the final project proposal are completed and that justification of the value-added of the project is provided.



- Concerning project component 3 (page 3), outputs of this project include the identification of environmentally sound disposal technologies. The Basel Convention has developed and adopted technical guidelines for the environmentally sound management (ESM) of PCBs wastes, which identify pre-treatment methods and technologies appropriate for the destruction and irreversible transformation of PCBs. These guidelines should be consulted and referenced to in the final project proposal.

In terms of stakeholder engagement, the related section notes how civil societies and indigenous people will be involved; however, the document provides limited specificity with respect to organizational name and engagement approaches. Given the importance of stakeholder engagement, this section should be expanded in the subsequent document to ensure full and meaningful inclusion of relevant stakeholders, including CSOs and indigenous people.

**Philippines :** Implementation of PCB Management Programs for Electric Cooperatives and Safe e-wastes Management (UNIDO) (GEF Project Grant : \$6,200,000) (GEF ID 9078)

Comments from Germany:

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

- It is not clear if “a rationalized National Policy on WEEE Management formulated” includes a general National Waste Management Strategy and Plan for WEEE. If not, it is recommended to develop such general strategy and plan within this project. Also the creation/update of a waste inventory database should be included in the project.
- Incremental/additional cost reasoning for GEF intervention is not clear. It would be important to make clear what will be the use of GEF money complementary to the co-financing (if you read sections A.1.4 and A.1.5. there are inconsistencies on GEF funds use).
- Component 2 pct. 17 mentions that a former World Bank integrated project already provided technical assistance to PCB owners to implement an environmentally sound management and disposal of PCBs, as well as capacity building and awareness raising. This may lead to some questions in relation to the activities of institutional capacity and awareness raising on PCBs issues included in current Component 3. Germany suggests to clarify the necessity for further capacity building and awareness raising in the proposal.

Comments from Canada:

- Canada supports this project and noted the section on stakeholder engagement could be improved. Specifically, while the document notes civil societies and indigenous people will be involved, limited specificity is provided with respect to organizational name and engagement approaches. Given the importance of stakeholder engagement, this section should be expanded in the subsequent document to ensure full and meaningful inclusion of relevant stakeholders, including CSOs and indigenous people.

## Climate Change

**Argentina** : Reducing Argentina's Greenhouse Gas Emissions from the Energy Sector through the Utilization of Organic Waste for Energy Generation in Agriculture and Agro Industries (UNIDO) (GEF Project Grant : \$6,000,000) (GEF ID9053)

### Comments from Germany:

Germany welcomes the proposal for reducing GHG emissions in Argentina's Energy Sector. The proposal identifies an area with significant potential for low-carbon development and growth in Argentina's agronomy sector. The proposal is ambitious regarding what it plans to achieve in 48 months, and the majority of the co-financing is slated to come from a "tentative" source (a CAF loan of USD 16 million), which does raise some questions about the feasibility of project implementation, which should be addressed in the final project proposal.

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

- Germany seeks further clarification on why the CAF-loan is listed as *tentative*.
- Barriers: Beginning on p.6 the PIF outlines numerous and significant barriers that have been identified by the Secretary of Energy for the deployment of renewable energies in Argentina. It would be helpful to add a column to the table and include action items to be undertaken by the GEF project to overcome the barriers and manage risk.
- Put Megawatts into context: the PIF describes the use of biomass as being in its nascent stages. Furthermore, it states that the government of Argentina set a goal to boost energy from biomass to 400 MW by 2016. According to the table provided on p. 8, there is already 393 MW installed and 74 MW currently under construction, meaning the 2016-goal is likely to be met and surpassed by 2016 even without this project. It is strongly recommended to clarify how this project fits into the national goals. Will the project be focusing on increased dissemination with a look towards the 1650 MW goal set for 2030? What percentage of national energy supply would come from biomass in 2030? 8%?
- PROBIOMASA as Executing Agency: The PROBIOMASA program has laid a lot of the groundwork for the project. Some of the proposed activities, such as policy development and capacity building, overlap between PROBIOMASA and the project. Please clarify in Component 1 how this project complements and builds on the work of PROBIOMASA. Is PROBIOMASA essentially merging with the project?
- Focus on SMEs: It is suggested to provide a sentence in the justification as to why the biomass approach is most suitable for SMEs rather than the construction of larger-scale, centralized biomass power plants.
- GHG Emissions reductions: The PIF states that project plans to arrive at GHG benefits of 1,500 ktons (or 1,500 Gg). Is it possible to put this figure into context of the potential for the biomass sector as a whole? (The 2nd National Communication states that biomass has potential to reduce GHG emissions by 2,483 Gg between 2000-2015. Does that mean that this project will result in reductions equivalent to more than half (1,500Gg) of the sector's potential (2,483 Gg) from the previous 15 years? Is there updated information about the potential for the sector, or is that forthcoming in the TNC?)
- Third National Communication: the PIF states that the TNC will include studies of relevance to the project, i.e. regarding technical, economic, financial, institutional aspects of biomass-

energy generation. Will the TNC findings be made available for the preparation of the final project proposal?

**Cook Islands** : Renewable Energy Sector Project (ADB) (GEF Project Grant : \$4,127,668) (GEF ID 9067)

Comments from Germany:

Germany welcomes the project proposal in support of the Cook Islands' national target of achieving 100% renewable energy usage by 2020. The ambitious proposal is both coherent and well-designed.

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

- Regarding the GEF contribution to the project the PIF states, “*the additional grant from GEF will allow the government and the local grid-operator to find the most suitable storage technologies for the large renewable energy penetration without negatively affecting the grid.*” Technologies in the battery storage industry are making improvements that the project might consider when looking for solar-power storage options. For example, Tesla has recently announced the production of a "Powerwall" battery for solar power that cost \$3,500 for 10kWh and \$3,000 for 7kWh. Up to 9 batteries can be combined to boost storage capacity. The company is reaching out to developing countries and remote areas with the argument that the batteries can help people in emerging markets or remote locations ‘leapfrog’ the need for existing power systems, in a similar way that mobile phones have become more important than landlines in remote parts of the world. This open-source technology is available to other battery producers to produce themselves and appears to overcome some shortcomings of solar storage, including expense, capacity, size and appearance. While Germany does not endorse any specific company or product, the technology may be worth exploring during the project roll-out.

**Ethiopia** : Ethiopian Urban NAMA: Creating Opportunities for Municipalities to Produce and Operationalise Solid waste Transformation (COMPOST) (UNDP) (GEF Project Grant : \$6,667,123) (GEF ID 9048)

Comments from Germany:

Germany welcomes the proposal from Ethiopia to address solid-waste and peri-urban land management deficiencies in this ambitious project covering six cities and towns.

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

- The problems and challenges addressed and the solutions proposed are very much comparable to the waste management situation in other developing countries. Given the fact that waste management in most countries is a sector that would need heavy subsidies, but has often very low priority compared to health, education, transport or energy (other sectors with responsibility on the local level of governance), the estimated/proposed financial contributions from national and subnational entities seem to be very high and their probability would need to be assessed. Additionally, in many projects income generation from waste products like compost and recyclables is often overestimated. Germany hence suggests assessing if this is the fact in this case as well.
- Risk management: Germany seeks further clarification on the specific barriers to designating land for Integrated Solid Waste Management (ISWM) and Urban Green infrastructure (UGI).

Does the government possess land titles for designation areas or will this likely be a point of dispute?

- **Risk Management:** In order to manage the risk of illegal harvesting of reforested lands, the project may consider a community-forestry approach, such as the one used with success in Honduras<sup>2</sup>, and that makes the communities abutting the reforested lands key players in the land management through the granting of land concessions.
- **Methane from Composting:** It is important to note that composting can also result in methane gas production if not managed correctly, i.e. by regular turning of the compost to provide oxygen and/or introduction of living organisms, such as worms, to promote aerobic decomposition.
- **GHG Emissions, NAMA and MRV:** The PIF states that more work will be done on estimating emissions reductions during the preparation of the final project documents. At this time, it is also recommended to set up the MRV system, as this will help determine what information is needed to prepare the NAMA and track progress on emissions.
- **Non-Organic Waste:** The focus here is only on the portion of organic waste that will be diverted from landfills. The PIF states that the other 25% of waste that is non-organic will also be diverted. What are the plans for managing non-organic waste?
- **Sanitary Landfills:** The two sanitary landfills will necessarily need organic waste to function as designed. Please clarify that organic waste streams are not being diverted from the two landfills in favor of composting.
- **Project Management:** The project seems almost unwieldy in terms of the large number of stakeholders / contributors / collaborators, which will require very clear role definitions. Germany recommends to include further information on how the project management will look like, e.g. with regular stakeholder meetings, a central coordinator, etc.

### Comments from France:

#### **I. General comments**

The management of municipal solid waste has received a lot of attention in recent years, with the background idea that household waste may cease to represent a cost and become a source of income. Recovery for energy purposes has notably the wind in the sail (ex: incinerator built in direct contracting in Addis Ababa for 120 MUSD with strong uncertainties on the exploitation phase or environmental issues). In this sense, upgrading to purposes of compost can be an alternative less costly and less risky.

The implementation of this program (ex: creation of compost units; semi-anaerobic treatment pond on landfills) will necessarily face a set of challenges commonly seen on projects of this nature: availability of a land which are appropriate in terms of surface and location, local capacity to ensure maintenance operations, financing of operating costs in the long-term. In connection with these elements, arises naturally for composting activities several questions:

- effectiveness the primary collection
- selective nature (to distinguish organic from other waste).

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<sup>2</sup> See Report (Pdf): <http://prorena.wikispaces.com/file/view/Modelo+de+Gesti%C3%B3n+Forester%C3%ADa+Comunitaria.pdf>

These are two important factors, both for the quantity and quality of the finished product (ex: poorly mastered, a compost presents a health risk, especially when used for peri-urban agriculture). The document does not answer fully satisfactorily to these questions.

In terms of economic efficiency, the assertion of the potential power of substitution of the compost to chemical fertilizer imports needs to be supported. It should be noted that, in the case of the municipality of Addis Ababa that AFD supports, composting option had been rejected, both for questions of costs (capital expenditures and operation expenditures), skills (accompany the maintenance operation of such units when the 'basic' sectors are not satisfied may seem somewhat illusory ex: improved institutional arrangements; efficiency of collection and appropriate management of landfill areas.) but also market opportunities.

The presentation of previous experiences can be considered to be somewhat "embellished":

- The storage infrastructure of non-hazardous waste (ISDND) of Bishoftu (30 km south of Addis Ababa), in the frame of ULGDP I World Bank funding project, is not operated nearly two years after the delivery, because of the lack of sufficient skills in the municipal services of the locality. However, the present program proposes to support the creation of a compost unit and the rehabilitation of the old landfill.
- Similarly, the experience led by HoA – REC, on the rehabilitated part of the former Addis Ababa, of methane valorization is still not functional, three years after the validation of the methodology for access to Carbon scheme (oversized initially device).
- In the same way, the valorization of old landfills for green and recreational areas is questionable. According to the legislation, especially European, old landfills are classified sites and inaccessible to the public. If there are successful experiences in the field (ex: Cairo), these projects have been conducted sometimes several decades after the close of the landfill, once the biological activities are "stabilized."
- Finally, it appears from local discussions that the ISDND entered into operation five years ago is today operated as a simple landfill. Finally, it appears from local discussions that the ISDND entered into operation five years ago is today operated as a simple landfill. Here too, the program foresees to accompany the creation of a unit of compost and the rehabilitation of the old landfill.

The mobilization of the private sector in Ethiopia tends to take longer than expected and economic development is led by the public sector. The component 2 of the program is fully focused on structuring the private sector. However, municipalities and public structures are identified as the first market (purchase of compost for green areas).

## **II. Specific comments**

Financing plan : the monetary valuation of 'contributions in kind' should be specified, since they represent a substantial part of the proposed funding plan: after quick calculation, 13.9 MUS\$ out of a total of 43.4 MUS\$, which means contributions in kind representing one third of the budget.

Coordination: we support the call for coordination, but if the Agence Française de Développement has taken time to receive the UNDP consultant who travelled to Addis Ababa late last December to draft this proposal, they have not heard of the project since (the public administration neither) until this proposed document. The coordination principle could be more concretely implemented.

**Opinion:** France supports this proposal but believes it could be substantially improved on the above-mentioned issues, through a better anticipation of a number of risks and a change in some assumptions which realization is not certain.

Comments from Canada:

- Canada supports this project, though has some concerns, primarily related to the proposed four-year timeframe, given the scope and ambition of the project. We note that even societies with more mature waste management systems are still demonstrating resistance segregating organics, and municipalities often hesitate to implement large scale diversion of organics from landfilling.
- We request that the following issues be addressed/justified prior to CEO endorsement:
  - Each major work item in the proposal could take more than four years on its own, and many of the items depend on the results from previous work prior to full implementation. In addition, we note that Item 1 of the work program calls for harmonizing regulation at federal and regional levels, which could take years to negotiate and will likely require many compromises. Proceeding with developing a waste management program prior to having regulatory controls in place would be a high risk endeavour. We propose that either the scope of work be reduced to foundational items or the timeframe be extended.
  - For work item 1, the proposal should also clarify how this item will resolve the issues regarding the lack of enforcement and the lack of sustainable long-term funding.
  - While the project to enhance various Ethiopian soils has merit, certain problems (as outlined in Problems and Root Causes in Part II, Project Description) run deep. In our view, fundamental structures to organize an urban society experiencing waste management growing pains must be established before implementing more “finishing touch” initiatives such as greening and beautification (Urban Greenery Infrastructures). As such, the project should focus on the fundamental structure and “finishing touch” initiatives could come later in separate project proposals.
  - Component #4 (Integration of UGI and ISWM in urban systems) should be the first and foremost activity to be implemented in both mature and developing areas of cities, as it is the stepping stone in ensuring: proper long-term development of cities; diversion and segregation of waste at source, mitigating landfill scavenging for valuables and the associated public health issues; and, organics diversion from landfilling is the main reduction trigger of landfill methane emissions. The order of activities should be revised accordingly.
  - Technologies for composting should aim for the true and proven basics: open-air windrow composting, built to a scale where all operations are either manual (job opportunities) or mechanized, where machinery is available. This should be reflected in the project proposal. In addition, the proposal should ensure organic feedstock and carbon-based feedstock/amendments are available to obtain appropriate composting mixture, and water supplies to adjust optimal moisture content. We would like to ensure that project proponents are aware that there could be a potential competition for wood biomass used for energy and cooking and they should indicate possible measures to mitigate this risk.

**Moldova :** Moldova Sustainable Green Cities – Catalyzing Investment in Sustainable Green Cities in the Republic of Moldova Using a Holistic Integrated Urban Planning Approach (UNDP) (GEF Project Grant : \$2,639,726) (GEF ID 9042)

Comments from Germany:

Germany welcomes this comprehensive and well thought through proposal. The proposed 2.6 million USD seem appropriate for the envisaged technical assistance, Germany however seeks further clarification on the co-financing: for Component 4 “National Database on Energy Consumption in all Public Buildings & Energy Management”, a GEF contribution of 460,000 USD is envisaged and 6 million from co-financing. However, areas of activity only consist of knowledge management and capacity building (technical components), not including investments, for which the 6.5 million USD seem disproportionately high.

Comments from the USA:

The United States requests that the UNDP modify this proposal to reflect the technical comments submitted by the STAP prior to GEF CEO Endorsement.

**Turkey** : Promoting Energy-Efficient Motors in Small and Medium Sized Enterprises (SMEs) (UNDP) (GEF Project Grant : \$3,750,000) (GEF ID 9081)

Comments from Germany:

Germany welcomes the proposal for increasing energy efficiency in the electric motor segment of Turkish industry. The potential for GHG savings, cost savings and replication are all high.

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

- Risk Management: the higher cost associated with replacing the standard motors with EE motors is listed as a medium risk, based on concerns that industry will be unwilling to invest. Given the volume of motors and potential end-users, it is recommended during the project preparation stage to organize potential user-group meetings to inquire about what the users are looking for in their motors and identify any current shortcomings. The EE motor offer could be better tailored to suit individual needs and thereby ease concerns about higher costs and gather information about financing concerns that could be addressed by innovative finance packages.
- Risk management: The risk of the KOSGEB not working is listed as “medium” and one possible way forward that is proposed is to continue demonstrations until commercial phase becomes viable. Germany recommends further clarifying how the project could be steered towards commercial-scale in the event that the demonstration phase does not have the desired outcomes. What incentives can government provide industry? How can financial packages be made more attractive? Can payment plans be introduced?

**Uzbekistan** : Market Transformation Sustainable Rural Housing Project (UNDP) (GEF Project Grant : \$6,000,000) (GEF ID 6913)

Comments from Germany:

The Project proposal from Uzbekistan seeks to address a pressing need for sustainable housing solutions in rural areas. The project will proceed regardless of GEF funding, but with GEF funding the opportunity exists to make the 87,000 planned housing units as low-carbon housing.

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

- Homeowners as target group: the proposal suggests that homeowners may not specifically be interested in low-carbon housing options since these models cost more up-front and

fossil fuel energy sources are cheap. Final project documents should include estimates of how much money homeowners will save in the long-run with regard to energy usage.

- Interest rate and Sustainability of the Program: the 7% interest rate - despite government subsidy - seems quite high. In addition, the down-payment requirement of 40% of the cost of the house is quite high. What evidence exists that 87,000 families are in a financial position to participate in this program?
- NAMA: has consideration been given to leveraging international support for the upscaling of the program - and potentially offsetting the high interest rate - through the submission of a NAMA project? Could a loan-insurance mechanism be applied to incentivize the lending banks to provide more favorable terms?

## International Waters

**Regional (Botswana, Lesotho, Namibia, South Africa) :** Support to the Orange-Senqu River Strategic Action Programme Implementation (UNDP) (GEF Project Grant : \$10,815,137) (GEF ID 9054)

*No Council comments received.*

## Land Degradation

**Armenia :** Sustainable Land Management for Increased Productivity (IFAD) (GEF Project Grant : \$3,937,500) (GEF ID 8005)

### Comments from Germany:

The project aims to improve farmers' livelihoods through investments in sustainable land management practices and technologies while addressing the impact of climate change on agricultural production. Germany welcomes the proposed project and shares the observations made by STAP. Further, Germany suggests further elaboration on the following:

- The spatial extent of the proposed project remains unclear and could be clarified. On page six it is referred to eight marzes, on page eight to seven marzes. A map would be helpful in this regard.
- Component 3 mentions to undergo baseline inventory of existing and ongoing experience on efficient irrigation and sustainable farming systems and techniques in Armenia, neighboring countries and elsewhere. Germany highly welcomes the aim of using already existing methods and thus saving time and resources. With regard to pasture monitoring and management in Armenia, guidelines and tools exist that might be interesting to consider, such as the "Manual for Monitoring of Pastures, Armenia" and the "Guidelines for Pasture and Grasslands Management Plans Development and Implementation" developed by the "Sustainable Management of Biodiversity, South Caucasus" Programme of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). Also, with regard to Climate Change Adaption it might be of benefit to consider the results of the research project, financed by Germany, which was conducted by the Yerevan State University on the "Identification of Wheat and Barley Genetic Resources Adaptive Traits to Sustain the Forecasted Climate Change".



- Regarding other relevant initiatives, Germany would like to note that in addition to the project mentioned, it might be useful with regards to erosion control, to identify possible synergies with the project on “Integrated Erosion Control in Mountainous Areas of the South Caucasus”, the implementation of which is assisted by GIZ on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ). This project is working on erosion control measures in Shirak and Aragatsotn marzes, which are also focus of the proposed GEF project.

## NON-GRANT INSTRUMENT PROJECTS

**Regional (Latin America and Caribbean) :** Impact Investment in Support of the Implementation of the Nagoya Protocol on Access and Benefit Sharing (IADB) (GEF Project Grant : \$10,000,000) (GEF ID 9058)

### Comments from Germany:

*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:

- **On traditional knowledge associated to genetic resources:** The Nagoya Protocol sets up procedures and standards with regard to ABS issues related to genetic resources (GR) and associated traditional knowledge (aTK). It is very likely that activities under the proposed project will include accessing and utilising aTK and hence negotiating appropriate benefit sharing agreements with indigenous peoples and local communities. The project proposal does not reflect this case in the necessary depth and needs to be amended accordingly.
- **On ownership over GR and aTK:** The project proposal needs to elaborate on issues of ownership and sovereignty over genetic resources and associated traditional knowledge to be accessed and utilised, and implications for MAT negotiations and IP practices. It is likely that the involved SMEs will apply for IPR on processes but also material originating from the respective provider countries or indigenous peoples and local communities. It is advisable that at the beginning of the project appropriate standards are developed in this regard.
- **On selection criteria for SMEs:** The project proposal needs to clarify whether the benefiting SMEs must have their seat in ODA or GEF-eligible countries or whether they can be located in other, also developed countries. The majority of benefiting SMEs in the current EcoEnterprises Fund II have their seat in the U.S. or EU. When selecting SMEs, priority should be given to those SMEs which operate in countries that already took part in GEF ABS projects and thus have demonstrated political will to ratify the Nagoya Protocol in the near future and that might have started to build up first legal, administrative and institutional arrangements to implement the Nagoya Protocol.
- **On result monitoring:** Germany suggests elaborating on methods how to measure and monitor the claimed biodiversity benefits with verifiable indicators.
- **On cooperation with German partners:** While Germany welcomes the idea of cooperation between the proposed project and the listed partners, the project proposal must present, based on consultations with the proposed partners, the modalities of cooperation.

Comments from the USA:

The United States is supportive of the Non-Grant Instrument Pilot (NGI) and expects that the first group of NGI PIFs will take into account the STAP comments and provide additional financial details of the proposed models. We look forward to re-reviewing all three NGI project proposals (9058, 9085 and 9051) prior to GEF CEO Endorsement.

The United States supports the STAP observation that this project requires significant modification to better align with the GEF's primary objectives of promoting global environmental benefits. While we understand that the primary objective of this project is to provide technical and financial assistance to Small and Medium Enterprises in Latin America and the Caribbean working in value chains aligned with the provisions of the Nagoya Protocol, we request the full project proposal provide additional detail to address:

- 1) Where in the region the IADB plans to work, who it will partner with for specific implementation details, and what criteria (in addition to being an environmentally-friendly business) it will use to select SMEs to be supported by the proposed project;
- 2) What indicators it will use to measure the impact of this project on biodiversity outcomes;
- 3) How it will monitor sustainable-use of biodiversity.

Comments from France:

**Objective of the project:**

The objective of the project is to provide technical and financial assistance to SMEs in Latin America and the Caribbean, working in value chains aligned with the provisions of the Nagoya Protocol.

“When looking at these SMEs under the lens of the Nagoya Protocol on Access and Benefit Sharing (ABS), it is possible to see two groups: 1) those companies actively taking part in the production and valorization of genetic resources by means of research and development, and 2) companies that are part of value chains linking users and producers of these genetic resources”.

**FFEM Comments:**

1. Although we share the relevance and the priority area as stated in : (i) the intention of the project, closely related with the implementation of the Nagoya Protocol, is clearly relevant (as a matter of fact, this area of support is quite in line with FFEM new strategic framework); and (ii) the diagnosis on which is grounded the project : “One key barrier for SMEs to gain strength and grow their operations while protecting the biodiversity of the region is access to investment capital and technical assistance”;
2. the document keeps silence on the type of SMEs that will be selected, and how this selection will be done, upon which technical and scientific criteria, on which social criteria, ..., according to which type of “nature-based” product. The document does not explain how the project will operate. Only details the EcoEnterprise fund.
3. The document does not explain this assertion “while protecting the biodiversity of the region”, as if, working on nature-based products would be sufficient to guarantee biodiversity conservation. Nothing is said on the indicators and monitoring system that should be set up, as a key element for success, so that positive impact on biodiversity could (and definitely should) be an output (for instance: what guarantee that there would be a sustainable way of using natural products, for which kind of “natural product”,...)
4. Coordination:

- The link and coordination with the government focal points should be more explicated, as they are also at the initial phasis of the implementation of this new Protocol (technical support should be also provided to them?)
- “As this project is looking for SMEs in the niche of the Nagoya Protocol on Access and Benefit Sharing, the Fund plans to bring on board the experience of the Union for Ethical Biotrade (UEBT). UEBT is an organization highly respected by the business community and those interested in making the Nagoya Protocol work. By having UEBT as a partner, the project will consolidate its position in the niche is aiming at occupying.”: the document should provide more evidence on what is UEBT and why its experience is unique.
- P.10: “Coordination will be made directly with BMZ and through the ABS-Initiative (<http://www.abs-initiative.info/>) a partner of the GEF.” This aspect could be better explained in the document.

**Opinion:** favorable with the above suggestions.

**South Africa :** Equity Fund for the Small Projects Independent Power Producer Procurement Programme (non-grant) (DBSA) (GEF Project Grant : \$15,000,000) (GEF ID 9085)

Comments from Germany:

Germany welcomes this well elaborated proposal which aims at removing financial barriers in the Small Scale Renewable Energy Projects by establishing an Equity Fund. The project addresses a challenge (access to/provision of equity) which is not only focused on SME investments in decentralized renewable energy systems. If successful, it could serve as a blueprint for other economic instruments for low carbon growth in South Africa (eg. creating a market for Energy Service Companies for Energy Performance Contracting; ESCOs currently also struggle with equity questions).

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

- In South Africa, the challenges are not an absence of financial potential but a lack of trust between stakeholders and a lack of experience, e.g. in the private sector, to invest in a new market like decentralized renewable energy. Trust building, e.g. by providing loan based financial support in whichever way could help to overcome the distrust and gain experience.
- In its comments, STAP addresses technical concerns, e.g. in relation to the source of feeding material for biogas plants. Even though, the number of supported biogas plants is small, these concerns should be taken into account, e.g. by being included in the proposed Environmental Impact Assessments.

Comments from the USA:

The United States is supportive of the Non-Grant Instrument Pilot (NGI) and expects that the first group of NGI PIFs will take into account the STAP comments and provide additional financial details of the proposed models. We look forward to re-reviewing all three NGI project proposals (9058, 9085 and 9051) prior to GEF CEO Endorsement.

Comments from France:

The project's aim is to remove barriers to accessing finance by SMEs in the RE market in South Africa. This will enable more SMEs to participate in the industry. It is assumed these SMEs are

manufacturers, installers, and developers of RE equipment and projects. From the wording of the proposal it is not entirely clear who these SMEs are so they could be working in other forms of business (such as dairy farms or car service stations, or retail outlets) but wishing to use RE in their business by investing in their own solar PV panels or wind turbines. It would be useful to give examples of exactly who these SMEs might be. FIRST is looking for funding for: (i) a bridge facility to ensure that the most competitive conditions can be applied – knowing that DBSA has already indicated its willingness to finance it, with partial support from KfW; (ii) a subordinated loan, knowing that the overall amount required stands at 400 MZAR and that DBSA could finance this as well. The initiative is already quite mature thanks to the amount of work conducted by KfW and Fieldstone.

**Opinion :** Favorable

Regional (Burkina Faso, Cote d'Ivoire, Kenya, Mali, Tanzania, Zambia, Congo DR) : Moringa Agro-forestry Fund for Africa (non-grant) (AfDB) (GEF Project Grant : \$12,000,000) (GEF ID 9051)

Comments from Germany:

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

- Germany would like to emphasize that the final project proposal should clearly identify the planned sub-projects and consistently state the targeted land area (in ha) of the investment and the targeted land area (in ha) in the sub-projects as well as the targeted carbon sequestration.
- Germany would like to emphasize that the envisioned mandatory certification scheme for sustainably produced biomass (energy plantations) needs to include appropriate environmental criteria with regard to conservation of biodiversity and local ecosystems, the use of agro-chemicals and water use, so as to avoid negative environmental impacts.
- Germany strongly suggest the inclusion of such safeguards for implementation of the sub-projects, to ensure that the envisaged agroforestry-energy plantations do not replace forest or fertile agricultural land and are planned in participatory manner.

Comments from the USA:

The United States is supportive of the Non-Grant Instrument Pilot (NGI) and expects that the first group of NGI PIFs will take into account the STAP comments and provide additional financial details of the proposed models. We look forward to re-reviewing all three NGI project proposals (9058, 9085 and 9051) prior to GEF CEO Endorsement.