



**GLOBAL ENVIRONMENT FACILITY**  
INVESTING IN OUR PLANET

COMPILATION OF COMMENTS  
SUBMITTED BY COUNCIL MEMBERS  
ON THE GEF  
JUNE 2021  
WORK PROGRAM

**NOTE: This document is a compilation of comments submitted to the Secretariat by Council members concerning the project proposals presented in the GEF June 2021 Work Program**

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**JUNE 2021 GEF WORK PROGRAM: COMMENTS FROM  
COUNCIL MEMBERS (REFERENCE: GEF/C.60/04)**

## **PROGRAMS**

### **1. ISLANDS Program Addendum:**

**Regional, Cabo Verde, Guinea- Bissau, Sao Tomé and Príncipe. Implementing Sustainable Low and Non-Chemical Development in SIDS (ISLANDS) (GEF ID 10786); Agency: UNEP; GEF Program Financing: \$9,000,000; Co-Financing: \$23,000,000.**

✓ **Germany Comments**

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

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

- The addendum is well designed and the inclusion of three more countries is welcomed. Germany asks to specify more concretely how this project contributes to the international chemicals' agenda, such as the implementation of SAICM and the Stockholm Convention. Particularly project components 2 and 4 could potentially be designed in such a way that they address these issues more explicitly with little additional effort.

✓ **Norway/Denmark Comments**

- We support the inclusion of these additional countries and appreciate that the project is not limited to POPs and mercury. A number of other substances are also of very high concern and will often be found together with mercury and POPs.
- It is positive that regional development banks have expressed interest in working together on landfill management. We underline that the ultimate goal must be to limit landfilling to a very limited number of waste streams.
- Recycling efforts must have as a component the abstraction of hazardous substances in order to ensure a sustainable circular economy where secondary raw materials are not polluted by substances of concern.
- Previous comments made on the ISLANDS project our constituency remain relevant.

### **2. GEF-7 Africa Minigrids Program Addendum:**

**Regional. GEF-7 Africa Minigrids Program Addendum (GEF ID 10804) Agency: UNDP; GEF Program Financing: \$8,110,966; Co-financing: \$142,962,000.**

✓ **France Comments**

- This program targets the same topic and the same geographical areas as some AFD projects in Burkina Faso, Madagascar, Mali, and Niger.

- Coordination with AFD would be necessary in the countries where AFD has projects on this theme (with links to the EU and other donors): Mali, Niger, Burkina Faso (Madagascar: project under preparation).
- There are some interesting points on data collection and on the capitalization of lessons learnt and practical experience.
- The proposal covers countries in very different contexts, without an analysis of the specific situation and needs of each country. It is therefore a very wide range of subjects that are proposed to be tackled:
  - Technical assistance on regulations, tariffs, risk analysis, geospatial planning, techno-eco modeling, prefeasibility, formulation of rural electricity strategies, issues with subsidies of fossil fuel, derisking instruments, institutional reform, capacity building, quality standards, customs procedures, waste management, digitalization, professional training, design support, market intelligence, etc.
  - Investments: Development of pilots (especially on productive uses)

Even if these different points are indeed subjects which require technical assistance and grant financing, the formulation of the project raises some questions: there does not seem to be any will. It would be relevant to analyze the successes and gaps of certain countries, for example the successes of Kenya on its regulations, in order to replicate the approach. It would also be necessary to identify relevant public actors in each country (utility vs rural electricity agency) as the approaches to recommend will be very different depending on the case.

- The funding is focused on a few countries: Benin with MCC and SE4All (total \$ 58M), Zambia (GCF and EU, \$ 53M), Mali (UNDP, SIDA: \$ 2.6M). Elsewhere, funding seems too small to induce the structural changes envisaged.
  - It seems difficult to imagine that such a program will be effective outside of the 3 countries with the most funding.
- Finally, the added value of UNDP on access to energy in rural areas, through mini-grids, should have been made more explicit in the selection of implementing agency.

✓ **Germany Comments**

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

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

- In order to avoid duplication of efforts and leverage synergies, Germany strongly recommends (to continue) coordinating with the following local country offices of GIZ during project preparation as well as implementation: Benin, Mali and Zambia.

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI*

*recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

### **3. GOLD+ Addendum:**

**Global. Global Opportunities for Long-term Development of artisanal and small-scale gold mining ASGM) Sector Plus - GEF GOLD + Addendum (GEF ID 10802) Agency: Conservation International; GEF Program Financing: \$30,485,696; Co-financing: \$139,654,570.**

#### ✓ Canada Comments

- Given the overall success of these initiatives and the significance of the ASGM sector as a source of global mercury emissions, Canada supports continued funding for ASGM-related projects and the GOLD program. The project is in line with the Minamata Convention text and will assist countries with treaty implementation.

#### ✓ Germany Comments

Germany approves the following PIF which aims to extend the existing GEF GOLD+ program through seven Child Projects and contributes to implementing the Minamata convention

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

- The evaluation of the GEF GOLD program has noted that other issues (apart from mercury pollution) caused by ASGM (e.g. deforestation, harmful replacement technologies, child labour, indigenous peoples rights) could have been better addressed. While it is clear that they can not be accurately assessed before sites have been selected, Germany asks the project to fully consider these risks and to ensure co-benefits once possible.
- According to the evaluation of the GEF GOLD program the reduction of mercury use after project completion varies significantly in different project regions. In light of these results, Germany appreciates further clarification on whether the application of a uniform replication factor for all countries is appropriate. In the current proposal the replication factor after project completion is 3. The final project proposal should state how obstacles for replication identified in the evaluation (e.g. lack of government enforcement of mercury bans, lack of training and lack of availability of replacement parts for non-mercury technology) will be tackled by the project.
- Germany emphasizes the importance of including the creation of cost-effective monitoring and implementation structures for countries with weak ASGM formalization in the final project proposal.

#### ✓ Norway/Denmark Comments

- We are pleased to see the inclusion of seven additional countries to the project. ASGM is a significant source of releases of mercury into the environment.

- We would like to point to the linkages between ASGM and deforestation made by the GEF Secretariat in the GEF 8 Strategic Positioning and Programming Directions<sup>1</sup> where mining is found to have much broader consequences "than the areas cleared for the pit with a cascade of effects responsible for deforestation and forest degradation".

## NON-GRANT INSTRUMENT PROJECTS

### 4. **Global. Scaling Up CRAFT: Mobilizing Private Capital to Mitigate Climate Change and Reduce Land Degradation through Resilience Investments (GEFID 10765). Agency: Conservation International; Project Financing: \$ 4,00,000; Co-financing \$ 41,000,000.**

#### ✓ Germany Comments

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

Germany, as one of CRAFT's investors, welcomes the fund's efforts to increase the Junior Layer in order to leverage further private investments in the fund. For Germany, the focus on innovative business models and technologies in the field of climate adaptation and resilience is a unique selling point that makes the fund an interesting partner for German development cooperation. In view of the present GEF project application, Germany requests that the following comments should be addressed:

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

- The proposal should stringently and clearly emphasize that adaptation technologies and adaptation impacts are the focus of the fund and that the proposal refers to mitigation co-benefits (especially in Section B / Indicative Project description summary).
- The Project Objective states that GEF resources of USD 4 million are requested "to mobilize and deploy an additional USD 81 million in capital for innovative, scalable, enterprise-driven climate change mitigation and sustainable land use solutions under the Climate Resilience and Adaptation Finance & Technology Transfer Facility (CRAFT)." However, the PIF only indicates a planned co-financing of USD 41 million. Germany requests to clarify this discrepancy and provide clear and coherent information.
- From a German perspective, one of the fund's strengths is the interesting pipeline of companies in the field of climate change adaptation and resilience. Therefore, we suggest describing the current implementation status of CRAFT's pipeline in a more concrete and comprehensible way (including a timeline), especially in the baseline and the alternative scenario.
- The chapter "Stakeholder engagement" refers to CRAFT in general and not to the suggested project, which would include an addition to the fund's orientation by integrating mitigation aspects. Here, a more specific description of the planned stakeholder engagement on this substantive alignment would be important.

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<sup>1</sup> Page 237

✓ Norway/Denmark Comments

- An investment into CRAFT is considered high risk. TLG is a 1st time fund manager with no evidence of a track record (successful exits). Track record is an important metric in order to attract investment capital and also a good indicator of how the fund will perform. It is not clear what experience the team has related to investment selection, portfolio management, and business strategy. The GEF Secretariat should perform a team assessment and that they have the necessary capabilities to follow-up projects in a satisfactory manner.
- It is not evident that the team has the needed geographic competence needed.
- The application does not indicate whether the Fund manager has experience investing in similar enterprises.
- It is not clear why Conservation International is the appropriate agency for this investment. Supervision of this instrument requires intimate knowledge of private equity and investment strategy. Does CI have this competence?
- The Investment committee is comprised of 3 members. Two managing directors from TLG, and one independent member. It appears that they have mechanisms in place in the event of misalignment. However, we would advise the fund to have a majority independent IC members. This is best practice.
- The background information does not indicate whether the General Partner, which is TLG, is participating in the fundraise. GP participation is a critical component, and especially given this is a 1st time fund. GP participation demonstrates commitment and “skin in the game”. An investment of <1% should be adequate.
- The sample portfolio listed in the shared documentation gives examples of potential investment cases. The proposed technology looks promising to mitigate GHG emissions, land degradation etc., however it is a concern that there will most likely be a long-time span from the investment is made until the technology potentially reaches the small-holder farmer. The documents include some information on a TA Facility for developing countries, which will provide grants to support uptake of technology in developing markets. It would however be useful with more explicit information on the estimated timeline of this dissemination of technology and how this will be ensured. Moreover, the link between the investments and the economic development and welfare of developing countries could be clearer.
- Some of the investments in the sample portfolio are defined as low-cost. CleanTech solutions at a low cost is great, however, will it be regarded as affordable to smallholder farmers? Affordability is often a constraint for farmers (agricultural inputs like improved seeds and fertilizer are already too expensive for many).

**5. Global. IFC-GEF Hotel Green Revitalization Program (HGRP) (GEF ID 10766). Agency: WBG; GEF Project Financing: \$9,132,420; Co-financing: \$802,500,000.**

✓ Germany Comments

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

Germany welcomes the focus on private sector engagement to take part in decarbonisation and consequently to reach the 1.5 °C goal of the Paris Agreement. The risk sharing infrastructure seems appropriate in this context in order to ensure investment security.

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

- In general, the proposal should establish a link to the Paris Agreement and the respective NDCs.
- The underlying assumptions for the anticipated emission reduction of 1.8 million tonnes of CO<sub>2</sub>e should be elaborated in more detail.
- In doing so, the proposal should elaborate more clearly which technologies are eligible to be included in concrete implementation plans. It is important that the technologies deployed are in line with the 1.5°C goal of the Paris Agreement. They should not include any fossil fuel technologies, but strictly focus on renewable energies and energy efficiency.

✓ Norway/Denmark Comments

- In order for most investments to be successful, ownership and accountability play a key role. There is no mention of loan recipients (the SME hotels) being required to provide equity or capital to part-finance the initiatives. HGRP is lacking buy-in. We propose hotels be required to cover part of the cost, for example 20% of project cost.
- Currently the Facility is targeting both IDA (37,5%) and non-IDA countries (62,5%). Non-IDA countries include target countries such as Seychelles, Mauritius, and the Maldives → Luxury destinations. Although the proposal specifies that 5-star and luxury hotels are excluded, is it reasonable to believe that this facility will benefit wealthy hotel owners. There is a risk of market distortion by including Non-IDA countries. In non-IDA markets, there are already functioning financial markets that provide financing at local market rates. The introducing of concessional financing may crowd out existing lending products as they are not able to compete. We propose amending the eligibility criteria to only include IDA specific countries. Alternatively, the Facility still targets both IDA and non-IDA countries, but the guarantee issued by GEF can only be applied to IDA specific countries.
- Is it the most appropriate time to be green retrofitting hotels right now? Given the uncertainty in the tourism and hotel industry, we must be cautious of burdening vulnerable SME hotels with additional debt at this time. This should be well reflected in the risk assessment.
- We view green retrofitting as a necessary tool to equip industries to reduce emissions. However, we question whether scarce GEF financing is most effectively spent on retrofitting hotels. The travel and tourism industry are large contributors to carbon emissions; however, airlines and transportation make up the critical bulk and not hotels. Could GEF funding be more effectively targeting the transportation industry if the goal is to have an impact on the tourism industry?

## STAND-ALONE FULL-SIZED PROJECTS

### BIODIVERSITY

**6. Mauritania. Integrated Management of Protected Areas in the Arid Regions of Mauritania (IMPADRA) (GEF ID 10586). Agency: UNEP; GEF Project Financing: \$2,639,726; Cofinancing: \$16,900,000.**

✓ Canada Comments

- This project makes sense for biodiversity (the focus on creating new PAs when Mauritania has so little of its areas conserved proportionally) and links well to the work of the CBD in this regard. There were some earlier improvements made to the project which strengthen the clarity on what the outcomes of this project will be (e.g. link to mainstreaming).
- This project, through its location and scope, is well aligned with Aichi Strategic Goals and the GEF-7 Biodiversity Focal Area. Hence, it will contribute to two objectives identified in the Convention Biological Diversity (CBD) COP 13 Guidance to the GEF, meaning:
  - Address direct drivers to protect habitats and species;
  - Further develop biodiversity policy and institutional frameworks.
- This PA also fulfils the mandate of GEFs International Water Focal Area, which role is to support the work accomplished under the UN Water Courses Convention and the UNECE Water Convention. In particular, it aims to cover an important freshwater ecosystem, and thus reaching the target of objective GEF-7 IW 3) Enhancing water security in freshwater ecosystems.
- However, Canada believes that the project, as presented, does not include nor mention any preparation related to an Environment and Social Impact Assessment (ESIA). Desired outcomes are well articulated, but the description of the process leading to those outcomes, which would include and use a risk evaluation based on ESMG as a foundational work, is missing. Such an addition would have clearly helped anticipate an effective implementation of the project, in accordance with the GEF's policy on Environmental and Social Safeguards.
- Furthermore, as outlined in the STAP Chair's report of the GEF – 60th Council Meeting, the success of this project and the durability of its outcomes will depend on the ability to initiate behavioral changes in the local communities and make them sustainable over time. A systemic approach to environmental sustainability that is not only focusing on biodiversity, but rather integrate biodiversity conservation into multiple use landscapes, would assure, even enhance, the effectiveness of the project.

✓ Germany Comments

*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:

- The proposed project area is of high importance from a geologically, biodiversity and cultural heritage point of view. Provided that ecotourism can be re-developed and regional development strategies be implemented, the project can contribute to biodiversity conservation, local development and create jobs and income for local communities. The project area is not yet covered by international development organizations; thus, a well-developed project could contribute significantly.
- However, the project proposal seems to be outdated. CNOZEA, the main Mauritanian institution, has been closed down due to corruption related issues. This is mostly the same case for the DAPL. Thus, the strategical reorganization of the Ministry of Environment and Sustainable Development and presidential initiatives (ProPEP) is not reflected in the proposal. Furthermore, the Guelber Richat area for the time being does not have the status of a natural reserve. The proposal needs to be restructured accordingly and consider the correct institutions to be involved. In addition, risks of corruption and nepotism need to be addressed clearly.
- The proposal mentions GIZ projects as partners to the project, including GIZ activities in the past. For the time being, this cannot be confirmed. Germany requests that the proposal clarifies the envisioned partnership or otherwise refrain from including it in the proposal.
- The proposal states that the project is to be set up with the involvement of local communities. However, a clear description of the mechanism for such involvement is missing. The GIZ approach of user's co-operatives is mentioned, yet no specifics of how to apply it. Germany requests a clear strategy for the equitable and transparent involvement of local communities in the design and implementation of the project.
- The proposals further states that the Government has committed to conservation through planning infrastructure developments towards eco-tourism and issuing a decree for the creation of a Regional Office for the PA in year 2 of the project. Given that governmental priorities may change due to currently unforeseen circumstances, Germany would like to suggest that the project seeks to either ensure that the governmental commitment is translated into action (by e.g. issuing the decree at a much earlier stage) or develops an alternative scenario in case infrastructure investments are not carried out as foreseen or the decree cannot be issued as planned.
- Overall, the project layout does not seem feasible at this stage. Germany therefore requests that the points above are taken into account and the proposal is reformulated and restructured accordingly.

✓ United States Comments

- We recommend extra consideration be given to the potential impacts of this project on nomadic populations.

**7. Indonesia. Strengthened Systems for Community-based Conservation of Forests and Peatland Landscapes in Indonesia (CoPLI) (GEFID 10731). Agency: IFAD; GEF Project Financing: \$5,329,452; Co-finance: \$21,000,000.**

✓ Canada Comments

- The principle of this project makes sense from a biodiversity perspective with its focus on peatlands which are important for both biodiversity and climate change mitigation. That being said, the project references ‘mainstreaming biodiversity considerations into planning’ and ‘improving the effectiveness of Protected Areas’, but the project description seems to be vague as to what this means. First, there is no mention of new PAs / OECMs in the project which is surprising given that Indonesia still has only 12% of its terrestrial area conserved and Aichi Target 11 is 17% (with higher targets coming for the post-2020 framework). Some of the richest and most important biodiversity in the world is in Indonesia so this seems a lost opportunity in focusing solely on improving existing areas. Also, it’s not clear how the core indicators will be assessed for ‘mainstreaming biodiversity’ and ‘PA effectiveness (e.g. indicator 1 is ‘terrestrial PAs created or under improved management for conservation and sustainable use’, but the only measurement of this seems to be hectares. What baseline / benchmark will be used to evaluate success?). Perhaps this information exists but is not clear.
- The conversion of peatland through burning is a serious issue, including from a health perspective. Recent efforts to increase sustainable management and restoration have made some headway, but conservation efforts should also be improved. Working to build both government and local capacity in peatland conservation and sustainable use makes sense. Engaging private industry is also imperative. The project seeks to do that. The project is using a landscape approach which considers different land uses as well as economic and biodiversity considerations alongside gender, which Canada supports.
- The GEF7 Project will link to other initiatives, including the Integrated Village Economic Transformation Project (Transformasi Ekonomi Kampung Terpadu/TEKAD) to be enhanced by an IFAD loan and grant (US\$113 Million), with other contributions that amount to a total of US\$ 700 million over a six-year implementation period (2021-2027) – thereby expanding the project impact.
- Canada believes that a close eye should be kept on the risks associated with the project. In particular, weak enforcement and political will which are currently categorized as ‘medium’ level risks. Based on previous projects in natural resource management in Indonesia, these risks may be higher. There are also multiple projects ongoing or planned in proximity or overlapping with the project area. Careful consideration must be given to ensuring complementarity and not duplication of effort.

✓ Germany Comments

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

Germany welcomes the proposal, which aims to support conservation of peatland and forest landscapes as well as improving income and food security for communities in West Kalimantan, Indonesia, through addressing the causes of habitat degradation and biodiversity loss.

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

- One relevant issue on peatland restoration in Indonesia is the absence of guideline/ policy/ institutional arrangements of peatland management and restoration in protected areas. Germany would recommend to better address this challenge in component 1 of the

project approach and build on examples ready for scaling up (e.g. projects by Indonesia's peatland restoration agency BRGM).

- In component 1, the project seeks to mainstream biodiversity through the Provincial Plan for Protection and Management of Peatland Ecosystems (RPPEG). Germany recognizes the need to enhance the plan, however, suggests that improving the plan should not be done in partisan issues (now biodiversity, next climate, etc.) but in a more holistic approach.
- Germany welcomes the community-based approach, whose platform is available through Social Forestry. However, neither social forestry is sufficiently addressed in the proposal, nor are the Forest Management Units (FMUs) which are responsible for social forestry activities and for managing any types of forests. To allow sustainability and institutionalization of the project result at local level, Germany suggests to better reflect the role of the FMUs within the project approach. Furthermore, to promote their strengthening, and to point out the potential of social forestry implementation. These measures could be included under component 2.
- The Indonesian government is promoting Desa Mandiri Peduli Gambut (DMPG), a concept of integrative development for villages with peatland. Germany suggests that the project also supports the further development of the foundations of DMPG to promote integrative development in villages with peatland, under component 2.
- Germany would like to encourage IFAD to explore collaboration opportunities during the design phase with the GCF Project "Land-based mitigation and adaptation through a Jurisdictional Approach in West Kalimantan", currently under development by GIZ (Accredited Entity) together with local and national institutions.

✓ *Norway/Denmark Comments*

- The project seems well argued for and responds to some of the key challenges in peatland management in Borneo. The West Kalimantan Province has widespread poverty and the IFAD approach to combine livelihood enhancement with biodiversity conservation is probably the only realistic approach.
- The ToC is plausible, and the components included in the project are relevant and necessary. However, contextual information about general policy, as well as peatland management and governance need updating.
- The proposal focuses more on (community-based) biodiversity conservation rather than conservation of peatland. The geographical focus of the proposal is not clearly specified but states West Kalimantan, particularly in 2 national parks (Gunung Palung and Danau Sentarum), which both are peatlands. The potential geographical areas for scaling up are not that specific. The capacity building part is in itself a no-regret intervention but the idea of 'extending' the conservation area into privately owned-managed land is interesting (from ecological and economical perspectives), and could provide some good lessons learned for similar cases.
- The section on financial sustainability shows that this project is but a tiny contribution to the big investment needed to attain the national goals on peatland conservation.

Nevertheless, this project may contribute models that can be upscaled, and methods for obtaining co-financing to future projects for peatland conservation and restoration.

- On the monitoring of peat management, the project aims to support MOEF (Ministry of Environment and Forestry) to actively monitor impacts of peatland management inside the companies concessions – but the proposal does not specify any existing peatland/watertable monitoring tools, such as Simatag 0.4, PRIMS, Sipalaga, among others.
- Similarly on the village and livelihood development program, the proposal focuses on IFAD’s own project. There are a number peat-village-community-development programs that the project could reflect on (MPA of MOEF, Desa Peduli Gambut of BRG(M)) that could strengthen the project.
- Studies and past interventions that have been done and trialed, have found that Land tenure is a key issue in Indonesia – for which GOI introduced Agrarian Reform and Social Forestry Program. Noting the focus of the intervention, it’s understandable that this is not shown or highlighted – yet we recommend IFAD inquires more about this, particularly in regard to significance of land tenure for the sustainability of the intervention.
- Some actual deliveries (outputs) are too broad, too optimistic and need to be made clearer. RPPEG has been made obligatory for Provinces and Districts since 2016 – but many of them have yet completed these, let alone integration with spatial plan. We are not particularly sure, but spatial planning circle of the province ended in 2019 – and the next opening would be in 2024. (this actually coincides with the end project period, thus could work well should everything tick).
- It’s positive that IFAD has a specific carbon sequestered target. We are uncertain about how the target is estimated particularly because of the peat and its link with the NDC.
- Furthermore, while the province is not specified as a target of food estate program, the Omnibus Law of Cipta Kerja has provisions to prioritize economy/ investment/ employment above all else. This project could be a good litmus test, as we assume the National-park part would likely to remain untouched – but the areas outside the National Park can be influenced by the Omnibus Law. We observe that the proposal does not include any spatial nor specific information or legal socio economic information about specific target location to provide an overview of issues about community-National Parks-private sector and rationale for the proposed interactions/solution.
- The proposal does not list UUCK as a risk, neither deforestation potential - particularly in light of the Oil palm moratorium which will end in 3 months time (18 September 2021).
- Adding RPPEG coordination layer at sub-national level could complicate bureaucracy and complexity. Would merging it with regional Peat/mangrove Restoration (TRGDM) be an option?
- On Knowledge Management and Monitoring, the project should make use of already available peat/water table/forest fire monitoring systems, and knowledge-based channels.

✓ United States Comments

- We note the project offers a commendably comprehensive list of organizations/institutions to be part of the Free, Prior, and Informed Consent (FPIC) process. This notwithstanding, the omission of AMAN (the Indigenous People's Alliance / Aliansi Masyarakat Adat Nusantara) is notable, given their commitment to working with indigenous communities. We recommend the project implementors engage with AMAN, and meaningfully engage these communities in a participatory process.

**8. Cook Islands. Enhancing biodiversity considerations and effective protected area management to safeguard the Cook Islands integrated ecosystems and species (GEF ID 10780). Agency: UNDP; GEF Project Financing: \$3,502,968; Co-financing: \$26,787,412.**

✓ Canada Comments

- Canada believes that healthy and stronger ecosystems will enhance the Cook Islands' ability to mitigate and adapt to climate change. Activities proposed for this project are focused on addressing land development across the infrastructural, tourism and agricultural sectors, which are recognized as posing the highest risk to biodiversity and the wider environment in the Cook Islands. The project objective is to mainstream biodiversity conservation and ecosystem services safeguards across Cook Islands key sectors, in partnership with traditional leaders and communities, to deliver sustainably managed protected areas and catchments.

✓ Germany Comments

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

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

- According to the project proposal, biodiversity safeguards will be institutionalized within governance frameworks to provide sustainable development in key national sectors. The proposal aims to measure the number of policies and regulations to mainstream and safeguard biodiversity. However, the number of regulations may not necessarily provide the desired outcomes.
- An effective implementation of safeguards, regulations and policies is crucial to create an actual change. Governmental priorities often change due to unforeseen circumstances. Therefore, it would be important to develop a mechanism to ensure that safeguards, policies and regulations are implemented sustainably.

✓ Comment for all UNDP projects

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

*and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

**9. Viet Nam. Promote Wildlife Conservation and Responsible Nature Based Tourism for Sustainable Development in Vietnam. (GEF ID 10787). Agency: UNDP; GEF Project Financing: \$7,150,000 Co-financing: \$40,200,000.**

✓ **Canada Comments**

- Canada believes that the proposal is weighed down by a number of substantial issues which should be addressed as early as possible. Various project components, outcomes, and outputs should be clarified, along with pathways for achieving the environmental benefits the project aims to address. The environmental benefits proposed as part of this proposal were not adequately defined or measurable, which should be rectified going forward.

✓ **Germany Comments**

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

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

- The proposal aims to promote biodiversity conservation and sustainable livelihoods by addressing the tourism sector, an important driver of biodiversity loss and ecosystem destruction. However, the COVID-19 pandemic has revealed the threats imposed by encroaching into natural habitats and human-wildlife interaction. To enhance the effectiveness of the project, the links between nature-based tourism, sustainable wildlife and ecosystem management should be explained as well as the potential contribution of nature-based tourism in order to prevent threats to human health.
- The proposal is based on the creation of an enabling framework to align tourism development with nature conservation, including the development of policy and regulatory frameworks and tourism guidelines. While the enabling framework is essential in achieving the desired project outcomes, special attention needs to be paid to the effective implementation of these policies, regulations and guidelines. We therefore suggest that the project describes how implementation and adoption of policies is going to be achieved in the long-term and which stakeholders will be responsible for the implementation.

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

## CLIMATE CHANGE MITIGATION

### 10. China. China Energy Transition Towards Carbon Neutrality Project (GEFID 10770). Agency: World Bank; GEF Project Financing: \$17,431,193; Co-financing: \$352,000,000.

#### ✓ Canada Comments

- Significant challenges remain for China’s transport sector to lower its carbon emission and to contribute to the climate goal of the country – emission peaking in 2030 and carbon neutrality by 2060. At the national level, China has yet to develop a coherent policy framework aimed at mobilizing and coordinating emerging technologies to achieve low-carbon mobility. At sub-national level, Chinese cities, provinces, and metropolitan regions need to set out comprehensive long-term pathways transport emission peaking and neutrality, corresponding to their level of development, rather than applying piecemeal policies and technology solutions. In addition, financing mechanism need to be developed to incentive the adoption of technologies for low-carbon mobility (paragraph 21 in PID).
- The project assumes that the policy framework developed is adopted by the government; that roadmaps towards decarbonisation are supported by strong analytics and political will; that pilot implementation is well designed and implemented to demonstrate success; that knowledge generated is effectively disseminated to appropriate target audience and relevant institutions adopt lessons learned; and that the national policy framework is effectively implemented and pilot projects are successfully scaled across the country supported by strong political will and sufficient financial and human resources (paragraph 39 in PID). Overall, there seems to be a lack of measures in place to ensure accountability at the national, provincial and city levels.
- In terms of Institutional Capacity for Implementation and Sustainability, the project risk is rated as Substantial. The Project would require long-term political and financial commitment to sustain the impacts on emission reduction in pilot city/provinces. While China has announced its high-level commitment to long-term emission targets, the specific intermediate actions and pathways are yet to be specified and provincial and local level commitment to such specific goals, specifically with respect to financial resources, are still to be firmed up (paragraph 40 in PID).
- In terms of Political and Governance, Macroeconomic, and Sector Strategies and Policies, the project risks are rated as Low. China’s strong high-level commitment on the carbon neutrality agenda is expected to translate into alignment in sectoral strategies and policies (paragraph 43 in PID).

#### ✓ Germany Comments

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

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

- The proposal sets several indicators for key results that seem duplicative of existing (or planned) government targets (cp. PID section “C. Proposed Development Objectives”).

Thus, it seems difficult to know to what extent the project results were additional to the development the government would have targeted anyway (e.g. the amount of battery storage capacity installed is considered as one of the intermediate project indicators). However, the government recently announced a draft target for 30 GW of energy storage capacity by 2025.)

- Therefore, Germany recommends that for each indicator a clear methodology is laid out how a change in indicator values can be unmistakably attributed to project interventions as opposed to business-as-usual. China has immense and rapidly growing vRE capacity, but wind and solar account for just 10% of electricity generation. In order to avoid (additional) coal plants to meet rising electricity load, direct electricity consumption and electrification of easy-to-electrify sectors such as light-duty-vehicles, is expected to be the most economical and energy-efficient solution for RE integration in the short to mid-term future.
- Therefore, Germany suggests green hydrogen pilots – and related indicators – be carefully designed to avoid removing vRE output from direct consumption or electrification. An indicator of tons of green hydrogen produced does not seem narrowly tailored to achieve low-carbon objectives, since it will likely lead to less vRE entering the grid for direct use, thus resulting in a net increase of emissions. The project places a high emphasis on pilot projects, especially in coal-heavy regions. Germany supports the pilot project concept, but notes that Chinese pilot projects, especially when involving international assistance, frequently suffer various problems.
- Provinces compete for federal government approval when pursuing pilot projects, which are typically funded by SOEs and enjoy an implicit government guarantee. Thus, provinces may tailor pilot projects (e.g. in the field of energy storage and hydrogen) to achieve recognition and attract investment, rather than to produce scalable results or lasting environmental benefits. Stakeholder involvement is often not a major criterion for project design.
- Germany suggests targets and indicators to be formulated around stakeholder involvement, renewable utilization and carbon reduction rather than quantitative targets like tons of green hydrogen or quantities of energy storage added, which may exacerbate the at times narrow-minded competition for pilot project approval. In order to avoid competitive implementation, duplication of efforts and leverage synergies, Germany strongly recommends coordinating with the following actors and their programs during project preparation as well as implementation: GIZ China, Energy Foundation China, Regulatory Assistance Project (RAP), Natural Resources Defense Council (NRDC), Rocky Mountain Institute (RMI).

✓ *Norway/Denmark Comments*

- The proposed project is of high relevance, both in the context of China's recently announced target to aim for carbon neutrality in 2060, the target to peak emissions by 2030 and for the achievement of global climate goals in line with the UNFCCC and the Paris Agreement. It also holds potential to strengthen the sectorial implementation of China's 14th Five Year Plan but it is necessary to await the 14th Five-Year Plan, currently under review, before interventions can be planned in more detail.

- It would strengthen the project proposal if the project document could provide more details on how the pilot work or project interventions at city and provincial level will feed into the national policy formulation on energy transition.
- The proposed project is addressing key issues and challenges to overcome in order to accelerate the necessary transition in the Chinese power sector. This includes the constraints related to the grid and province inter-connectivity, which need to be tackled as soon as possible in order to allow for renewable energy to replace coal-based energy. It will be key to take already ongoing work in this area into account.
- It would further strengthen the project if it was aligned with and sought synergies with ongoing work on the establishment of China's national carbon market as well as ongoing work on China's power market reform. Other issues that should be addressed in order to further develop the project are pricing mechanisms, subsidies and energy efficiency.
- Ensuring a just transition will be crucial to get governments everywhere and at all levels on-board in working for an accelerated energy transition, and the project's focus on creating job opportunities, also for women, within the renewable energy sector is commendable.
- The project document and assessments recognize the need for solid coordination on all levels. NDRC's role in this coordination will be crucial, both when it comes to the necessary involvement of sector ministries as well as provinces and state-owned enterprises. Project partners could be challenged on how they foresee to secure the necessary ownership to the project within NDRC when developing the project further.
- We note that the majority of the identified risks being classified as substantial or high, and that the overall risk is also assessed to be high. We would like to commend project partners for being open about their risk assessment and stress that there is a strong need to focus on risk mitigation throughout the further development and implementation of the project. Also in this work, it will be important to engage with NDRC.
- Support the recommendation from STAP to «provide more details on the baselines and assumptions used to calculate the expected greenhouse gas reduction.

**11. Tuvalu. Increasing Access to Renewable Energy in Tuvalu (GEFID 10788). Agency: ADB; GEF Project Financing: \$2,752,294; Co-financing: \$15,480,000.**

*No comments received.*

**12. China. Pathways for Decarbonizing Transport towards Carbon Neutrality in China (GEFID 10790). Agency: World Bank; GEF Project Financing: \$10,091,743; Co-financing: \$110,000,000.**

✓ Canada Comments

- Canada believes that by building capacities for long-term carbon neutrality policy and regulations in several selected Chinese provinces and cities, this project will contribute to the mitigation of global emissions, in addition to enhancing public health in China.

- This project is well aligned with China’s pledges in the Paris Agreement. Indeed, the country committed, through its NDCs, to reach the target of reducing carbon intensity by 60 to 65% below 2005 level, by 2030 and achieve carbon neutrality before 2060.
- In alignment with UNFCCC COP guidance, the GEF-7 Climate Change Focal Area Strategy supports the transition towards climate-resilient development pathways, as outlined in this project.
- Notwithstanding the importance of the project and its alignment with Global Environmental Benefits, it should demonstrate in a more robust way its anchoring within the three fundamental objectives emphasized in the GEF-7 Climate Change Focal Area Strategy:
  - Promote innovation and technology transfer for sustainable energy breakthroughs;
  - Demonstrate mitigation options with systemic impacts (e.g. developing carbon sinks through urban forests); and
  - Foster enabling conditions for mainstreaming mitigation concerns into sustainable development strategies.
- A major component for achieving the project’s goal relies on the capacity building for transparency, when it comes to monitoring emission reductions. Indeed, establishing an Enhanced Transparency Framework that provides a clear understanding of the actions taken and their impact on climate change, in light of Article 13 of the Paris Agreement, will be essential for tracking progress.

✓ **Germany Comments**

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

Germany welcomes this proposal which addresses pathways for decarbonizing transport towards carbon neutrality in China.

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

- Germany appreciates the inclusion of pilot projects in component 2. Yet, we would like to see clearer selection criteria (i.e., urbanization, air quality, climate etc.) for potential new pilot projects.
- Germany would welcome to address gender equality and women empowerment during the project development phase more strongly. This should include capacity-building of policy makers in designing gender responsive policies and activities to address gender gaps.
- Germany appreciates the comprehensive list of project stakeholders. While the PIF clearly states the project’s objective, Germany requests that the targeted transport sectors are further identified (i.e., Road, aviation, marine). Furthermore, it would be helpful if the project identifies and/or calculates the potential of job creation in the decarbonization of transport (i.e., maintenance, operation etc.) for each group.

- Germany suggests more emphasis on the role of the private sector in promoting electric mobility in China, especially when it comes to emerging innovations and new technologies.
- GIZ on behalf of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) is currently implementing the project ‘Sino-Germany Cooperation on Low Carbon Transport’ (2015-2022) which supports the Chinese Ministry of Transport (MoT) on long-term climate change mitigation strategies and the potentials of digitalization for climate friendly transport. Germany recommends seeking an exchange on its approach and the lessons learnt with the project.
- While information relevant to the baseline scenario is included in the PIF, Germany asks that the description of the project scenario will be strengthened. This should include the ongoing and projected improvements of electric drive technologies.
- Germany recommends that component 2 on pilot implementation includes operation and maintenance aspects in the low-emission transport sector. This includes the design of financial mechanisms and models that ensure a return on investment and incorporate the needed maintenance aspects and operation.
- Germany suggests that knowledge management will be included as an output in component 4. This will ensure a greater replicability and scalability of the project and pilots.

✓ **Norway/Denmark Comments**

- The proposed project is of high relevance, both in the context of China’s recently announced target to aim for carbon neutrality in 2060, the target to peak emissions by 2030 and for the achievement of global climate goals in line with the UNFCCC and the Paris Agreement. It also holds potential to strengthen the sectorial implementation of China’s 14th Five Year Plan, through strengthening capacity to plan and implement climate change mitigation actions in a sector where the emissions are increasing rapidly. Further, the relatively large amount of co-financing from the Ministry of Transport indicates strong ownership on the Chinese side, confirming the Chinese Government’s commitment to achieving its own climate goals.
- The proposed project is targeting important geographical areas in China, both in terms of population size and energy/emission intensity. The project is also targeting somewhat diverse geographies and jurisdictions, which can strengthen the impact of the project over time as Chinese authorities aims to replicate the proposed interventions in other jurisdictions in China.
- The project seems to initially have been developed with a broader approach to transportation and then been adjusted to focus on electrification of transportation in order to comply with requirements from GEF. It would be beneficial if the broader approach could be maintained, both to look at regional integration and transportation needs (flights vs trains, for example), and with a view to the need to reduce the overall need for transportation. In this regard, lessons learned from Covid-19 when it comes to maintaining productivity while reducing mobility should also be taken into account. Hopefully, the large amount of co-funding from the Chinese side would allow for keeping this more holistic approach to decarbonization of the transport sector. Another

element that could strengthen the project, is the introduction of assessments of how implementation of the polluter pays principle can accelerate the necessary transformation of the Chinese transport sector.

- The potential impact of the total project, based on combined funding from China's Ministry of Transport, GEF and IBRD, must be considered substantial. However, given the size of the project, many details remain to be developed for each of the expected outcomes and geographical areas – and there is relatively limited information in the project description on how decisions on further development will be made/approved.
- We take note of several identified risks being classified as substantial. We agree with this assessment and would both like to commend project partners for being open about their risk assessment and stress that there is a strong need to focus on risk mitigation throughout the further development and implementation of the project. At the same time, we find that the strong need for addressing emissions in the transport sector in China, as well as the possible project results, in particular if the emissions peak in the transport sector can be achieved earlier, justify the identified risks.
- Finally, we can confirm, based on our Norwegian experience, that there is strong interest for electrification of the transport sector – both when it comes to electric vehicles and green shipping. Our Embassy in Beijing is available for project partners who might be interested in learning from our Embassy's experience with electrification projects during project development and implementation. We can also confirm that we work very well with EV100, one of the identified project partners, and that we find EV100 to be both a competent and relevant partner.

## CHEMICALS AND WASTE

### **13. Philippines. Reduction of unintentionally produced persistent organic pollutants and mercury through an environmentally-sound approach on healthcare wastes management in the Philippines with a special focus on the pandemic (GEF ID 10798). Agency: UNIDO; GEF Project Financing: \$4,880,000; Co-financing: \$34,700,000.**

#### ✓ Canada Comments

- Canada supports this project as it is in line with Stockholm Convention text, and proposed actions to the GEF in the 2018-2022 priority areas as it relates to uPOPs.
- Canada supports efforts to update the Philippines NIP (compliance with Stockholm Convention Article 7) and notes that this project is in line with the Minamata Convention text as it relates to mercury containing medical instruments.

#### ✓ Germany Comments

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

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

- A further clarification how this project’s design ensures that the measures are sustainably aligned with the Strategic Approach to International Chemicals Management (SAICM) and its priorities would be highly appreciated.
- As correctly mentioned in the proposal, “it is very difficult to estimate how many patients will need to be treated in the hospitals, until the end of the current pandemic”. Since, the program focuses on the pandemic situation, Germany asks to explain whether the project can be scaled/adjusted in case the number of patients is much higher or lower than estimated once implementation begins.

✓ **Norway/Denmark Comments**

- We recognise that the Philippines must address a number of barriers to ensure that the health care waste is managed in an environmental, social and economic sustainable manner, due to in general an inadequate waste management system
- This in combination with the COVID-19 pandemic that has caused a significant ramp-up of the generation of waste, entails expected increase in the emissions of UPOPs and mercury.
- It is vital to avoid an increase in the amount of UPOPs generated in the waste and mercury emissions from waste.
- This necessitates good systems for handling of mercury-containing thermometers, sphygmomanometers, mercury reagents from laboratories, and mercury stockpile for dental procedures. We strongly support the efforts to phase-out of Mercury-added product and environmentally-sound management of mercury and mercury waste.
- To prevent the generation of UPOPs is also central, thus we support the actions included in the project.

✓ **United States Comments**

- The project team may wish to consider additionally working with NGOs EcoWaste Coalition and Pure Earth. Both organizations are USAID grantees, under the Municipal Waste Recycling Program and Toxic Site Identification Program (TSIP), respectively.

**14. Lebanon. Reduction of UPOPs through Waste Management in a Circular Economy (GEF ID 10803). Agency: World Bank; GEF Project Financing: \$8,858,447; Co-financing: \$62,000,000.**

✓ **Canada Comments**

- Canada supports this project as it is in line with Stockholm Convention text, Stockholm BAT and BEP Guidance on burning of landfill sites, and proposed actions to the GEF in the 2018-2022 priority areas as it relates to uPOPs.
- Canada supports efforts to update Lebanon’s NIP (compliance with Stockholm Convention Article 7).

✓ **France Comments**

The objective of the project led by Makesense and Recycle Beirut is to improve social and environmental resilience in Lebanon. The project will consolidate the social enterprise Recycle

Beirut, which offers a sustainable solution to the treatment of solid household waste. It will create awareness amongst the general public, in particular youth and students, about problems and solutions related to waste. Finally, it will strengthen the circular economy in Lebanon by supporting 12 projects.

- This proposed GEF project in Lebanon covers similar topics than to an AFD funded project dedicated to funding circular economy projects with Recycle Beirut.
- Component 1 of the GEF project to strengthen the regulatory framework for circular economy is very positive and would be complementary, as the AFD project does not address the regulatory dimension.
- Component 2 of the GEF project on the promotion of 3R practices is directly complementary.
- However, we ask for the activities under the 3R approach (Reduce, Reuse, Recycle) to be elaborated in detail before endorsement and fully encompass recycling and reuse, so that the 3R approach is complete beyond reduction at source and waste management.
- At this stage there is little information on the 3R concepts mentioned and what will be concretely implemented based on the national context. There is just a list of options which mentions plans to work on 4 types of waste: organic waste, paper, plastic, glass. But the strategies will be very different depending on the waste type. The list of options does not address all these issues and does not deal with plastic waste, for example.
- Finally, the project should also analyze stakeholders power dynamics and interactions, and provide an analysis of potential barriers and areas of intervention with respect to structuring of the waste management sector. This is crucial to ensure good appropriation of a project on waste management and circular economy, particularly in Lebanon.

✓ *Norway/Denmark Comments*

- We note that the project will work along the entire lifecycle of waste, including upstream efforts like green chemistry, extended producer responsibility, green procurement, and product standards. We support this approach.
- Better waste management methods to increase the recycling of waste and the fraction of organic waste composted will be established. We appreciate this approach for ordinary waste. The POPs, mercury and other chemical substances hazardous to man and the environment, however, require special attention when handling the waste. This is also the case during recycling of waste, to avoid that harmful substances end up in the new products. We would like a clarification, whether such issues will be dealt with in the project.

## **INTERNATIONAL WATERS**

**15. Turkey, Georgia, Ukraine. Implementing Ecosystem Based Management approaches in the Black Sea LME (GEF ID 10725). Agency: UNDP; GEF Project Financing: \$3,000,000; Co-financing: \$13,500,000.**

✓ Germany Comments

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

Germany welcomes this proposal, which addresses transboundary water management, marine conservation issues and their causes through an ecosystem-based management approach in the crucially important Black Sea LME. The proposal is thorough in describing the context, historic background, geographic conditions of the region and derivation of regional environmental problems. A wide range of stakeholders has been involved and significant co-financing resource have been identified. The potential for up-scaling project activities and involving further Black Sea countries via designation of MCPA is also enormous.

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

- The geopolitically highly sensitive context at the Black Sea (e.g. at the coastline of the Ukraine) needs to be addressed as a project risk for the regional cooperation component or at least its implications considered in a more detailed approach on how the funds will be utilized. Terminology used for the guiding concepts and approaches of this proposal, such as ‘blue economy’/recovery and ‘ecosystem-based management’, ought to be explicitly defined to ensure a close interlinkage between the proposed procedure, intended outcome and the factual results.
- With respect to the co-financing structures and defined actions and/or measures, a discrepancy becomes visible between monetary contribution and its application. Germany would suggest to more precisely define the measures at hand, or alternatively determine possible actions/measures that should be excluded from the proposal.
- While the basic problem statement of different classification criteria for protected areas in BS countries is highlighted in the proposal, Germany suggests to also include ideas for a strategy towards a common classification system.
- While the highlighting of overlaps and common goals voiced by the EU Green Deal and Recovery Plans and the partaking BS countries - Georgia and Ukraine - is important, Germany requests that other BS countries should not be excluded and a rather cooperative and inclusive approach should be emphasized.
- While information on the relevance of the proposal in the context of the Sustainable Development Goals is briefly highlighted in the PIF’s project paper, the proposal would benefit from including an SDG impact assessment.
- Further, Germany appreciates the acknowledgment of importance of the private sector for MCPA. Yet, Germany would like to suggest strengthening the engagement with the private sector, especially regarding component 1, also focusing on detailed anthropogenic influences on the marine environment.
- The indicator framework for EBM – mentioned in component 2 – would benefit from a pre-defined basic set of environmental indicators, that could be expanded and explored in the mentioned participatory processes. This set of indicators should find recognition of the mentioned M&E approach of component 4, where an additional set of indicators for

process and project monitoring is suggested. Both indicator frameworks would ideally be considered from the start of the project with a holistic, long-term approach.

- Germany recognizes that the project complexity and co-ordination is addressed multiple times in the proposal. Yet, we would like to suggest that due to the project span, there should be an indication and possibly definition of cooperation and information sharing among administrative entities in a more elaborate manner.
- Potential synergies become apparent in the context of the BMU IKI call 19 with a regional cooperation focus in the Black Sea region. Currently, the GIZ programme FELICITY II covers river basin management in the Ukraine, which could offer opportunities for collaboration.

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

**16. Regional, El Salvador, Honduras. Gulf of Fonseca Transboundary Management (GEF ID 10778). Agency: IBRD; GEF Financing: \$5,000,000; Co-financing: \$35;000,000.**

✓ **Germany Comments**

*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:

- The PIF does not provide concise information about intended objectives and impacts. Section B is by far too generic and should elaborate more on the specific topics to be addressed by this project, e.g. marine ecosystems, pollutant input etc. as well as on specific target groups and how interventions will increase their resilience (see comment below).
- Indicators are mainly output indicators instead of outcome indicators. Approval would require a more detailed conceptual elaboration, including more detailed information on the small grants programme and/ or envisaged no-regret/ infrastructure measures.
- Further, aiming at (sustainable) transboundary water and natural resources management at the Gulf of Fonseca requires the active and assured inclusion of all three neighboring nations (Honduras, El Salvador and Nicaragua). The involvement of Nicaragua at this stage seems not to be guaranteed and should be assured prior to project approval.

- Germany requests more information on the conceptual inclusion of climate change into the project design. Strengthening resilience should become an intrinsic conceptual element of the proposal. This should start with a concise climate risk and vulnerability assessment. Further it should also include pandemic resilience and community resilience.
- Grant programme and pilot measures should further actively support the design and implementation of Nature-based solutions (NbS) or EbA (Ecosystem-based adaptation) approaches. It should complement or substitute grey infrastructure measures and support sustainable, transboundary natural resource management. This includes water security (quality and quantity) in the neighboring countries.
- Additionally, Germany requests a reference to ongoing investments and efforts of swiss cooperation (COSUDE) and BCIE investment and development plans in the Gulf of Fonseca. In the current PIF, opportunities for an effective coordination and the leverage of synergies and co-finance are likely to be missed. An early stage coordination during the planning phase is highly recommended.

**17. Regional, Bahamas, Dominican Republic, Grenada, St. Lucia, St. Vincent and Grenadines. Caribbean BluEFin (Caribbean Blue Economy Financing Project) (GEF ID 10782). Agency: UNEP; GEF Financing: \$6,000,000; Co-financing: \$43,427,990.**

✓ **Canada Comments**

- This project makes sense from a biodiversity perspective with the focus on improving management for conservation but caution is needed with areas that are to jointly manage for conservation as well as sustainable use, since Protected Areas and OECMs, as per the CBD, are meant to always deliver positive biodiversity outcomes. How this will be done should be made clear in the proposal. The Blue Economy work that this project focuses on is very focused on increasing resource use from the ocean, so caution is needed to demonstrate that this is sustainable and biodiversity positive.

✓ **France Comments**

- The request submitted to GEF by the CBF is for funding of USD 6 million, backed by an institutional support project over 4 years, carried out by UNEP (which in the process receives USD 570,000).
- It is about developing blue economy initiatives in 5 countries and their marine protected areas (Bahamas, Dominican Republic, Grenada, St Lucia, St Vincent) totaling 2.3 Mha in area, and involving 233,000 people (including 50 % of women), mainly fishermen and tourism operators.
- Among the co-financing, the CRAB project (AFD and FFEM), KFW and CBF equity.
  - The project is very complementary to the CRAB project, which is oriented towards finance and coral restoration.
  - It plans to set up a "learning community" (component 3) and a "regional competence hub".

- The cover note used the graphic produced by Biotope, which was in turn taken from the Project Identification Note (NIP) submitted to the FFEM.
- The consideration of gender is very preliminary and not very convincing.
- The private sector (hotels) is deemed to be heavily engaged and the possibilities for replication are considered important. However, while we can hope for a certain rebound in tourism over the project's implementation period, it is not sure that it will be sufficient to meet the expectations set in the project. For fishermen, the rebound in tourism is not without importance, in terms of opportunities.

✓ **Germany Comments**

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

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

- The PIF puts emphasis on environmental and economic sustainability but lacks an equal consideration of social and justice matters when it comes to promoting a sustainable blue economy. Germany would like to request the consideration and integration of social dimensions to promote an equitable and sustainable Blue Economy ('*Blue Commons*' or '*Blue Justice*'). For the sake of equity, Germany suggests integrating consultations with local coastal communities and marginalized population groups or their civil society representatives into the project planning phase. The proposal would benefit from clearly stating how traditional ocean-based livelihoods will benefit from the project. Due to the overall diversity of actors and interests in the view of a regional Blue Economy, Germany considers the establishment and fostering of alliances to strengthen connections between relevant blue economy sectors.

✓ **Norway/Denmark Comments**

- Component 3 will develop a regional Blue Business Hub. This Hub is designed to collect, coordinate, promote and harness Blue Economy information from Component 4 (increasing knowledge of blue economy business opportunities, valuation and decision tools and sustainable finance mechanisms (FMs) used by relevant stakeholders) and other efforts in the wider Caribbean (e.g., PROCARIBE+) that support the development of regional business arrangements that can create Blue Business and Economy activities, including FMs, at all levels.
  - This sounds very similar to what the OECD Blue Recovery Hubs are trying to achieve. And while this project is not directly focused on recovery from COVID, it would be important for these two initiatives to collaborate, especially considering that St. Lucia is a common country of the two projects.
- The World Bank has an upcoming project in the Eastern Caribbean ([Unleashing the Blue Economy for Economic Recovery and Resilience in the Eastern Caribbean](#)), which aims to enhance tourism, fisheries and aquaculture, and waste management. These efforts are expected to boost economic recovery, help create jobs, and reduce marine pollution.

While still in the preparatory stage, this would be an important project to collaborate with. Any contact with this WB team?

- Although tourism seems to be the main target for this project (based on the list of stakeholders), there is very little mention of the efforts to “build back better/bluer/greener”. COVID has had a devastating impact on this sector, but has also provided an opportunity to take a pause and reassess the true profitability of unsustainable tourism practices, and plan for rebuilding it better. There is mention of building back, but not specified building back differently and more sustainable. It would be beneficial to see how the project intends to ensure that it is not “building back” to business as usual.

**18. Regional, Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu. Pacific I2I Regional Project: Ocean Health for Ocean Wealth - The Voyage to a Blue Economy for the Blue Pacific Continent (GEF ID 10783). Agencies: UNEP and ADB; GEF Project Financing: \$15,000,000; Co-financing: \$129,576,233.**

✓ **Germany Comments**

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

Germany welcomes this proposal, which aims to preserve and safeguard the health of ocean ecosystems while catalyzing the development and growth of sustainable blue economies (SBE) in Pacific Island Countries.

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

- The participatory consultative process for this 5-year project should name regional organisations as well as national and local stakeholder groups (e.g. women’s and small-scale fisher organisations). This is specifically important for the component 2 pilot activities that must be secured from other than the GEF-project funds.
- The “taxonomy” list at the beginning of the PIF document could be restructured according to relevance for the project. As of now, gender is listed prominently, which is not mirrored in the proposal.

✓ **Norway/Denmark Comments**

- As the evaluation also notes, it would be beneficial to ensure some south-south (or SIDS-SIDS) learning between this project and the other GEF project in the Caribbean, as SIDS share some key characteristics in relation to the ocean.
- The National Blue Economy Frameworks and Implementation Plans in component 1 sounds fairly similar to the Blue Economy Development Frameworks that the World Bank has piloted through the PROFISH multi-donor trust fund, of which one was in Kiribati, so it would be good to ensure there is no duplication of work in this particular country at least.
- The section on coordination is not very extensive, and more partners/initiatives should be identified/mapped when the project commences implementation, considering there is a

lot going on in the ocean space in this region. The World Bank has for instance a large regional Pacific Ocean advisory program with 10 pacific islands, covering several aspects of the blue economy (particular focus on fisheries, tourism, green shipping/connectivity, biodiversity conservation, etc.). Coordination with this initiative would be beneficial for both.

✓ **United States Comments**

- The proposal focuses on putting plans and strategies in place, yet does not seem to address maritime security and enforcement, including on environmental safeguards. We recommend the implementors develop ways to minimize this risk and make it more clear how the proposal meets the GEF minimum environmental and social safeguard policy.
- The proposal is insufficiently clear regarding how additional consultations will be undertaken with local communities, CSOs, the private sector, academia, and other organizations given current travel restrictions and the on-going impact of COVID-19. These engagements are critical for project success.

**19. Regional, Comoros, Eswatini, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Seychelles, South Africa, Tanzania, Zambia, Zimbabwe, Mauritius. GEF Sustainable Groundwater Management in SADC Member States Project Phase 2 (GEF ID 10797). Agency: IBRD; GEF Financing: \$ 4,566,210; Co-financing: \$ 35,000,000.**

✓ **Germany Comments**

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

Germany welcomes this proposal to strengthen groundwater management in Southern Africa. The project aligns with and contributes to the fifth Regional Strategic Action Plan on Integrated Water Resources Development and Management (RSAP V). This was developed with support from the German Technical Cooperation.

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

- In order to track progress, it would be helpful for the proposal to explain how the intended second phase builds on the lessons generated during Phase 1.
- Several multilateral and bilateral International Cooperation Partners (ICP), including the German programme “Transboundary Water management in the SADC region”, collaborate with SADC and its subsidiary organisations in the water sector. The proposal could be strengthened by mapping linkages to other international investments, especially in the areas of capacity building of RBOs and the establishment of monitoring systems.
- Germany is funding large research projects in the water sector (**Water Security in Africa** WaSA and Sasscal) with a focus on Southern Africa that might offer opportunities for synergies and cooperation.
- The project objectives require a transboundary approach that operates across intervention levels (regional, basin, national), geographical boundaries (member states) and hydrological units (basins). The proposal could be strengthened by explaining how the

complementary mandates and roles of stakeholders will be reflected during implementation.

- A broad coverage of Member States is politically desirable to enable much needed inter-basin dialogue and promote coordination among riparian states. However, the investment level through the grant may need to be limited to Outputs 2 and 3, with country co-financing allocated to Component 3 (pilot projects).
- The complex nature of the project requires a sound management set-up for effective oversight and efficient operations. This includes the provision of adequate management capacity and ensuring alignment of the co-financing by recipient countries. It would be desirable if the proposal would provide greater clarity in this respect.
- The connection and synergies to the AMCOW Panafrican Groundwater Programme could be outlined in more detail.

**20. Benin, Togo. Regional Initiative for Water and Environment in the transboundary basin of the Mono River (RIWE-Mono) (GEF ID 10799). Agency: IUCN; GEF Project Financing: \$5,000,000; Co-financing: \$39,350,000.**

✓ **Germany Comments**

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

Germany welcomes this relevant support for the MBA. The described activities and objectives are fully supported.

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

- The listed co-finances give the potentially misleading impression that these amounts are available for activities in the components 1-3 from this project. Please clarify which funds are merely levered, and which are available for project activities.
- The under “C. Indicative sources of Co-Financing for the Project by name and by type” (p.8) references GIZ project ProSEHA will not support the project defined in this proposal with USD 1 million. GIZ ProSEHA has supported the organisation with 100,000 EUR (approximately 120,000 USD) via a grant agreement for the period of October 2020 to October 2021. In 2022, GIZ ProSEHA may support the organisation again with a maximum amount of 200,000 EUR (approximately 240,000 USD). But only for activities in Benin after the approval of ProSEHA’s new phase and with a reasonable project proposal.
- Clarification of the description of GIZ funded ProSEHA project (p.29): ProSEHA GIZ is not based on the MBA Strategic Plan. ProSEHA supports MBA with 100,000 EUR as contribution to the assessment of the current state of the Mono basin, capacity building and equipment. Pending approval of the new phase ProSEHA may support MBA with a maximum of 200,000 EUR.
- To prevent misinterpretation, submitting proof of commitment by the other co-financing projects is suggested.

✓ United States Comments

- The project team may want to consider risk mitigation for the possible dissolution of the Benin Electric Community (CEB), one of the Mono Basin Authority's stakeholders.

**21. Regional, Colombia, Costa Rica, Panama, Bahamas, Belize, Cuba, Dominican Republic, Guatemala, Guyana, Honduras, Jamaica, St. Kitts and Nevis, St. Lucia, Suriname, Trinidad and Tobago, Antigua and Barbuda. Protecting and Restoring the Ocean's natural Capital, building Resilience and supporting region-wide Investments for sustainable Blue socio-Economic development (PROCARIBE+) (GEF ID 10800). Agency: UNDP; GEF Project Financing: \$15,429,817; Co-financing: \$129,822,647.**

✓ France Comments

- For information, the French facility for global environment (the FFEM) and the French Agency for Development (the AFD) are jointly cofinancing the BluEFin project with their CRAB project with the Caribbean Biodiversity Fund.
- PROCARIBE+ could overlap BluEFin, even if the purpose is clearly wider both spatially (involving all the wider caribbean countries, including coastal States and North Brazil States) and thematically. It deals with the creation of a big coordination mechanism for the region "ocean coordination mechanism", and includes a lot of technical assistance, for quite an exhaustive list of areas: marine spatial mapping, fisheries, blue economy, mangrove, MPAs, etc...
- However, there should be some concertation between UNDP for the Procaribe+ project and UNEP and CBF for the BluEFin project and the FFEM and AFD financed CRAB project, and probably work in close coordination, in order to maximize effects and synergies and lessons learnt to .
- The project is well aligned with the 10-year Strategic Action Programme for the Caribbean and North Brazil Shelf Large Marine Ecosystems (CLME+ SAP) and supports the (partial) implementation of several of the Priority Actions under the SAP. Specifically, it is aligned with the strategic elements focusing on the mainstreaming of valuation of ecosystem services in national and regional decision-making and policy development and private sector engagement in ecosystem-based management of shared living marine resources (e.g., seagrass beds, mangroves, and coral reefs).
- The project will contribute in particular to CLME+ SAP Strategies 1, 2, 3 and 4. Additional information regarding how this project will implement these strategies and its actions has been outlined in a table in the proposed alternative scenario.
- The main focus of the proposed project's on-the-ground activities are centred on 5 out of the 26 CLME+ countries, it will however ensure alignment with CLME+ SAP Strategy 3 and engage with the CLME+ (Interim) Coordination Mechanism and permanent (when established). This can potentially be used as a framework to promote replication, upscaling, political uptake at regional levels and to reduce overlap and duplication.

- The key project activities will be linked and contribute to (a) relevant regional-level initiatives and activities (including knowledge management and exchange through the CLME+ Hub, clmeplus.org; and support for the formal, integrated reporting efforts on the “marine environment and its contributions to socio-economic development in the wider Caribbean” (SOMEE and associated UNEP CEP “State of...” reports); and (b) related activities undertaken by other projects and initiatives in other countries from the region (e.g. through knowledge exchange, harmonized approaches and shared technologies with, BE CLME+, and MAR2R, etc.). The latter will be undertaken with the aim of maximizing overall benefits for both the participating countries and the region as a whole.
- The project will seek to align its activities with the Regional Strategies and Action Plans on (a) the reduction of nutrient inputs into the marine environment, and (b) the protection and restoration of key marine habitats for the wider Caribbean, and their associated regional investment plans, whose development is currently being coordinated by UNEP CEP with the support of the CLME+ Project.

✓ **Germany Comments**

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

Germany welcomes this proposal, which aims to improve ocean governance and support the ocean economy of the Caribbean and North Brazil Shelf Large Marine Ecosystems.

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

- The project aims to improve the traceability of 55,900 tons/yr of fish and shellfish production. However, traceability is not the same as sustainability. Germany suggests to reconsider whether all of the production with improved traceability should be counted under Indicator 8 “Globally over-exploited fisheries moved to more sustainable levels”.
- For the project activities on marine spatial planning, Germany suggests to consider more explicitly how a fair and equitable representation of different stakeholder groups with different levels of organization and different economic and political influence can be ensured.
- The proposal states that it will contribute to regional food security and to SDG 2. Germany proposes to strengthen the considerations of regional food supply and food security across all project activities.
- Germany welcomes that the proposal addresses gender equality and women’s empowerment. Germany suggests to include SDG 5 as one of the global commitments supported by the project activities.
- The project considers economic displacement of coastal people and communities when creating new Marine Protected Areas (MPAs) as one of its risks (Risk 4). Germany suggests that the project ensures that the participating countries collaborate with coastal communities on new MPAs from the outset, not only to avoid displacement, but also to find the ecologically and socially most suitable locations and increase local ownership.

- Germany suggests to add social risks such as conflict with existing fishing activities to the risks of a mariculture pilot initiative (Risk 5).

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

**22. Moldova, Ukraine. Advancing transboundary co-operation and Integrated Water Resources Management in the Dniester River Basin through implementation of the Strategic Action Programme (SAP) (GEF ID 10805). Agency: UNDP; GEF Project Financing: \$6,000,000; Co-financing: \$30,100,000.**

✓ **Germany Comments**

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

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

- The proposal should highlight how the experience of EU Member States with implementing the EU WFD will be transferred to the institutional realities of Moldova and Ukraine. It should also show more strongly how it plans to align with and foster Moldova's and Ukraine's engagement with the political initiatives under the EU Green Deal and its external dimensions and further develop how component 1 will increase political commitment to support capacity development.
- Output 2.1.1 should avoid legal lock-in effects due to insufficiently well-designed legislation and resulting difficulties in implementation. Output 2.1.2 should go beyond training courses to include activities to introduce and improve institutional methods and operating procedures. These will increase capacities in the face of staff fluctuations, structural changes and budgetary limitations, function as knowledge and quality management tools and benefit harmonisation between both countries.
- Outcome 3.1 should take a more comprehensive approach to improving water body status. Output 3.1.1 should aim for the most effective and efficient measures to achieve and maintain good water body status, which may go beyond the development of codes of practice to more elaborate methods of assuring their application. The planned investment support to SAP implementation should follow emerging practice on nature-based solutions. Groundwater is not reflected adequately in the proposal, despite agriculture being a significant source diffuse pollution, impacting human use and ecosystems.

- Output 4.1.2 should be aligned with Directive 2007/60/EC (the EU Floods Directive) as required under the countries' Association Agreements with the EU and its Member States, as well as with the support provided by the programme PPRD East 3. Climate change adaptation, including through ecosystem-based adaptation, should more strongly be mainstreamed throughout the proposal.
- Component 6 should demonstrate how research will be translated into policy processes and contribute to sector capacity. Monitoring of surface and groundwater (also through support under Output 3.1.2) should go beyond applied research and must be improved as an integral part of evidence-based and transparent decision-making for water resource management, as required by the WFD. The project should strengthen capacities for risk-based monitoring under the WFD in the mandated authorities.
- In rural areas, access to piped water, flush toilets as well as the connection of flush toilets to sewer networks is low. The proposal should reflect this in addressing point and diffuse source pollution from sanitation. Moreover, the proposal should consider the impacts of pollution on ecosystems and human water uses, including as drinking water. Sewered sanitation is only one option and focusing on it could preclude other potentially more adequate and cost-effective ones to achieve safely managed sanitation services.

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

## **MULTI-FOCAL AREA PROJECTS**

### **23. Senegal - Land Degradation Neutrality for biodiversity conservation, food security and resilient livelihoods in the Peanut Basin and Eastern Senegal (Dékil Souf) (GEFID 10384). Agency: FAO; GEF Project Financing: \$5,786,073; Cofinancing: \$32,800,000.**

✓ **Canada Comments**

- Canada has some concerns related to biodiversity considerations included in output 2.2.3 on Seed/seedling production capacity improved to support restoration of degraded lands and biodiversity conservation. There is no mention in the output description of conservation of genetic diversity of seeds selection, the focus is solely on strengthening seed production capacity. Genetic diversity is a basic pillar of all biodiversity and must be maintained to enable all species to adapt to environmental change, ensure resilient ecosystems, support other levels of biodiversity, and benefit people. Genetic diversity is also a first barrier against new diseases and invasive pests. Overlooking genetic diversity will reduce adaptation, increase extinctions, destabilize ecosystems, and harm human

well-being and economic development. Maintaining genetic diversity of seeds/seedlings should be included in the objective of this outcome to ensure a positive impact on biodiversity.

✓ **Germany Comments**

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

Germany welcomes the proposal which proposes Land Degradation Neutrality (LDN) as an overarching approach and guiding participatory methodology, as well as an accelerator of other SDG targets in Senegal.

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

- With a view to the project “Support for improving land management” (p. 48), Germany concurs that the project is of relevance for the proposal. However, Germany opposes that this project receives co-financing from a GIZ-funded project, given that Germany as a member of the GEF council cannot co-finance GEF projects. Germany further would like to clarify that the project mentioned on p. 48 of the PIF is funded by Germany, the German technical contribution is implemented by GIZ and the political lead institution is the Senegalese Ministry of Finance and Budget. Germany requests this GEF-project to seek a different co-financing source for the matter.
- Germany seeks clarification why the internationally established LDN baseline for the reference year 2015 has not been used or considered here (p. 55). Germany moreover recommends aligning the establishment of baseline and monitoring system (p. 60) with existing procedures and data sources from UNCCD, namely trends.earth.
- With view to establishing mechanisms for neutrality and the project’s intention to develop participatory integrated land-use plans and manage counter-balancing (p. 56 f.), Germany suggests considering the newly developed software tool “LUP4LDN” that tackles the challenge of aligning land use and management decisions with LDN goals ([Competition's winning Team — GEO-LDN Initiative](#))
- With view to outcome 1.1 on land governance, Germany requests taking into account the forthcoming *FAO Technical Guide on the Integration of the VGGT into the implementation of the UNCCD and the Achievement of LDN* and requests examining whether previously established multi-stakeholder-platforms (e.g. by FAO to support the operationalization of the VGGT) can be used before creating new ones.
- With view to the project stakeholders (p. 86 f.), Germany requests to include the LDN National Focal Point, the director of the Department of Water and Forests, Hunting and Soil Conservation of the Ministry of the Environment and Sustainable Development.

**24. North Macedonia. Biodiversity conservation, sustainable land management and sustainable tourism development in North Macedonia (GEF ID 10676). Agency: UNEP; GEF Project Financing: \$3,713,422; Cofinancing: \$14,100,000.**

✓ *Canada Comments*

- This project is complementary to the CBD, especially from the perspective of reducing biodiversity loss through sustainable use and integrated landscape management. No concerns with this project. The project uses a landscape approach, which Canada supports, to tackle biodiversity related issues across different land uses and involving different stakeholders. It is geared at about 50-50 gender split, also aligning with Canada's position on a feminist approach to ODA.
- Canada would like to better understand why so little forest land is being restored. Macedonia has 1M ha of forest, but the project is aimed at only 2500 ha of forest restoration.

✓ *Germany Comments*

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

Germany welcomes this proposal as timely and sensible supplement to the ongoing process of declaring the Shari Mountains (North Macedonian part) a National Park. The process towards the declaration of the national park was supported by both local initiatives and international NGOs and Foundations (including Bundesstiftung Umwelt). German Development Cooperation has supported capacity building activities to contribute to the sustainable management of the Park in Albania, Kosovo and North Macedonia.

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

- The regional nature of the Shari Mountains should be stronger reflected in the proposal, e.g. by contributing to regional approaches, taking into account national management structures as well as civil society initiatives (LAG Korab-Koritnik in AL, LAG Sharri in KOS, Friends of Sharri, Macedonian Ecological Society in NMK), and existing regional coordination mechanisms (e.g. joint advisory board).
- Furthermore, the exchange and networking with other existing regional park management approaches (e.g. NP Prespa / Galicica) should be facilitated. This includes existing Regional Development agencies and Local Action Groups of the EU LEADER Approach to assure the long-term use of EU pre-accession assistance (f.e. IPA and IPARD III) for the realization of local level development initiatives
- Germany recommends to consider successful approaches by the German-funded regional project "Support to Economic Diversification of Rural Areas in Southeast Europe" (SEDRA), such as the "High Scardus Trail".
- The proposal should further include the issue of "illegal buildings" in the area of the national park.

- Germany requests the project to ensure local ownership through actions that enhance the economic prospects, income and employment of the local population as crucial elements of sustainability of the park management approach, integrate and support existing civil society and multi-stakeholder initiatives, and ensure full and equal participation of all ethnic groups, young people and women.

**25. Eswatini. Restoration of ecosystems, integrated water resource management and promotion of sustainable agricultural production systems in the Mbuluzi River Basin of Eswatini (GEFID 10695). Agency: UNEP; GEF Project Financing: \$3,916,950; Cofinancing: \$25,768,500.**

✓ **Canada Comments**

- Canada notes that the proposed project will promote the adoption and application of integrated sustainable land management and ecosystem restoration technologies, and enhance management of three protected areas within the Mbuluzi River Basin, a major source of water for agricultural activities as well as rural and urban water supplies. The desired outcome is the creation of an eco-resilient and highly productive Mbuluzi River landscape and effectively managed protected areas providing critical ecosystem goods and services, which will ultimately contribute to improved rural livelihoods and national, regional, and global environmental benefits. It is complementary to the UNFCCC, the UNCCD, and the CBD and the Aichi targets.

✓ **Germany Comments**

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

Germany welcomes the project's focuses on LDN targets to mainstream landscape approaches into existing structures, practices and policy, while targeting activities at catchment level and recognizing local communities as the custodians of landscapes and biodiversity, with their crucial role in conservation and LDN.

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

- Synergies with CBD and UNFCCC targets could be further materialized through project activities, e.g. soil mapping can contribute to the countries NDCs.
- Clarification on the land ownership is needed: Who owns the project land and under which of the country's three main land categories does it fall?
- Germany requests further elaboration on the contribution of the project towards the Trans-Frontier Conservation Areas (TFCAs) (border to Mozambique).
- Germany requests to include reference to international processes, namely the UN Decade on Ecosystem Restoration, and to include fringe effects in the monitoring of the 700ha reforested land. Otherwise, 700ha do not seem to be ambitious enough.
- Germany requests to include capacity development activities that may improve the barriers 2 and 4 of underdeveloped capacity for SLM. E.g., by setting up a country to country (peer-to-peer) learning program with a neighboring country like South Africa (through the likes of e.g., Hoedspruit Hub – also supported by GIZ SA program E4D).

- Germany recommends to cooperate with the Wilderness Foundation Africa, working on protected areas to develop innovative finance and policy structures ([www.conservationmag.org](http://www.conservationmag.org)), in order to create synergies and avoid duplication.
- Emphasize on eSwatini remaining a net carbon sink through project outcomes.
- Financing aspects should find stronger consideration in the current proposal in order to contribute to the sustainability of the project and its activities.

**26. Regional, Thailand, Cambodia, Malaysia, Viet Nam. Promoting the blue economy and strengthening fisheries governance of the Gulf of Thailand through the Ecosystem Approach to Fisheries (GEF ID 10703). Agency: FAO; GEF Project Financing: \$7,320,794; Co-financing: 118,458,645.**

✓ Canada Comments

- This project is focused on increasing resource use from the ocean, so caution is needed to demonstrate that this will be sustainable and also yield positive biodiversity outcomes. It seems that this is the case through the focus on the ecosystem approach though a number of the proposed indicators and outputs measure actions and proxies rather than actual biodiversity outcomes (e.g. Indicator 1.1.1 - Number of shared water ecosystems (fresh or marine) under new or improved cooperative management (GEF Core Indicator 7)).
- Also, the summary of the project notes that the following: ‘In addition, 3 fisheries will meet national or international certifications that incorporate biodiversity.’ What certifications, specifically?
- Furthermore, Canada is of the view that the below should be taken into account:
  1. Database & analytical systems & ICT of the target fishing communities to identify level of socio-economic status and knowledge levels as baseline information;
  2. The regional organisation should include Network of Aquaculture Centres in Asia and the Pacific (NACA – <https://enaca.org/>) which is an intergovernmental organisation based in Bangkok and has 19 country members in Asia-Pacific;
  3. National institutions should engage fish marketing organisations (<https://www.fishmarket.co.th/>) in the four countries as well as government function levels from central to provincial, district and local administrative organisations;
  4. The project should engage academic institutions in all four countries;
  5. On the gender issues, Gender on Fisheries and Aquaculture (GAF) - <https://www.genderaquafish.org/discover-gaf/> should be involved strongly;
  6. The project should engage International Institute for Trade and Development (ITD) based in Bangkok on the value chain - <https://www.itd.or.th/en/>.
- The project will miss out many stakeholders if the above mentioned organizations are not included.

✓ **Germany Comments**

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

Germany welcomes the proposal which aims to improve the management of transboundary fisheries in the Gulf of Thailand (GoT) which suffered of extremely unsustainable and damaging practices for many years. The dwindling stocks and rising fuel costs for higher fishing led to a dangerous spiral of cost-cutting practices, resulting in poor labor conditions.

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

- It is great to see that the private sector will be engaged in this project as business companies must adopt better fisheries practices and improve their supply chain through due diligence practices. Germany therefore welcomes that companies with environmentally and socially unacceptable practices wish to improve through support from this project. However, the commitment seems rather opportunistic: in-kind commitment will secure private sector interests (e.g. financial benefits and better market access). We suggest to demand tangible and meaningful commitments and milestones from the private sector.
- Specifically: Regarding outcome 21 and indicator 5.1, it might be a good idea to create a regional certification scheme as MSC has not proven suited for developing world fisheries because of data requirements and high costs associated with the assessment. There is also a high regional risk of poor labor conditions on board which have not been addressed by MSC so far. Thus, a regional certification must adhere with the benchmark principles that have been developed by the [Global Sustainable Seafood Initiative \(GSSI\)](#) in accordance with FAO frameworks and tools . FAO, as well as Thai Union and CPF must be partners of this new regional certification scheme. The number of fisheries participating in certification schemes can also be a double-edged indicator. Certification schemes currently available have proven to be particularly detrimental to small-scale fisheries. This is well addressed under outcome 2.1. Options for SSF indicators under 5.1 such as “sustainable marketing initiatives” should also be considered. For example, by creating and marketing direct linkages between sustainably operating small-scale fishers and restaurant/ hotels in tourist regions.

✓ **Norway/Denmark Comments**

- We note the comments from STAP on the importance of better integrating climate change adaptation in the project, this is especially important in fisheries management and should be considered when establishing management plans.
- We see that some of the planned work is similar to what Norway is supporting through the EAF Nansen programme, implemented by FAO and IMR, especially outcome 1.2 on management plans based on EAF.
- We strongly recommend close dialogue with the Nansen programme to benefit on lessons learnt and also look into the tool developed by the Nansen programme, “EAF monitoring tool”, and if this could be adapted in the project some how. Thailand is a one of the partner countries to the Nansen programme.

- We would like to understand more on how FAO is planning to link this project with work planned in FAO project Bay of Bengal LME (BOBLME II).

**27. Niue. Robust sustainable tourism and agriculture sectors in Niue supported by biodiversity mainstreaming and sustainable land management (GEF ID 10769). Agency: UNEP; GEF Project Financing: \$3,502,968; Co-financing: 20,216,167.**

✓ **Germany Comments**

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

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

- Given the economic, social and environmental impacts of the COVID-19 pandemic and the surge of possible threats to human health caused by zoonosis, the project may contribute to alleviating these impacts. To enhance the effectiveness of the project, the links between sustainable wildlife and ecosystem management, tourism activities and how these may prevent threats to human health should be made more explicit.
- Indicators for environmental impact assessment are to be developed and economic valuation of ecosystem services are to be carried out. Currently, it is not entirely clear how the project is going to use these tools for project implementation. GER would like to suggest that the usage of these important tools is clearly included in project implementation.

**28. Egypt. Greening Hurghada (GEF ID 10796). Agency: UNIDO; GEF Project Financing: \$3,889,996; Co-financing: \$22,000,000.**

✓ **Canada Comments**

- The focus of this project on sustainable tourism along with the establishment and improved management of marine protected areas is welcome and in-line with CBD priorities. However, like the other GEF projects listed, there needs to be careful detailing of how this project can demonstrate biodiversity positive outcomes. Canada notes that there have been questions about this in the iterations of the document so far (e.g. mention under the core indicators section, Rev. 04/27/21, ‘Core indicator 5: Please clarify, with an explicit link to specific outputs how the project is to improve practices to benefit biodiversity over 96,000 ha outside protected areas’.)

✓ **Germany Comments**

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

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

- Germany would like to emphasize that the envisaged sustainability improvements in the tourism sector and on-ground impacts must be analysed and evaluated clearly and

transparently. Thus, the focus should be on real emission reduction, protection of biodiversity and sustainable development. This relates to various challenges such as:

- the potentially increased use of electricity produced by fossil energy (fossil electricity surplus in the national grid),
  - the direct and indirect subsidy system of touristic services (creating excess overcapacities and market distortion),
  - the enforcement of social standards (e.g. in the construction sector) and
  - the potential involvement of the military complex (being pro-active in the Egyptian tourism sector).
- Germany requests to elaborate further on the strategy to reach more ecological sustainability and at the same time increase tourism capacities, while making the sector financially feasible during the world-wide pandemic.
  - Nature protection and energy efficiency increase needs for private sector investments and potentially will create high upfront costs. The project must take into account that in the subsidized Egyptian tourism sector, private sector investments decreased during the economic crisis and suffers in 2020/2021. A transition to more sustainability has to come along with a sectoral consolidation, which cannot yet be seen. Compared to already existing policies, the on-ground implementation of sustainability and energy efficiency measures lack behind, especially in the tourism sector.
  - The issue of water pollution is only partially covered. Marine habitats are affected by industrial zones and by the oil and gas industry at the Red Sea. Future local and mega-project developments (like NEOM) should be taken more into consideration.
  - It seems that it is not envisaged to attribute new natural habitats and protected area. At least in a small-scale, local extend, this might be a further ambitious objective. Moreover, the reduction of marine litter might be addressed more specifically.
  - The proposal focusses on the use of e-mobility in transport as one major sustainability solution. Most of the Egyptian electricity comes from fossil energy, which reduces the potentially positive impact. Environmental aspects of increased battery usage and its waste management should be assessed in detail by the project.
  - The potential CO<sub>2</sub>e and energy savings (3.000.000.000 Mega-Joule within 5 years) seem to be quite high. Further details on the calculation basis, used equations and used assumptions should be evaluated carefully, to avoid theoretic but unimplemented CO<sub>2</sub>e and energy savings.
  - The overall budget estimation for component “4. Monitoring and Evaluation” purposes seem to be quite large. The respective economic feasibility might be evaluated further and revised.
  - The data and literature sources are partially not adequate anymore. Some essential numbers of e.g. the electricity sector descriptions and its context are outdated. Some recent, major developments are not covered in detail in the proposal.

## MULTI-TRUST FUND PROJECTS

### **29. Timor Leste: Adapting to climate change and enabling sustainable land management through productive rural communities (GEF ID 10713). Agency: UNEP; GEF Project Financing: \$3,578,536; LDCF Project Financing: \$6,267,126; Co-financing: \$6,860,000.**

#### ✓ Germany Comments

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

Germany welcomes the proposal which aims to increase climate resilience and reduce land degradation in priority watersheds of Timor Leste's rural communities, through sustainable land management (SLM) and ecosystem-based adaptation (EbA). Germany appreciates the dual approach embedding national policy-level work and local engagement with two watersheds. In addition, Germany acknowledges the necessity to engage the private sector in supporting climate-resilient agricultural practices while contributing to countries' sustainable growth.

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

- While Germany supports the project's aim to link climate change, land degradation, water insecurity and food insecurity in an all-encompassing way, it would like to stress the complexity of such an aim. Thus, we request that this should be factored into the capacity-building elements of the project. This is all the more essential as poor rural community stakeholders will be involved (e.g. in implementation of climate-resilient integrated watershed development plans - CRIWDPs), and that their education and literacy rates may hamper their understanding of why they should adopt climate-resilient practices. This is especially important for gender aspects, as only 52% of women over the age of 15 are literate as per the proposal.
- Germany furthermore suggests addressing the land rights issue in more depth. Competing land titles pose major challenges on any land-use endeavour. Vanilla, for example, requires long land use periods - conflict-free land sections are crucial for this purpose.
- Under the governance elements, it could be useful to leverage the presence of women representatives within *suco*<sup>2</sup> councils, to further enhance the project's gender objectives.
- Germany sees the potential of cocoa and vanilla crops for Timor-Leste. However, the two intervention watersheds most commonly grow different crops. As the project requires substantial changes in practices from rural communities, it is important to ensure local populations' buy-in for the latter. Therefore, the reluctance to change should be factored in.
- Germany strongly supports the involvement of the private sector in this project. However, it is stated that "all loan or investment risks will be borne by the private sector". Given that local institutions will be involved, it should be clarified how the private sector's risk-averse investment mindset and lack of resources will be addressed.

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<sup>2</sup> Group of villages

✓ United States Comments

- A successful project in this area will have long-term implementation and maintenance needs. It is unclear from the attachments if such long-term support has been adequately considered, which has implications for results sustainability.
- The drivers behind forest and land degradation could be more fully addressed in the final project document. Assuming that forest degradation in Timor-Leste is driven by logging for both timber and fuelwood, it is somewhat unclear how this project will address this driver.

**30. Kiribati. Securing Kiribati's Natural Heritage: Protected areas for community, atoll, and island climate resilience (Securing Kiribati) (GEF ID 10775). Agency: IUCN; GEF Project Financing: \$5,518,841; LDCF Project Financing: \$4,497,354; Co-financing: \$19,797,563.**

✓ Canada Comments

- Canada believes this is a highly relevant project. The focus on climate-smart agriculture and aquaculture is very timely considering Kiribati's high vulnerability to climate change as well as the socio-economic impacts of COVID-19 on the Kiribati population.

✓ Germany Comments

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

Germany welcomes the proposal which aims to improve ecosystem and community resilience to the impacts of climate change by leveraging nature-based solutions and ecosystem-based adaptation that supports biodiversity and sustainability livelihoods in Kiribati. Nature-based solutions offer the potential to address complex multi-faceted issues to support Kiribati in enhancing community and climate resilience.

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

- Germany requests that the enhanced implementation of improved policy frameworks for environment, oceans and natural resource management with integrated EBA approaches to climate change (Outcome 1.1) should be pursued in cooperation with Kiribati's Ministry of Infrastructure and Sustainable Energy as well as the Ministry of Finance and Economic Development. Policy frameworks should also be aligned with other agencies so as not to create adverse consequences.
- Further, it should be taken into account that the resilience of oceans and marine ecosystems can be improved by addressing infrastructure practices on land. For example, by reducing sedimentation into oceans from construction, and developing waste management and treatment facilities. This could be potentially done through natural treatment methods such as constructed wetlands.
- Germany requests that the Ministry of Infrastructure and Sustainable Energy and the Ministry of Finance and Economic Development, along with other relevant agencies, are included on the stakeholder engagement list as their participation is integral for

leveraging nature-based solutions. Agency collaboration should extend beyond the Ministry of Environment and Ministry of Fisheries.

- Germany appreciates the emphasis on providing awareness raising, education and outreach capacity to villages, islands and on a national level regarding climate change adaptation and sustainable island and ocean management. Germany requests that the education and outreach component address harmful practices at the local scale (littering, over-fishing or harvesting practices, public defecation). These harmful practises impact the efficacy of nature-based solutions to provide climate resilience services. The curriculum should also focus on the efficacy and win-win benefits of Nature-based Solutions and ecosystems to address multiple socio-economic challenges.
- Finally, Germany requests more clarification regarding the types of activities envisioned under practicing climate-smart agriculture and aquaculture and any limitations that could be encountered in their implementation (e.g. water access, land constraints, among other factors).

✓ **United States Comments**

- We note that parts of the proposal seem out of date (e.g. Component 1 & 2 activities have target year, 2017, 2018 and 2020). In our understanding, many of the activities identified in the NBSAP were not conducted. The proposal should indicate/change the new timeline for achieving activities under these two outputs.
- We believe there might be opportunities for additional engagement and collaboration with the Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP).

**31. Eritrea - Building Community Based Integrated and Climate Resilient Natural Resources Management and Enhancing Sustainable Livelihood in the South-Eastern Escarpments and Adjacent Coastal Areas of Eritrea (GEF ID: 10789). Agency: FAO; GEF Project Financing: \$6,678,226; LDCF Project Financing: \$9,002,082; Co-financing: \$19,292,304.**

✓ **Canada Comments**

- Canada believes that caution is needed to demonstrate that this will promote native species, be sustainable and also yield positive biodiversity outcomes. Additionally, the project could include a focus on “nature-based solutions” along with ecosystem-based and market-driven approaches.

✓ **Germany Comments**

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

Germany welcomes this proposal, specifically, in the context of a German BMZ contribution to the IFAD “Fisheries Resource Management Project (2017-2023)” in Eritrea, that is also mentioned in the PIF document, as a relevant baseline project.

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

- Germany welcomes the integration of seascapes, fishing communities and fishery value chains in the proposal. Although mostly land(degradation)-centred, it is positive to include these ecosystems and value chains into the project design. In particular it is helpful to anticipate possible movements of individuals who use fisheries as the “last resort” because of pressure from climate change or other factors on the agricultural sector.
- The ambition regarding the gender equity dimension within the project is not specifically high. We consider it extremely important to reach the project’s goals in the long run. On page 64 of the PIF document the question for a gender-sensitive indicator is answered with “TBD”. This might be adequate for this stage of the process but should be followed up.
- The cultural differences between the agricultural and fisheries sector/communities are expected to be huge. Therefore, analyses should take a differentiated approach to cover specific situations on the ground.

**32. Somalia - Adaptive Agriculture and Rangeland Rehabilitation Project (A2Rs) (GEF ID 10792). Agency: IFAD; GEF Project Financing: \$8,043,545; LDCF Project Financing: \$8,995,505; Co-financing: \$21,000,000.**

✓ *Canada Comments*

- Canada would like to note that there are minor issues to be considered with respect to project design, and project sites are still to be identified. It is important that baselines for land restoration, biodiversity, and climate be quantified, monitored, and assessed in order to ensure the project’s benefits can be realized. It will also be valuable to explain the methods that will be used to improve climate adaptation capacity, and identify opportunities to adapt, or transform, as the project is implemented.

✓ *Germany Comments*

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

Germany welcomes the proposal which aims at enhancing the climate resilience of rural poor households through improved water supply, rangeland and forest restoration as well as improved governance.

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

- Rangeland and forest restoration requires to control grazing and maintenance of saplings and vegetation during its establishment. The proposal should further elaborate how to manage resistance against restrictions of grazing due to grazing pressure on rangeland and forests that are to be restored.
- Since the approach of forest restoration relies on the establishment of nurseries, thereby aiming to provide jobs in the project area, more clarification is needed as to who will be the customer of those nurseries to make them economically viable, considering that at some point the project will pull out of the project areas.

- The political will of the national and local governments to act in line with the proposed activities of this proposal might be an issue for the success of this envisioned project. This issue needs to be elaborated further, possibly through scenarios how to cope with a lack of political will.
- This issue of governance relates to issues of poverty, as poor parts of the population lack access to resources. Further explanations on how to improve access to resources for poor people are needed.

## NON-EXPEDITED ENABLING ACTIVITY

### **33. Global. Umbrella Programme for Preparation of Biennial Transparency Reports (BTRs) and National Communications (NCs) to the UN Framework Convention on Climate Change (UNFCCC) (GEF ID 10781). Agency: UNEP; GEF Project Financing: \$4,090,130; Co-financing: \$408,000.**

#### ✓ Germany Comments

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

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

- Germany welcomes the project proposal's acknowledgement of a wide group of stakeholders, including farmers, indigenous peoples, ethics specialists and local authorities, but suggests including more detail on how stakeholders will be specifically engaged and adding concrete examples wherever appropriate.
- Germany also recommends to provide more detail on what is meant with "*efforts will be made to have acceptable gender representation in project management structures*" and how the project proposal expects "*to create awareness on climate reporting among critical stakeholders, including the private sector*", besides inviting private sector representatives to project inception workshops.
- Germany welcomes that the project proposal lists the national priorities with which the project proposal is aligned, e.g. (I)NDCs, the CBIT and NAMAs. It recommends to further elaborate where a detailed description of consistency with national priorities is missing, e.g. regarding "*regional and national programmes strategies aimed at addressing climate change*" and "*Sustainable Development Goals (SDGs)*".
- Germany appreciates the recognition of the Information Matters project, carried out by GIZ on behalf of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) under its International Climate Initiative (IKI).
- Germany welcomes the project proposal's section dedicated to risks and mitigation strategies, including weak institutional arrangements, limited consultations and delayed reporting. It suggests detailing what specific "*measures*" UNEP intends to put in place to mitigate the risks from "*political unrest/ instability*".
- Germany welcomes the thorough exploration of linkages with other initiatives, plans, reports and assessments. According to UNFCCC document FCCC/SBI/2020/INF.13 all

countries have undertaken measures in the process to formulate and implement national adaptation plans, partly on reporting monitoring and evaluation. We suggest to explicitly mention possible links.

✓ *Norway/Denmark Comments*

- The transition from the current system to the enhanced transparency framework under the UNFCCC is demanding for many developing countries. Very positive that LDCs and SIDS are prioritized, and that the identified countries have signaled that they want to progress to BTR reporting.
- GEF plays a vital role in providing support for reporting and transparency under the UNFCCC. We agree with the secretariat that the Umbrella Programme could set a deadline (i.e. December 2021) for inclusion of other countries based on the submission of NCs and BURs to ensure a timely endorsement and start of the program. This would mean that if those countries have not yet submitted their NC to the UNFCCC; they would have to request support for a stand-alone BTR (if possible) or await for top-up support in GEF-8.
- Positive that UNEP actively plans to coordinate with other capacity building/planning support actors, such as the NDC- Partnership. However, there are several relevant actors that are not mentioned. We would encourage UNEP to link and cooperate with more actors in the field, including UNDP (especially the activities under UNDP’s “Climate Promise”).
- As identified, there is a risk that weak institutional arrangements and inexperienced staff affect the sustainability of the project’s results. It should be a priority to ensure that the capacity developed during the project is maintained within each country’s relevant agencies. Therefore, the project should actively foster and encourage in- house capacities and limit use of consultants when developing these reports.
- The Private Sector is identified as a crucial actor under stakeholder involvement. However, the described engagement seems under-developed and shallow. The role of the private sector should be discussed more in terms of engaging them to follow up on opportunities and needs identified in the report, especially in terms of finance and technology.

**34. Global. Bahamas, Bolivia, Bosnia-Herzegovina, Burundi, Cambodia, Cameroon, Cote d'Ivoire, Dominica, Gambia, Georgia, Guinea, Kenya, Madagascar, North Macedonia, Peru, Senegal, Seychelles, Uganda, Uruguay, Zimbabwe, Montenegro. Global Development, Review and Update of National Implementation Plans (NIPs) under the Stockholm Convention (SC) on Persistent Organic Pollutants (POPs) (GEF ID 10785). Agency UNEP; GEF Program Financing: \$8,007,500; Co-Financing: \$737,000.**

✓ *Canada Comments*

- Canada supports this project as it is in line with Stockholm Convention text, and proposed actions to the GEF in the 2018-2022 priority areas as it relates to POPs.
- Canada supports efforts to update Parties National Implementation Plans (compliance with Stockholm Convention Article 7).

✓ Norway/Denmark Comments

- The addition of new POPs to the Stockholm Convention is of high importance, in order to minimise the use and emissions of such substances. Following the listing of new POPs, the National implementing plans must be updated.
- We recognise that the increase in the number of industrial POPs among the POPs listed in the Annexes of the Stockholm Convention has brought new challenges to Parties of the Convention, especially regarding the development of POPs inventories and the access to alternatives for these chemicals.
- We understand the challenges for Parties, also in the process to obtain political support at the national level for the work to be done.
- We support the possibility for harmonization of data collection and south-south cooperation among the countries, included for example information on the global production, use and trade of newly listed chemicals and their products.
- We also agree to the prioritisation of countries to participate.

✓ United States Comments

- We encourage extensive consultations with indigenous populations to build political support and stakeholder involvement.

**35. Nigeria. Enabling the Federal Republic of Nigeria to Prepare Its Fourth National Communication (4NC) and First Biennial Transparency Report (BTR1) to the UNFCCC (GEF ID 10795). Agency: UNDP; GEF Project Financing: \$2,404,733; Co-financing: \$663,850.**

✓ Germany Comments

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

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

- Germany welcomes the strong focus on capacity building to enhance national ownership in the development of 4NC and BTR1. The capacity development approach and related stakeholder involvement should be further detailed and a dedicated plan for institutionalization of capacities included. Under output 3.1 capacity development measures should include equal representation from research and civil society.
- Germany requests referring to the recently drafted climate legislation<sup>3</sup> in relation to the institutional and legal arrangements under Outputs 1.3 and 2.2.
- The support for NDC tracking under Output 3.3 should also include tracking financial flows for mitigation and adaptation measures in order to assess unconditional and conditional efforts under the NDC.

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<sup>3</sup> Climate change legislation has been drafted and ready for consideration from national policymakers. Draft legislation will provide a basis for high-level discussions on the creation of a legal mandate and institutionalized arrangement for leading climate action at the national and subnational level.

- Germany welcomes the goal to define adaptation priorities and mainstream them into development plans. However, Germany requests to specify how to create a close link between development and adaptation policies or how vulnerability and adaptation assessments could feed into a climate risk management approach. Germany furthermore requests to include M&E system to track adaptation processes.
- Although the proposal points towards potential synergies with strategies, programmes and projects, cooperation formats should be identified. This should include the NDC partnership that can be used to coordinate project's measures with other donors.
- While risks referring to data generation and stakeholder engagement due to COVID-19 are included, Germany requests the **incorporation of a dedicated section on potential risks**, including risks concerning changes in political priorities, institutional rivalries, lack of interest from key stakeholders as well as personnel turnover.

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*

**36. Brazil. Fifth National Communication, Biennial Update Report and Biennial Transparency Reports to the United Nations Framework Convention on Climate Change (UNFCCC) (GEF ID 10801). Agency: UNDP; GEF Project Financing: \$7,500,000; Co-financing: \$52,536,909.**

✓ **Germany Comments**

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

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

- Germany recommends providing more detailed information about the significant amount of co-financing in the form of mobilized investment (\$50,002,209.00) from the Ministry for Science, Technology and Innovation (MCTI) and its funding agencies of research, development & innovation.
- Germany welcomes the dedicated sections on gender and the integration of a wide group of stakeholders. However, other civil society actors beyond the Brazilian Forum on Climate Change need to be added, especially for component 3.2 aiming at determining vulnerabilities based on socio-economic factors. Germany recommends putting special attention to indigenous people, local communities and small farmers, who are also particularly vulnerable to the impacts of climate change. Furthermore, it would be essential to provide more details about the planned stakeholder integration.

- Germany appreciates the aim of component 3.2 to carry out impact assessment “on different sectors and relevant issues”. It would be helpful to specify these in advance based on the valuable lessons learnt from previous iterations.
- Brazil was among the first countries to prepare a National Adaptation Plan (NAP). NAPs provide significant information for developing and adaptation sections of BTRs. Yet, the role of NAPs is not explicitly mentioned in the PIF. Germany suggests including a reference to Brazil’s NAP in component 3.2.4.
- Germany welcomes the public awareness and capacity building and gender mainstreaming approach of Component 4. However, the title does limit these efforts to mitigation policies and measures, while some of the outcomes are directly addressing adaptation to climate change. It is essential to emphasize the need for equal commitment in both areas. It should further be explained how the civil society is going to take part in the public awareness strategy.

✓ **United States Comments**

- We would appreciate confirmation that the BTR and NC listed here as scheduled to be submitted in 2024, are a combined report (thus \$517k total). We note with concern that, because of how the budget is broken out, it is not clear how the total is allocated amongst reports. This creates confusion regarding the total, which seems to be higher than it should be for one BUR, one combined NC/BTR, and one BTR. Increased clarity on how these multiple reports are being costed will be important moving forward. Could the GEF Secretariat clarify in the subsequent iteration of this proposal how this breaks down?

✓ **Comment for all UNDP projects**

*In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.*