

ADB GEF PROJECT IMPLEMENTATION REPORT (PIR)

(This report covers implementation period from July 1, 2020 to June 30, 2021)

ADB Official Project Title: Secondary Green Cities Development Project
ADB Project Number: 47274-003

I. GEF PROJECT SUMMARY

Project Ratings:

Development Objective Rating (DO): Satisfactory (S)

Implementation Progress Rating (IP): Moderately Satisfactory (MS)

Risk Rating: Modest Risk (M)

Information on Progress, challenges and outcomes on project implementation activities

The GEF grant is linked to the ADB financed Secondary Green Cities Development Project (SGCDP). There were changes to the project processing in terms of the lending modality, from a result-based lending (RBL) loan to a standard investment loan. In addition to this, the administration of TA Output 1 (National Policy Framework for Environmental Planning and Green Development) and Output 4 (Replication of Green City Action Plan (GCAPs) to Provincial /City Level) was delegated to MONRE. The change of lending modality and delegation of administration caused some delays in the TA implementation. ADB also provides technical support to MONRE to prepare the project document for GOV approval, TOR development, as well as further assistance in training clinic on procurement and training on gender for implementation of delegated outputs. ADB is administering Output 3 (Disaster Risk Financing – UCRTF) and Output 2 (Demonstration of GCAPs in Hue, Ha Giang, and Vinh Yen. Due to the CoViD-19 pandemic situation, the implementation of Urban Climate Change Resilience Trust Fund (UCCTF) funded TA Output 3 (Disaster Risk Financing in Hue) has been delayed due to difficulties in coordinating with the relevant government agencies and site survey arrangement. At the end of June 2021, ADB appointed a consulting firm (ICEM and Nippon Koei Joint Venture) to implement a large consulting contract to deliver most of the TA outputs under Output 2. MONRE's procurement progress accelerated significantly during Q2 2021 with the first packages being prepared and advertised.

Information on Progress, challenges and outcomes on Environment and Social Safeguards

GEF funds are used to provide associated technical support and capacity development to the baseline SCDP project. There are no additional risks or concerns associated with the GEF funds over the baseline. Hence, the management of safeguards for GEF funds is through the management of safeguards of the baseline investment. The technical assistance is not anticipated to generate significant adverse environmental impacts during operation. The GEF administered funds will not be involved in the parts of the project related to involuntary resettlement, and will not fund activities related to involuntary resettlement. For the TA, ADB's Safeguard Policy Statement (SPS, 2009) will apply. As for the grant for efficient street lighting in Ha Giang city, there are ethnic minorities in Ha Giang province and ethnic minorities in urban wards in Ha Giang City who are integrated into the mainstream. The Resettlement and Ethnic Minorities Development Plan (REMDP) outlining the issues and actions for ethnic minority integration for the Ha Giang subproject has been approved and disclosed by Ha Giang CPC to the affected persons. ADB approved the Updated REMDP (uREDMP) in April 2021 and now Ha Giang PMU

and local agencies are implementing the uREMDP. In accordance with ADB's Safeguard Policy Statement (2009), the baseline loan project cities Hue, Ha Giang, and Vinh Yen have been classified as Category "B" for Environment and "B" for Indigenous Peoples (IP).

Information on Progress, challenges and outcomes on stakeholder engagement

A comprehensive stakeholder analysis was undertaken in a participatory manner during the preparatory phase of the SGCDP. The objectives of the stakeholder analysis were to (i) Identify the key stakeholders and their support for the project or possible vested interests that may be opposed to the project, and their means of doing so; and (ii) Develop measures to mitigate any identified resistance to and facilitate general agreement with the project. Further, following approval of the two PIFs for Special Climate Change Fund (SCCF) and Sustainable Cities Integrated Approach Pilot (SCIAP), a GEF-specific stakeholder consultation was undertaken to refine the components and outcomes. This included visits to each of the target cities for formal meetings with city officials and technical meetings with city and provincial staff and site visits to proposed demonstration projects. Additional high level and technical level discussions have also been held with key national government agencies (MOF, MONRE, MPI) to further develop the national perspective and city-national integration and national upscaling. The stakeholder analysis also included the mass unions, civil society, NGOs in Vietnam and Overseas, networks, professional associations, community -based organizations, affected communes and residents, vulnerable and other sectors of the society, and private sector. An inception workshop was held on April 9, 2021 with the steering committee members, representatives of the ADB loan project PMUs in Vinh Yen, Hue, Ha Giang, the MONRE team, the ADB project team (and Country Director), as well as representatives of researchers, professional associations, and private sector to update the project progress and further implementation of delegated outputs to MONRE, and strengthening the overall coordination of the TA.

Information on Progress on gender-responsive measures

The Secondary Green Cities Development Project (SGCDP) is classified as "Effective Gender Mainstreaming (EGM)". During the preparation of the SGCDP, a gender assessment was undertaken for each city, and a rapid assessment was undertaken for each priority sub-project. A gender action plan (GAP) was prepared to (i) ensure women participate in and benefit from the activities and (ii) monitor gender-specific aspects and benefits realization during the implementation phase. Gender Action Plan Monitoring Table was updated during ADB Review Mission from 14 April to 5 May 2021. Gender training was provided to MONRE PMU on 1 June 2021 by the ADB Gender Consultant with the participation of 6 members from the MONRE PMU. The gender training focused on the GAP, gender mainstreaming, gender indicators, and other gender related requirements for the TA.

Knowledge activities/ Products

Many lessons will be learnt, both regarding engineering issues and policy issues. Hence, the lessons learned from the process will be disseminated, including by feeding into: (i) the preparation of new and/or updated green cities action plans (Output 1 and 4); (ii) the design of a new national policy framework and monitoring framework for sustainable cities (Output 1); and (iii) the design of a green financing mechanism for sustainable cities (Output 3). Information sharing on the process and the results will also be facilitated through the Viet Nam Sustainable Cities Cluster and Network.

As an SCIAP child project, the TA is supported by the Global Platform for Sustainable Cities (GPSC). GPSC supports knowledge capture and knowledge exchange, both amongst the SCIAP participating cities, and

with external initiatives and cities. The proposed Project will be actively involved with the overall SCIAP, sharing knowledge on a regular basis through GPSC, and constantly learning from GPSC through its involvement in GPSC networks and learning events.

The Project also takes place within the broader ADB Green Cities Initiative. Through this network, the Project will share lessons and knowledge with cities across Asia. The ADB knowledge management resources support the urban development specialists and community practice members to collect data, learn lessons, and prepare documentation and publications. ADB has strong technical units responsible for collecting data, learning lessons and sharing knowledge notably through web events, conferences and publications. This includes close coordination with the Asia-Pacific Adaptation Network and Forum. For example, the study tour to Singapore further promoted the nature-based approach, which is incorporated in the green design, water sensitive features of the investments in the loan project as well as in the TA implementation in the development of scope of work and procurement for the demonstrated sustainable and resilient development in Hue, Ha Giang, and Vinh Yen (TA Output 2). ADB has also issued a knowledge product on water sensitive design, and published articles relating to the project (Dev Asia, Viet Nam Investment Review). A knowledge management consultant has been appointed to help prepare knowledge products (video material), however mobilization to Viet Nam has been prevented by the pandemic.

The TA will draw on MONRE's experience as Executing Agency to ensure lessons are captured and knowledge is shared. Notably, active involvement is planned for the Viet Nam Environment Agency (VEA) and the Institute of Strategy and Policy on Natural Resources and Environment (ISPONRE). MONRE will ensure that knowledge is shared through the appropriate Vietnamese channels and this has been reflected in development of MONRE procurement plan.

FOR SCCF/LDCF INDICATORS:

Total Number of Beneficiaries	Will be in the mid-term report
Ha of land better managed to withstand the effects of climate change	Will be in the mid-term report
No. of risk and vulnerability assessments, and other relevant scientific and technical assessments carried out and updated	Will be in the mid-term report
No. of people trained to identify, prioritize, implement, monitor and/or evaluate adaptation strategies and measures	Will be in the mid-term report
No. of regional, national and sub-national institutions with strengthened capacities to identify, prioritize, implement, monitor and/or evaluate adaptation strategies and measures	Will be in the mid-term report
Contribute towards public awareness of climate change impacts, vulnerability and adaption (Tick if relevant)	Will be in the mid-term report
Expand access to improved climate information services (Tick if relevant)	Will be in the mid-term report
Expand access to improved climate related early-warning information (Tick if relevant)	Will be in the mid-term report
No. of regional, national and sector-wide policies, plans and processes developed or strengthened to identify, prioritize and integrate adaptation strategies and measures	Will be in the mid-term report
No. of sub-national plans and processes developed or strengthened to identify, prioritize and integrate adaptation strategies and measures	Will be in the mid-term report

II. Project Profile

1. General Information	1	GEF ID	: 6924 / 9484
	2	Focal Area(s)	: Climate Change (ID6924) / Multi Focal Area (ID9484)
	3	Region	: Southeast Asia
	4	Country	: Viet Nam
	5	GEF Project Title	: Promoting Climate Resilience in Viet Nam Cities (ID6924)/ Integrated Approaches for Sustainable Cities in Viet Nam (ID9484)
	6	Project Size (FSP; MSP)	FSP
	7	Trust Fund (GEFTF; SCCF; LDCF)	SCCF (ID6924) / GEFTF (ID9484)
2. Milestone Dates	8	GEF CEO Endorsement Date (mm/dd/yy)	30 Aug 2016 (ID6924)/ 14 Dec 2016 (ID9484)
	9	ADB Approval Date if the GEF Fund (mm/dd/yy)	31 Oct 2017
	10	GEF Grant Signing of the GEF Fund (mm/dd/yy)	27 Jun 2018
	11	Implementation Start Date of the Project and of the GEF Component (mm/dd/yy)	17 April 2019
	12	Date of 1st GEF Grant Disbursement (mm/dd/yy)	08 November 2019
	13	Final date of GEF Grant Disbursement (mm/dd/yy)	N/A
	14	Proposed/Revised Implementation End (mm/dd/yy)	30 Jun 2024
	15	Actual Implementation End (mm/dd/yy)	N/A
	16	Expected Financial Closure Date (mm/dd/yy)	31 Dec 2024
3. Funding	17	Actual Financial Closure Date (mm/dd/yy)	N/A
	18	PPG/PDF Funding (USD)	
	19	GEF Grant (USD)	\$ 4,566,210 (ID6924)/ \$ 8,256,881 (ID9484)
	20	Total GEF Fund Disbursement as of 30 June 2021 (USD)	\$ 270,336
	21	Confirmed Co-Finance at CEO Endorsement (USD)	\$ 77,897,100 (ID6924)/ \$ 148,472,900 (ID9484)
	22	Materialized Co-Finance at project mid-term (USD)	
4. Evaluations	23	Proposed Mid-term date (mm/dd/yy)	15/06/2022
	24	Actual Mid-Term date - if applicable (mm/dd/yy)	
	25	Proposed Terminal Evaluation date (mm/dd/yy)	15/06/2024
	26	Actual Terminal Evaluation Date (mm/dd/yy)	
	27	Tracking Tools Required (Yes/No/ Focal Area TT)	
	28	Tracking Tools Date - if applicable (mm/dd/yy) Midterm Tracking Tool Terminal Evaluation Tracking Tool	

III. Project Implementation

A. Project Description:

The GEF Grant supports (i) TA 9417-VIE, a \$12.82 million Technical Assistance (\$ 10.82 million by GEF and \$2 million by UCCRTF) is attached to the Secondary Green Cities Development Project and (ii) Grant 0549-VIE, a \$2 million Grant Investment for Energy Efficiency for Street Lighting in Ha Giang is blended into the investment loan. The TA has 3 components and associated outcomes.

1. Component 1: Strengthen City Planning Processes

Outcome 1.1: Integrated, resilient planning in 3 cities. The Grant provides technical support to Ha Giang, Hue and Vinh Yen as they implement the existing GCAPs and then prepare updated, improved green city action plans (GCAP). Capacity will be built in the three cities through their involvement in these processes – i.e. on the job capacity development. This will result in a strengthened city planning process that mainstreams green planning/design approaches, resilience and the GCAP process into city master plans for spatial and socio-economic development.

Outcome 1.2: Replicating integrated, resilient planning in six cities: Six additional secondary cities will be selected based on (i) their readiness and commitment to take a GCAP approach, (ii) their potential for reducing GHG emissions, (iii) their vulnerability to climate and other risks; and (iv) assessments of infrastructure, services and capacity gaps. The alternative will support preparation of integrated urban development plans and build capacity in the six cities to prepare and implement plans.

2. Component 2: Demonstrating Low Impact and Climate Resilient Development

Outcome 2.1: Demonstrating prioritized strengthening of resilience of urban investments. Outcome 2.1 will support a rigorous and cost-effective process that contributes to overall climate resilience at the city level. The process will involve (i) full definition of threats; (ii) selection of priority sub-projects and possibly some new investments for climate proofing; (iii) re-scoping or re-design of the priority sub-projects to ensure they are more resilient; (iv) supplying necessary goods/equipment as needed for the modified designs; and (v) capturing the knowledge. The whole process will be implemented through an approach that develops national and city capacity.

Outcome 2.2: Demonstrating an integrated package of investments that lead to transition to low impact, low carbon development in Ha Giang city. In Ha Giang, the alternative will demonstrate how to practically implement an integrated approach, how this can generate synergies, and how this can nudge a smaller secondary city onto a green, integrated, resilient pathway. The integrated package of technologies will contribute to reduced GHG emissions, improved urban livability, increased resilience of vulnerable populations, community development, and positive impacts on biodiversity.

Outcome 2.3: Demonstrating community-based and insurance-based resilience. This outcome is totally financed by UCCRTF co-financing and will be implemented within the framework of GEF activities, and through the same management, monitoring and learning framework.

3. Component 3: Improved Enabling Environment for Upscaling Integrated, Resilient Approaches

Outcome 3.1: Strengthened enabling institutional environment. The GEF supported alternative will strengthen the national framework that provides the foundation and incentives for the adoption of

integrated, low carbon, low impact, resilient planning by secondary cities across Viet Nam. This will facilitate replication, upscaling and institutionalization of the successes. The policy and technical support will focus mostly on MONRE and related institutes.

In terms of implementation activities of the TA in Vietnam, the whole TA consists of 4 interrelated Outputs, 3 Outputs funded by GEF and one by UCCRTF as follows:

Output 1: Formulated national regulatory framework for an enabling environment for sustainable and resilient cities.

Output 2: Demonstrated sustainable and resilient development in Ha Giang, Hue, and Vinh Yen.

Output 3: Prepared and tested innovative climate risk financing in Hue (funded by UCCRTF)

Output 4: Enhanced and replicated integrated and resilient environmental planning at the city and provincial levels.

ADB administers Output 2 & 3. Administration of Outputs 1&4 was delegated to MONRE.

B. Implementation Progress (IP) Rating:

The GEF grant was endorsed by the GEF CEO on August 30, 2016 under the Special Climate Change Fund (SCCF) and October 31, 2017 under GEF Trust Fund and linked to the Sustainable Cities Integrated Approach Pilot (SCIAP).

The GEF grant was initially proposed to be linked to the ADB financed Secondary Green Cities Development Project, implemented through a result-based lending (RBL) modality. However, subsequent to the GEF grant endorsement, ADB proposed to change the lending modality to a standard investment loan. This was done due to the limited experience in Viet Nam with result-based lending and concern that this may complicate implementation.

Subsequently, the lending modality was revised based on agreement with the State Bank of Viet Nam (SBV) and the 3 participating cities, as well as consultation with MONRE. This caused a delay in the approval of the ADB loan of approximately 11 months from December 2016 to November 2017.

During this period ADB and MONRE entered further consultations, with ADB sending an official request in June 2017 for MONRE to request approval from the Prime Minister for domestic approval of the GEF grant funds. In July 2017, ADB and MONRE agreed for delegation of administration of Output 1 to MONRE. ADB also provides technical support to MONRE to prepare the project document proposal for GOV approval. In May 2018, MONRE officially requested further discussion with ADB to further negotiate the implementation arrangements, including additional delegation and responsibility for additional project outputs. ADB issued the NOL to delegation of Output 4 to MONRE in October 2018. The delay occurred as ADB would like to ensure that MONRE has sufficient capacity and clear delegation of responsibilities to departments with an appropriate mandate and staff resources. The main reason for the unforeseeable delay is delegation of administration to MONRE and approval of GOV.

A more detailed chronological timeline is provided below.

- February 24, 2016: ADB informed SBV a Loan Fact Finding Mission under Result-based lending (RBL) modality to 3 Cities from February 25 to March 18, 2016. The mission was attended by GEF team led by Xiaomei Tan (GEF) and accompanied by GEF consultant teams
- August 30, 2016: GEF CEO Endorsement using Special Climate Change Fund
- October 31, 2016: GEF CEO Endorsement of sub-project under a Program using GEF Trust Fund

- In Nov 2016, SERD management decided to change the modality to a standard investment loan.
- November and December 2016: ADB held various meetings to inform GOV (MPI, MOF, SBV) the change of the loan modality from RBL to a standard investment loan;
- March 17, 2017: MOU of loan re-appraisal mission signed with 3 Provinces;
- May 25, 2017: ADB Management Review Meeting approved the proposed investment project, including the TA Concept;
- June 9, 2017: ADB sent official letter to MONRE requesting for preparation of Project Outline to be submitted to the Prime Minister for approval by July 10, 2017, given ADB management's clearance to the TA Concept;
- July 28, 2017: ADB and MONRE agreed for delegation of administration of Output 1 to MONRE
- September 27, 2017: Loan negotiations held in VRM;
- October 6, 2018: ADB sent updated TA MOU to MONRE for delegation of administration of Output 1
- January 16, 2018: ADB sent official letter to MONRE requesting to prepare a Project Outline and submit to the Prime Minister at the earliest approval;
- May 28, 2018: MONRE sent ADB a written request for additional delegation of administration of TA Outputs 4 to MONRE
- June 29, 2018: GEF Grant agreement 0549-VIE (\$2 Million) grant for Ha Giang was signed by ADB and GOV
- October 1, 2018: ADB sent MONRE a NOL for delegation of administration of Output 4 to MONRE
- October 26, 2018: SBV sent ADB a written request for extension of ADB approval validity for 6 months from October 31, 2018 in order to complete the GOV approval procedures.
- April 15, 2019: ADB and MONRE signed the MOU on the TA
- April 19, 2019: State Bank of Vietnam sent ADB the No-objection letter of GOV to the TA
- MONRE circulated the PO submission and Project Documents and collected comments from all line ministries and submitted to the Office of Government for Prime Minister approval at the end of July 2019. Project Documents (PO) of the TA was approved by GOV on 18 September 2019.
- October 7-14, 2019: ADB Review Mission conducted meetings with MONRE and 3 Cities to review and update the project implementation schedule and discuss potential problems and viable solutions.
- December 5-6, 2019: a study tour was conducted in Singapore with the participation of 13 Government officials from relevant cities to learn about Singapore's experience in implementing nature-based solutions for green and water sensitive city development (GEF – Output 2)
- January 30, 2020: Project Document was approved by MONRE leader
- June 26, 2020: Formation of MONRE Project Management Unit (PMU) was approved by MONRE. MONRE is preparing detail implementation plan and procurement plan for MONRE administered Outputs 1 & 4. ADB provided MONRE implementation plans for ADB administered Outputs 2 & 3. In the meantime PMU is seeking approval of steering committee and project management regulation.
- July 24, 2020: Issuance of Decision Ref. 1633/QĐ-BTNMT on Establishment of Project Steering Committee for "Mainstreaming Climate Resilience and Environmental Protection for Secondary Green Cities Development"
- November 9-19, 2020: ADB Review Mission conducted meetings with MONRE and 3 Cities to review and update the project implementation schedule and discuss potential problems and

viable solutions.

- November 24, 2020: ADB sent MONRE PMU no objection on the overall work plan
- February 2021: ADB and MONRE PMU agreed on the procurement plan for the delegated Output 1 and 4.
- April 2021: MONRE Procurement Plan for delegated Output 1&4 was approved by MONRE leadership
- April 9, 2021: TA Inception workshop in Hanoi with the participation of MONRE Minister, Steering Committee members, loan project PMUs, and ADB VRM Country Director.
- April 14 – May 5, 2021: ADB Review Mission conducted meetings with MONRE and 3 Cities to review and update the project implementation progress.
- May 21, 2021: Procurement training was provided to MONRE PMU by ADB VRM Procurement Consultant on ADB procurement guidelines.
- At present, MONRE PMU has been staffed with 5 officials assigned from VEA and ISPONRE, 5 national individual consultants to support the project implementation. MONRE procurement plan consists of 17 technical packages and 4 packages have started the bidding process.
- As for ADB administered Output 2, a large consulting contract (approximately \$2m) was signed on 15 June 2021 with the ICEM / Nippon Koei Joint venture. The Consultant's main focus is on demonstrated sustainable and resilient development in Hue, Ha Giang, and Vinh Yen

a) GEF Grant Disbursement

Up to now the total grant disbursement amounted \$270,336. The first disbursement of the TA is on 8 November 2019 under TA Output 2 administered by ADB. ADB administered Output 2 contract was signed and the consulting firm was mobilized on 8 July 2021. TA Outputs 1&4 were delegated to MONRE and MONRE has developed Terms of References for 17 packages in accordance with their approved procurement plan. The first advance payment facility was made on 15 January 2021. The second advance payment was credited with PMU account on 29 June 2021.

As for the **Grant 0549-VIE: Energy Efficiency for Street Lighting System in Ha Giang (HG-CS11)**: Ha Giang PMU engaged a consultant to prepare the bidding documents for the package HG-CS11 using GOV funding. ADB reviewed the design consultant's TOR and provided feedback to the PMU, which was partly reflected in an updated version of the feasibility study. The feasibility study document does not make a detailed estimate of the expected energy savings and the design has not been developed with an energy savings objective. Thus, ADB procured a consultant using CMS to further improve the detailed design for Grant 0549-VIE (HG-CW08). The PMU indicated that it would prefer a classic goods and works contract rather than a design-build works contract, where energy saving was one of the performance criteria for the contractor. Considering the nature of the package, both parties agreed that the current Procurement Plan has been updated to reflect this change.

ADB therefore included additional resources necessary for a detailed design of the proposed system in the TA so the bidding documents allow the PMU to immediately procure the lighting system. The international lighting system specialist was on board on 10 October 2019. After the site visit, review of detailed engineering design, as well as stakeholder consultation, a summary of recommendations was sent to Ha Giang PMU on 14 November 2019. The analysis indicates that QCVN 07-7:2016/BXD national lighting standards are much higher than the levels set by international standards (both in EU and North America), for comparable roads, and especially for smaller roads. The use of QCVN 07-07:20016/BXD will mostly likely result in the same (if LED) or increased (if conventional lighting) energy consumption

and costs for provinces and cities, and further contribute to increase in global climate change, and local air and light pollution. However, the current design and specifications prepared for the equipment procurement require the design levels for main roads to meet QCVN 07-7:2016/BXD requirements. The specific design under the project can be changed to operate at lower lighting levels (i.e. those specified by international standards) in order to increase energy savings while reducing operating costs and pollution, should this later be accepted by the regulatory authorities.

Ha Giang PPC has sought MOC's endorsement/guidance on the expert's recommendations on the standard issue. On 13 December 2019, MOC's official response was sent to Ha Giang PPC stating that Ha Giang PPC responsible for their decision on the applicable international standards, however, ensuring compliance with the national lighting code on the National technical regulations on technical infrastructure of lighting works (i.e., QCVN07 – 7:2016/BXD). The detailed design for construction drawings was revised accordingly by the international lighting expert and submitted to ADB for comments by Ha Giang PMU. The detailed design and cost estimate were appraised and approved by relevant provincial agencies following GOV requirements. The draft Bidding Document (BD) was approved by ADB on 28 July 2021. Ha Giang PMU is now submitting the draft BD and seeking Ha Giang CPC's approval on additional budget (\$50,000) for proper disposal of the unused bulbs. The bidding process is expected to start by mid August 2021. Contract award is expected to be in Q1/2022.

b) Stakeholders Engagement

An inception workshop was held on April 9, 2021 with steering committee members, representatives of the loan project PMUs in Vinh Yen, Hue, Ha Giang, the MONRE team, the ADB team, as well as representatives of researchers, professional associations, and the private sector to update the project progress and further implementation of delegated outputs to MONRE, and strengthening the overall coordination of the TA. Stakeholders under baseline SCGDP have been engaged through the community led initiatives in Hue, Vinh Yen, funded under the UCCRTF grant (\$4m). However, repeated CoViD-19 outbreaks and the recent Delta variant outbreak has severely limited the ability of the project team and community led initiative design consultants to engage with the community on the ground.

c) Gender Action Plan Implementation Status

SGCDP is classified as "Effective Gender Mainstreaming (EGM)". During preparation of SGCDP, a gender assessment was undertaken for each city, and a rapid assessment was undertaken for each priority sub-project. Accordingly, a gender action plan (GAP) was prepared, which covers both baseline and GEF supported activities. The GAP proposes a systematic framework for ensuring that women participate in and benefit from the activities. The GAP also provides a framework for monitoring gender-specific aspects of the impact of the project and benefits realization during the implementation phase.

The Gender Action Plan Monitoring Table was updated during ADB Review Mission (14 April- 5 May 2021) and attached to the Aide Memoire circulated to relevant agencies.

A gender training was provided to MONRE PMU on 1 June 2021 by ADB Gender consultant with the participation of 6 members from the PMU. MONRE PMU was advised to pay close attention and monitors the GAP indicators including: (i) at least 33% of participants in project management and green and resilient city planning capacity trainings should be women; (ii) capacity development on gender mainstreaming for PMU staff and 40% of EA and IA staff responsible for GCAP planning and

implementation; and (iii) all GCAPs that are approved and implemented include gender-responsive and pro-poor features. The detailed number of female participants from which project city/province in which training should be clearly mentioned in project progress report.

d) Social and Environmental Safeguard Plan Implementation Status

Overall supervision of the GEF funds is subject to the ADB due diligence and safeguards system and all environmental and social safeguards will be ensured through this system. GEF funds are used to provide associated technical support and capacity development to the baseline SGCDP project. There are no additional risks or concerns associated with the GEF funds over the baseline. Hence, the management of safeguards for GEF funds is through the management of safeguards of the baseline investment. The GEF administered funds will not be involved in the parts of the project related to involuntary resettlement and will not be involved with activities related to involuntary resettlement.

The ADB Safeguard Policy Statement (SPS, 2009) will apply. The process to deliver and operationalize the SPS will be through the existing Vietnamese government legislation and procedures. No sub-project ranked as category A for environment, involuntary resettlement or indigenous people will be supported under the SGCDP or with GEF co-finance.

Indigenous people may be involved in activities in Ha Giang, both in the baseline sub-projects and GEF administered funds, as potential beneficiaries. The safeguard system will ensure that (i) full consultation with IP representatives is undertaken at all time; (ii) Vietnamese Government agencies receive necessary trainings and institutional strengthening related to working with IP; (iii) for category B sub-projects, an indigenous people plan (IPP), including assessment of social impacts, will be prepared during SGCDP implementation.

Impact level	Performance Indicators with Targets and Baselines	Status
Outcome	2023	
Integrated planning incorporating Climate resilience and environmental protection mainstreamed in to urban planning processes in secondary cities in Vietnam	GrEEEn ^a Cities approaches integrated in to Vietnam's planning process	Assignments VEA 01 and ISP 01 are on environmental planning and this will integrated in Vietnam's planning process. They are under procurement and will be implemented in 24 months.
Outputs	By 2022:	
1. Strengthened city planning and implementation processes (Inclusive)	1a. 3 Updated GCAPs prepared for Hue, Vinh Yen and Ha Giang (2019) ^b	The three GCAPs for 3 cities Hue, Ha Giang, Vinh Yen will be updated and two air quality management plan for Hue and Vinh Yen cities will be prepared under assignment VEA 07. Assignment VEA 02 will prepare the criteria and green city assessment.

	1b. GCAPs for 6 new secondary cities prepared ¹	Assignment ISP 02 will develop standard approach for GHG inventory.
	1c. GCAPs mainstreamed into the Project Cities' Master Plans by 2022	Current GCAPs approved by PPC for the loan investment project; GCAPs for 2020-2030 will be updated by assignment VEA-07.
	1d. Strengthened capacity of at least 200 professionals from the central and local governments with at least 33% female to integrate green city principles into urban planning and budgeting processes.	The gender monitoring table was updated during ADB Review Mission.
	1.d. Gender balanced and professionally staffed PMU with at least 33% female (2019)	<p>Gender Action Plan Monitoring Table was updated during ADB Review Mission (14 April – 5 May 2021).</p> <p>The gender training makes sure that MONRE needs to ensure the GAP indicators are included in the TOR of packages related to GCAPs and capacity building, such as: (i) All GCAPs that are approved and implemented include gender-responsive and pro-poor features; (ii) At least 200 government professionals (at least 33% women) gained new skills in green and resilient city concept and integrated planning; and (iii) Capacity development on gender mainstreaming for PMU staff and 40% of EA and IA staff responsible for GCAP planning and implementation.</p>
	1e. Independent verification assistance (IVA) to assess performance of loan	Not applicable due to ADB's change of loan modality from

¹ Totally financed by GEF/SCIAP and associated co-financing

	against Disbursement linked indicators (DLIs)	RBL to standard investment loan.
2. Enhanced low impact and climate resilient development	By 2022 2a. Recommendations for greening design and procurement for urban investments in project cities provided. (Baseline: N/A)	<p>In Vinh Yen, ADB has appointed two consultant landscape architects under the TA to assist in the inclusion of water sensitive design elements to the “green” packages under the loan, including VY CW01 (Dredging and Landscape Protection of Dam Vac Lake). This package is planned for advertising in June 2021, and as such the DED is now being finalized. The project team requested that the PMU facilitate the inclusion of water sensitive features into the design, in collaboration with the consultant landscape architects.</p> <p>Workshop were held in May and June 2021 to discuss both Hue and Vinh Yen community led investments, and to explore opportunities to introduce water sensitive elements to improve environmental resilience and performance. The landscape architects appointed under Output 2 of the TA facilitated the workshops and reviewed the outline designs to introduce the water sensitive concepts.</p> <p>As requested from the Hue PMU, ADB will send the national consultant landscape architect to Hue to support and provide instruction on “green” feature during the</p>

	<p>2b. 27 km of drainage improved (loan financed)</p> <p>2c. Disaster risk financing piloted in one secondary city (funded by UCCRTF)</p> <p>2d. Determination of optimal insurance products that provide incentives to Vietnamese cities for adaptation through integrated green city planning.</p> <p>2e. Replacement of at least 1000 street lights to energy efficient lighting in Ha Giang city.</p>	<p>construction period.</p> <p>HG-CW05 – Embankment of Me Stream. Ha Giang PMU has requested the national consultant to revise the DED following Ramboll’s recommendation on green features. Ha Giang PMU will develop additional design plan on the basis of the proposal of Ramboll. Then, the final design plan will be sent to ADB for consideration and concurrence/endorsement. An official letter on adjustment contents was sent to Ha Giang PPC on 5 February 2021 requesting for incorporation of ADB recommended water sensitive design elements and river embankment protection. The updated DED will be sent to the Ha Giang Department of Construction for appraisal and Ha Giang PPC for approval. This package is scheduled to be advertised in Q4 2021.</p> <p>The main update here is that ADB has approved the use of the UCCRTF Grant funds for the purposes of subsidizing the insurance premium, and as such, the consultants appointed under Output 3 will assist in the placement of the disaster insurance contract. A variation order to their contract will be prepared in Q3 2021.</p> <p>The bid documents were approved by ADB in Q3 2021 and will be advertised in August 2021, with the objective of contract award in</p>
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	2f. At least [300,000] beneficiaries including [20,000] vulnerable beneficiaries have access to newly built infrastructure following low impact development and GrEEEn City approach	Q1 2022. Ongoing
3. Improved enabling environment for upscaling green cities approaches	<p>By 2022:</p> <p>3a. National regulation on green cities approved and issued.</p> <p>3b. Technical Guidelines on implementing the national regulation on green cities (indicator 3a) issued.</p> <p>3c. Government decision to establish a green city financing mechanism.</p> <p>3d. Endorsed policy document on CDRF issued.</p> <p>3e. At least eight cities join the Viet Nam sustainable cities cluster.</p> <p>3f. Strengthened MONRE capacity to support integrated, resilient city plan</p>	<p>MONRE incorporated green development policy in the Environment Protection Law (2020) under package VEA QCBS 01. This assignment will establish a legal and national policy framework for environmental sustainability, improvement quality of urban Environment in secondary cities.</p> <p>Assignment ISP 01 will prepare the climate risk and vulnerability.</p> <p>Assignment VEA 02 will prepare the national technical standards and technical regulation QCVNs for noise, vibration, and sediments, roadmap for traffic emissions Assignment ISP 02 will prepare methodology for GHD &MRV.</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Output 1 &4 have been delegated to MONRE.</p>

C. Global Environmental Benefits (GEB) Objective/ Development Objective (DO) Rating:

Following indicators will apply for M&E of Global Environmental Benefits (GEB)

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	23800 hectares
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	Hectares
3. Promotion of collective management of trans boundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins;	Number of freshwater basins
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	Percent of fisheries, by volume
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO ₂ e mitigated (include both direct and indirect)	11.3 metric tons
5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)	metric tons
	Reduction of 1000 tons of Mercury	metric tons
	Phase-out of 303.44 tons of ODP (HCFC)	ODP tons
6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	Number of Countries:
	Functional environmental information systems are established to support decision-making in at least 10 countries	Number of Countries:

D. Risk Rating:

Risk and Description	Impact & Probability ²	Update on Countermeasures/Management response
Overall project risks		
Delayed start of project implementation	I - 3 P - 5	Close consultation between GOV and ADB regarding project approvals is needed
Lack of coordination with other climate change adaptation projects and initiatives	I - 3 P - 1	Many climate change adaptation initiatives are already underway in Viet Nam. It is critical that these initiatives are coordinated to avoid duplication; to ensure that the various initiatives work together not in isolation; and to share knowledge. Consultation has already been undertaken with key Ministries (MONRE, MOC), development partners (World Bank, UNDP, GIZ) and NGOs (Association of Cities of Viet Nam) to mitigate this risk and will continue during the project preparation phase.
Lack of sustained commitment to reforms to promote climate resilience and integrated city approach	I - 2 P - 2	As described above, GOV has taken a proactive approach to addressing the climate change and urbanization challenges. Strong government commitment exists at all levels (national, provincial, city) to promote resilient, low carbon urban systems.
Lack of Coordination between and among relevant Agencies	I - 4 P - 2	Initial consultations indicate the benefits of establishing high-level Project Steering Committee comprising senior national and provincial/city government officials, and chaired by MONRE to effectively coordinate the project.
Low institutional capacity (technical, financial, environmental management)	I - 3 P - 2	Technical Assistance will be provided under the baseline project for specialist assistance to participating cities
Lack of qualified and available local staff for project implementation	I - 3 P - 2	Mitigated by development of a staff recruiting strategy during project preparation. With many climate change related projects underway in Vietnam, there is a growing pool of suitably-qualified local staff available.

² Range 1-5, where 5 is highest.

Risk and Description	Impact & Probability ³	Update on Countermeasures/Management response
Risks to All Project Outcomes		
<p>Lack of experience with the RBL modality leads to delays.</p> <p><i>The RBL modality is new to Viet Nam, leading to some uncertainty, and to the danger that unexpected problems will be encountered. Further, there are some specific requirements that may take time to meet.</i></p>	<p>I - 3 P - 2</p>	<p>The GEF grant was initially proposed to be linked to the ADB financed Secondary Green Cities Development Project, implemented through a result-based lending (RBL) modality. However, subsequent to the GEF grant endorsement, ADB proposed to change the lending modality to a standard investment loan. This was done due to the limited experience in Viet Nam with results-based lending and concern that this may complicate implementation. ADB communicated this proposed change with the GOV (MPI, MOF & SBV) and three project executing agencies/implementing agencies in November and December 2016.</p>
<p>The impacts of climate change at the scale relevant to these infrastructure projects are not adequately known or understood.</p> <p><i>The available data and available models make it very difficult to accurately predict climate change at the level of secondary cities, and the impacts it will have.</i></p>	<p>I - 2 P - 3</p>	<p>The impacts of climate change are known at a general level in the country level, and the best available models have been used in the preparation of this Project. Finally, there are many on-going activities to collect improved data and to improve measuring and modelling; this improved knowledge will be used as it becomes available.</p> <p>Also, the Project strategy focuses on ‘no regret’ and ‘low regret’ options, i.e. interventions that increase resilience to climate change and have other benefits.</p>
Risks specific to Outcomes not being achieved		
<p>Output 1: GCAPs are not integrated with other city level plans.</p> <p><i>The GCAPs are somewhat innovative, and as of yet are not formally included in the national planning framework. This may lead to the GCAP's being implemented, but not institutionalized thereafter.</i></p>	<p>I - 2 P - 2</p>	<p>The existing GCAPs – for Ha Giang, Hue and Vinh Yen, were approved by the concerned Peoples Committees.</p> <p>Integration of GCAP into planning process has been made a target of the GEF support, so this risk will be addressed head on, with awareness raising, policy dialogue, national level advocacy, etc.</p> <p>Importantly, the broad participatory process should ensure that all concerned stakeholders are</p>

³ Range 1-5, where 5 is highest.

		engaged, and so willing to support this integration process, when necessary.
Output 1: Cities are unable to meet gender targets. <i>The baseline loan has set ambitious targets for gender, in particular in the women involved in project implementation. This can be challenging at secondary city level in Viet Nam.</i>	I - 1 P- 3	Whereas one or two cities may be challenged to meet the targets, the others should be able to meet them comfortably. Hence this is likely to be a risk at only one, or two, cities. The GAPs address this issue, providing both incentives and support to meeting the targets. ADB will closely monitor this situation and provide support and guidance when necessary.
Output 1: Recommendations are not applied to loan sub-projects. <i>Output 1.1.1 will lead to recommendations to improve the sub-projects, but the local authorities are not obliged to incorporate these.</i>	I - 2 P- 3	The loan procurement process should ensure that the city level project implementation units have good 'ownership' over Output 1.1.1 and the related recommendations, and should treat the advice with due respect. Further, the ADB can ensure that the recommendations are based on <i>both</i> best international practices <i>and</i> sensitivity to Vietnamese circumstances – this should ensure that the recommendations are both pertinent and realistic.
Output 3: Insufficient impact into the national policies/ legislations to achieve sustainability. <i>Ultimately, to be sustained, changes will be necessary in terms of policy and legislation, this takes time in any country, and there is no guarantee it will be successful.</i>	I - 2 P- 3	This risk will be addressed head on with training, assessments, awareness raising, policy dialogue, national level advocacy, expert advisories, etc. Further, MONRE has committed to this project and its objectives and is committed to reaching this sustainability. ADB will work closely with MONRE to identify and implement the best pathways to achieving the policy and legislative requirements.

E. Overall Rating of the Project:

Overall Rating: The project is rated Medium Risk due to delayed implementation

F. Additional Comments – Good Practices and Lessons Learned:

Approval of project and institutional arrangements took considerable time, and this caused delays in project start up.

G. Knowledge activities/ products:

The ADB is committed to ensure that all knowledge generated by the project and all lessons learnt will be disseminated in an appropriate manner, through the ADB networks and partner organizations. The Project is also linked into several knowledge management mechanism and tools. First, as an SCIAP child project, it is supported by the Global Platform for Sustainable Cities (GPSC). GPSC supports knowledge capture and knowledge exchange, both amongst the SCIAP participating cities, and with external initiatives and cities. The proposed Project will be actively involved with the overall SCIAP, sharing knowledge on a regular basis through GPSC, and constantly learning from GPSC through its involvement in GPSC networks and learning events.

The Project also takes place within the broader ADB Green Cities Initiative. Through this network, the Project will share lessons and knowledge with cities across Asia. The ADB's knowledge management resources support the urban development specialists and community practice members to collect data, learn lessons, and prepare documentation and publications.

The Project is also co-financed by the Urban Climate Change Resilience Trust Fund (UCCRTF), making UCCRTF a key partner. UCCRTF builds resilience to the effects of climate variability and climate change within medium-sized cities in Asia, particularly working with the urban vulnerable and poor. It promotes a systems-centered approach that supports making climate change a central element of city planning. This is linked to the implementation of infrastructure and policy or institutional interventions, as well as strong knowledge, capacity building, and networking components. Managed within the ADB, the UCCRTF has mechanisms for capturing and sharing knowledge.

The TA will benefit from MONRE as the Executing Agency to ensure lessons are captured and knowledge is shared. Notably, an active involvement is planned for the National Environment Agency (NEA) and the Institute of Strategy and Policy on Natural Resources and Environment. MONRE will ensure that knowledge is shared through the appropriate Vietnamese channels.

Specifically, with regards to adaptation to climate change, ADB has been actively involved for nearly two decades in efforts to manage the risks associated with climate change on the region's development. In 2010, ADB launched its climate change strategy – Addressing Climate Change in Asia and the Pacific: Priorities for Action. This emphasized the integration of adaptation and disaster risk reduction into national development plans; the building of climate resilience of vulnerable sectors; the climate-proofing of projects; and prioritizing the adaptation needs of the most vulnerable, including women. Since 2012, ADB has been programing projects with adaptation elements amounting to approximately \$1 billion per year. As a result of all this groundwork, ADB has strong technical units responsible for collecting data, learning lessons and sharing knowledge notably through web events, conferences and publications. This includes close coordination with the Asia-Pacific Adaptation Network and Forum.

H. Location Data: N/A

Name	Country	Feature Class	Latitude	Longitude
Hue Imperial City	Viet Nam, Thua Thien Hue	Monument	N 16° 28' 31"	N 16° 28' 31"
Ha Giang City	Viet Nam, Ha Giang	City	22.86	104.98
Vinh Yen City	Viet Nam, Vinh Phuc	City	21.31	105.5967

Source: www.geonames.org

Signature:

A handwritten signature in blue ink, appearing to be "A. Nash", is positioned below the "Signature:" label.

Name of Project Officer: Alexander David Nash
Position: Urban Development Specialist
Date: 19 August 2021

Endorsed by:
Division Director

For Projects that have conducted Midterm Review Mission (from 1 July 2020 to 30 June 2021)

IV. Midterm Review

(Reminder: For projects that conducted Midterm Review Mission, kindly include in your submission a copy of the following: The **MOU Midterm Review Mission; BTOR and Updated Tracking Tools**).

Midterm Project Ratings: (Please see Annex 1 for Definition of Ratings.)

Development Objective Rating at MTR (IP): Highly Satisfactory, (HS) Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU):

Implementation Progress Rating at MTR (DO): Highly Satisfactory, (HS) Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU):

Risk Rating at MTR: High Risk (H), Substantial Risk (S), Modest Risk (M), Low Risk (L):

Information on Progress, challenges and outcomes on stakeholder engagement (based on the description of the Stakeholder engagement plan included at CEO Endorsement/Approval)

(Please provide brief summary on stakeholder engagement based on the description of the STAKEHOLDER ENGAGEMENT PLAN included at GEF CEO Endorsement/Approval)

Information on Progress on gender-responsive measures as documented at CEO Endorsement/Approval in the gender action plan or equivalent

(Please provide brief summary or update on the GENDER ACTION PLAN or equivalent as documented at GEF CEO Endorsement/Approval)

Knowledge activities / products (based on the Knowledge management approach approved at CEO Endorsement / Approval) and lessons learned (if available)

(List of Knowledge activities/products as outlines in Knowledge Management approved at GEF CEO Endorsement/Approval)

Main Findings of the MTR

(Provide findings, conclusions, and plan of actions for any issues identified during MTR)

Core Indicators:

(For GEF 6 and 7 Projects only. Please provide updates on CORE INDICATORS identified during CEO Endorsement)

Signature:

Name of Project Officer:

Position:

Date:

Endorsed by:

Division Director

For Projects that have conducted Completion Mission/Completed TA or PCR Report and GEF TER (from 1 July 2020 to 30 June 2021)

V. Terminal Evaluation Report

(Reminder: For completed projects, kindly include in your submission a copy of the following: **Project Completion Report/ TA Completion Report; GEF Terminal Evaluation Report/Annex on GEF TER and Updated Tracking Tools**).

Terminal Evaluation Ratings: (Please see Annex 1 for Definition of Ratings.)

Development Objective Rating at MTR (IP): Highly Satisfactory, (HS) Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU):

Implementation Progress Rating at MTR (DO): Highly Satisfactory, (HS) Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU):

Risk Rating at MTR: High Risk (H), Substantial Risk (S), Modest Risk (M), Low Risk (L):

Information on Progress, challenges and outcomes on stakeholder engagement

(Please provide brief summary on stakeholder engagement based on the description of the STAKEHOLDER ENGAGEMENT PLAN as evolved from the time of MTR)

Information on Progress on gender-responsive measures, indicators and intermediate results

(Please provide brief summary or update on the GENDER ACTION PLAN or equivalent as documented as evolved from time of MTR), lesson learned if available)

Knowledge activities / products and lessons learned

(List of Knowledge activities/products as outlines in Knowledge Management approved as evolved from time of MTR)

Main Findings of the TE

(Provide findings, conclusions, and recommendations)

Core Indicators:

(For GEF 6 and 7 Projects only. Please provide updates on CORE INDICATORS as evolved from time of MTR)

VI. Materialized Cofinancing

Co-financing Table

(For projects which underwent a mid-term review/evaluation or terminal evaluation in FY)

Materialized Co-financing [Please refer to the CEO ENDORSEMENT DOCUMENT for the planned co-financing amounts]

Sources of Co-financing ⁴	Name of Co-financer	Type of Co-financing ⁵	Amount Confirmed at CEO endorsement / approval	Actual Amount Materialized at Midterm	Actual Amount Materialized at Closing
ID6924					
Recipient Government	GOV of Viet Nam	Grants	15,797,100		
GEF Agency	ADB (loan)	Loans	56,100,000		
	ADB (UCCRTF)	Loans	6,000,000		
		TOTAL	77,897,100		
ID9484					
Recipient Government	GOV of Viet Nam	Grants	32,072,900		
GEF Agency	ADB (loan)	Loans	113,900,000		
GEF Agency	ADB (CDTA)	Grants	32,072,900		
		TOTAL	148,472,900		

Explain “Other Sources of Co-financing”:

Signature:

Name of Project Officer:

Position:

Date:

Endorsed by:

Division Director

⁴ Sources of Co-financing may include: Bilateral Aid Agency(ies), Foundation, GEF Agency, Local Government, National Government, Civil Society Organization, Other Multi-lateral Agency(ies), Private Sector, Other

⁵ Type of Co-financing may include: Grant, Soft Loan, Hard Loan, Guarantee, In-Kind, Other

ANNEX C: DEFINITION OF RATINGS

Implementation Progress Ratings

Highly Satisfactory (HS): Implementation of **all** components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.

Satisfactory (S): Implementation of **most** components is in substantial compliance with the original/formally revised plan except for only a few that is subject to remedial action.

Moderately Satisfactory (MS): Implementation of **some** components is in substantial compliance with the original/formally revised plan with **some** components requiring remedial action.

Moderately Unsatisfactory (MU): Implementation of **some** components is not in substantial compliance with the original/formally revised plan with **most** components requiring remedial action..

Unsatisfactory (U): Implementation of **most** components is not in substantial compliance with the original/formally revised plan.

Highly Unsatisfactory (HU): Implementation of **none** of the components is in substantial compliance with the original/formally revised plan.

Global Environment Objective/Development Objective Ratings

Highly Satisfactory (HS): Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.

Satisfactory (S): Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.

Moderately Satisfactory (MS): Project is expected to achieve **most** of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits.

Moderately Unsatisfactory (MU): Project is expected to achieve of its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives.

Unsatisfactory (U): Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits.

Highly Unsatisfactory (HU): The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.

Risk Rating

Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:

High Risk (H): There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.

Substantial Risk (S): There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.

Modest Risk (M): There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.

Low Risk (L): There is a probability of up to 25% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.