

Part I: Project Information		Response
GEF ID	10391	
Project Title	Sustainable Cities Impact Program	
Date of Screening	2-Dec-19	
STAP member Screener	Saleem H. Ali	
STAP secretariat screener	Sunday Leonard	
STAP Overall Assessment		Minor issues to be considered during project design
		<p>STAP welcomes the Program Framework Document (PFD) for the Sustainable Cities Impact Program. The PFD has been developed with broad geographic scope after detailed consultations through the GPSC and key partners WRI, C40, and ICLEI.</p> <p>The project components are generally well defined and are likely to deliver the expected global environment benefits. However, one area where there is some ambiguity is on energy source emission reductions. The “low carbon” transition that is aspired for needs to be further unpacked, especially regarding energy usage and buildings in cities.</p> <p>The expected outcomes are clearly noted, but the methods used to calculate carbon savings are not provided. To have confidence in the carbon savings numbers, there needs to be some more explicit guidance on calculations presented for outcomes. It is not enough to say that these are estimates which will be “verified and validated in the developmental phase.” Some level of verification and confidence should exist at this stage. The numbers seem contrived and exaggerated in the current form without any backing in data or calculation citations.</p> <p>Also related to the above, on page 82, the total GHG emissions reduction from each country was presented in Table 8. However, information on how this was arrived at or which specific intervention will lead to the estimated GHG emission reduction is not provided. It will be useful to include information on which specific aspect or intervention or component of the child projects that will generate these GHG emission reductions.</p> <p>Some of the conservation areas noted are tangible outputs in hectares, but the rest of the outcomes are too generalized to be presented as “outputs.” There is also concern that there is much ambiguity about the outcome metrics and indicators. Rather than setting goals for the level of low carbon energy penetration, there are vague statements about undertaking a range of sustainable initiatives but no clear benchmarking on levels of improvement with the status quo.</p>

		<p>There is a detailed theory of change presented in diagrammatic form, and the linkages between the components are covered in Table 2 though fairly generic (bottom-up diagram reading). Also, some of the assumptions presented in the Theory of Change should be discussed in more detail, such as “resource decoupling.” The UNEP’s International Resource Panel has done extensive work on how decoupling is enabled, particularly regarding the rebound effect concerns raised by resource efficiency. Furthermore, there should be some more explicit mention of green growth as a key driver of change. Cities are economic engines where green businesses galvanized by the right policy changes can lead to a virtuous cycle of market-driven sustainability. Hence, the critical role of green growth for sustainable cities needs to be actioned in this program. Some useful references: Hammer, S. et al. (2011), “Cities and Green Growth: A Conceptual Framework,” OECD Regional Development Working Papers 2011/08, OECD Publishing. http://dx.doi.org/10.1787/5kg0tflmzx34-en; Green Growth in Cities (http://urban-intergroup.eu/wp-content/files_mf/oecdgreengrowthincities.pdf)</p> <p>The innovation aspect of the proposal is presented mainly in terms of financing and accelerator development (Chart 3). Specific green technology innovations need to be more explicitly targeted and noted in the plan development of the project. Digital platforms, data, and map digitization are also presented as another form of innovation in the program. Blockchain technology is an emerging technology that can be beneficial in this regard and could be considered for the project. Please see STAP’s recent paper on “harnessing blockchain technology for the delivery of global environmental benefits,” which provide useful information on how blockchain can help enable sustainable cities.</p> <p>Clustering is presented as a scaling-up mechanism. This is plausible in the urban context. However, STAP recommends that further review of the literature on this topic should be considered and cited. A recent book in this regard worthy of note is: Iftikhar, M. N., Justice, J. B., & Audretsch, D. B. (Eds.). (2019). Urban Studies and Entrepreneurship. New York, NY: Springer.</p> <p><i>Climate risk: Coastal cities have the greatest risk of impact during the 2020 to 2050 timeframe. Some</i></p>
Part I: Project Information	What STAP looks for	Response
B. Indicative Project Description Summary		
Project Objective	Is the objective clearly defined, and consistently related to the problem diagnosis?	Yes – the impact program has been well-deliberated through consultations and the Global Platform on Sustainable Cities and objectives and outcomes are clearly presented.
Project components	A brief description of the planned activities. Do these support the project’s objectives?	The components are generally well defined but one area where there is some ambiguity is on energy source emission reductions. The “low carbon” transition that is aspired for needs to be further unpacked, especially with reference to energy usage and buildings in cities.
Outcomes	A description of the expected short-term and medium-term effects of an intervention.	The outcomes are clearly noted but the methods used to calculate carbon savings are not provided. To have confidence in the carbon savings numbers there needs to be some clearer guidance on calculations presented for outcomes. It is not enough to say that these are estimates which will be “verified and validated in the developmental phase.” What is the point of that when the money has already been approved? This should be verified upfront. The numbers seem contrived and exaggerated in current form without any backing in data or calculation citations.
	Do the planned outcomes encompass important global environmental benefits/adaptation benefits?	
	Are the global environmental benefits/adaptation benefits likely to be generated?	

Outputs	A description of the products and services which are expected to result from the project. Is the sum of the outputs likely to contribute to the outcomes?	Some of the conservation areas noted are tangible outputs in hectares but the rest of the outcomes are too generalized to be presented as “outputs.” I am also concerned that there is a lot of ambiguity about the outcome metrics and indicators. Rather than setting goals for level of low carbon energy penetration, there are vague statements about undertaking a range of sustainable initiatives but no clear benchmarking on levels of improvement with the status quo
Part II: Project justification	A simple narrative explaining the project’s logic, i.e. a theory of change.	Theory of change diagram is helpful but some of the assumptions presented should be discussed such as “resource decoupling.” IRP has done extensive work on how decoupling is enabled, particularly with reference to the rebound effect concerns raised by resource efficiency.
1. Project description. Briefly describe:		
1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)	Is the problem statement well-defined?	These sections are detailed enough and there has been identification of barriers and threats with reference to urbanization trends and economic drivers of unsustainable planning.
	Are the barriers and threats well described, and substantiated by data and references?	
	For multiple focal area projects: does the problem statement and analysis identify the drivers of environmental degradation which need to be addressed through multiple focal areas; and is the objective well-defined, and can it only be supported by integrating two, or more focal areas objectives or programs?	
2) the baseline scenario or any associated baseline projects	Is the baseline identified clearly?	There is a good description of baseline scenarios on Page 35 and complementarity with a range of existing programs. Having C40 onboard is reassuring since they have considerable metrics driven approaches owing to Bloomberg philanthropies funding which is highly data-driven. However, as noted earlier, the specific benefit numbers provided do not have adequate explanation of methods and source of data and calculations.
	Does it provide a feasible basis for quantifying the project’s benefits?	
	Is the baseline sufficiently robust to support the incremental (additional cost) reasoning for the project?	
	For multiple focal area projects:	
	are the multiple baseline analyses presented (supported by data and references), and the multiple benefits specified, including the proposed indicators;	
	are the lessons learned from similar or related past GEF and non-GEF interventions described; and	
	how did these lessons inform the design of this project?	
3) the proposed alternative scenario with a brief description of expected outcomes and components of the project	What is the theory of change?	There is a detailed theory of change presented in diagrammatic form and the linkages between the components is covered in Table 2 though fairly generic in form (bottom up diagram reading). There should be some clearer mention of green growth as a key driver of change. Cities are economic engines and how green businesses that are galvanized by some of the policy changes can lead to a virtuous cycle of market-driven sustainability action should be noted.
	What is the sequence of events (required or expected) that will lead to the desired outcomes?	
	· What is the set of linked activities, outputs, and outcomes to address the project’s objectives?	
	· Are the mechanisms of change plausible, and is there a well-informed identification of the underlying assumptions?	

	- Is there a recognition of what adaptations may be required during project implementation to respond to changing conditions in pursuit of the targeted outcomes?	
5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund, LDCF, SCCF, and co-financing	GEF trust fund: will the proposed incremental activities lead to the delivery of global environmental benefits? LDCF/SCCF: will the proposed incremental activities lead to adaptation which reduces vulnerability, builds adaptive capacity, and increases resilience to climate change?	The public sector investment and co-financing is massive and will require close monitoring as to whether there is even budget in government coffers, particularly in countries like Argentina with checkered records of public budgets, to offer these incentives, lest GEF investment become stranded.
6) global environmental benefits (GEF trust fund) and/or adaptation benefits (LDCF/SCCF)	Are the benefits truly global environmental benefits, and are they measurable?	Yes they are but their measurement is questionable as noted before.
	Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?	
	Are the global environmental benefits explicitly defined?	
	Are indicators, or methodologies, provided to demonstrate how the global environmental benefits will be measured and monitored during project implementation?	
	What activities will be implemented to increase the project's resilience to climate change?	
7) innovative, sustainability and potential for scaling-up	Is the project innovative, for example, in its design, method of financing, technology, business model, policy, monitoring and evaluation, or learning?	The innovation aspect of the proposal is largely presented in terms of financing and accelerator development (Chart 3). Clustering is presented as a scaling up mechanism. This is plausible in the urban context though further reading of the literature on this topic should be considered and cited. A recent book in this regard worthy of note is: Iftikhar, M. N., Justice, J. B., & Audretsch, D. B. (Eds.). (2019). <i>Urban Studies and Entrepreneurship</i> . New York, NY: Springer.
	Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?	
	Will incremental adaptation be required, or more fundamental transformational change to achieve long term sustainability?	
1b. Project Map and Coordinates. Please provide geo-referenced information and map where the project interventions will take place.		Provided
2. Stakeholders. Select the stakeholders that have participated in consultations during the project identification phase: Indigenous people and local communities; Civil society organizations; Private sector entities. If none of the above, please explain why. In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.	Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers?	Yes – there has been active stakeholder engagement through the GPSC and local efforts as well.
	What are the stakeholders' roles, and how will their combined roles contribute to robust project design, to achieving global environmental outcomes, and to lessons learned and knowledge?	

<p>3. Gender Equality and Women's Empowerment. Please briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis). Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes/no/ tbd. If possible, indicate in which results area(s) the project is expected to contribute to gender equality: access to and control over resources; participation and decision-making; and/or economic benefits or services. Will the project's results framework or logical framework include gender-sensitive indicators? yes/no /tbd</p>	<p>Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?</p>	<p>Good section on gender and adequate discussion of this topic though it may be useful to differentiate between countries on where further attention may be needed given baseline gender empowerment differentials.</p>
	<p>Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed?</p>	
<p>5. Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design</p>	<p>Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project's control?</p>	<p>Coastal cities have the greatest risk of impact during the 2020 to 2050 timeframe. There could be further refinement of this comparative risk vulnerability presented.</p>
	<p>Are there social and environmental risks which could affect the project?</p>	
	<p>For climate risk, and climate resilience measures:</p>	
	<ul style="list-style-type: none"> · How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately? 	
	<ul style="list-style-type: none"> · Has the sensitivity to climate change, and its impacts, been assessed? 	
	<ul style="list-style-type: none"> · Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with? 	
	<ul style="list-style-type: none"> · What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures? 	
<p>6. Coordination. Outline the coordination with other relevant GEF-financed and other related initiatives</p>	<p>Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects?</p>	<p>Yes, there is detailed discussion of crossover external projects and organizations. However, since this is the first GEF integrative program in this arena there is some understandable lack of detailed comparisons.</p>
	<p>Is there adequate recognition of previous projects and the learning derived from them?</p>	
	<p>Have specific lessons learned from previous projects been cited?</p>	
	<p>How have these lessons informed the project's formulation?</p>	
	<p>Is there an adequate mechanism to feed the lessons learned from earlier projects into this project, and to share lessons learned from it into future projects?</p>	
<p>8. Knowledge management. Outline the "Knowledge Management Approach" for the project, and how it will contribute to the project's overall impact, including plans to learn from relevant projects, initiatives and evaluations.</p>	<p>What overall approach will be taken, and what knowledge management indicators and metrics will be used?</p>	<p>The GPSC is noted as the key knowledge management mechanism as well as partnerships with UN Habitat.</p>
	<p>What plans are proposed for sharing, disseminating and scaling-up results, lessons and experience?</p>	
<p>STAP advisory response</p>	<p>Brief explanation of advisory response and action proposed</p>	

1. Concur	STAP acknowledges that on scientific or technical grounds the concept has merit. The proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.	
	* In cases where the STAP acknowledges the project has merit on scientific and technical grounds, the STAP will recognize this in the screen by stating that <i>“STAP is satisfied with the scientific and technical quality of the proposal and encourages the proponent to develop it with same rigor. At any time during the development of the project, the proponent is invited to approach STAP to consult on the design.”</i>	
2. Minor issues to be considered during project design	STAP has identified specific scientific /technical suggestions or opportunities that should be discussed with the project proponent as early as possible during development of the project brief. The proponent may wish to:	
	(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised;	
	(ii) Set a review point at an early stage during project development, and possibly agreeing to terms of reference for an independent expert to be appointed to conduct this review.	
	The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.	
3. Major issues to be considered during project design	STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical methodological issues, barriers, or omissions in the project concept. If STAP provides this advisory response, a full explanation would also be provided. The proponent is strongly encouraged to:	
	(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised; (ii) Set a review point at an early stage during project development including an independent expert as required. The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.	