Restoration and sustainable forest management of the Algerian Aleppo pine forest, ecosystem

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID
11179
Countries
Algeria
Project Name
Restoration and sustainable forest management of the Algerian Aleppo pine forest, ecosystem
Agencies
UNDP
Date received by PM
6/12/2025
Review completed by PM
7/1/2025
Program Manager
Remy Ruat
Focal Area
Multi Focal Area
Project Type
FSP

PIF
CEO
Part I - General Project Information

1. a) Is the Project Information table correctly filled, including specifying adequate executing partners?

Secretariat comment at CEO Endorsement Request

RR (11/20/2025)

Cleared

RR (11/14/2025)

pending

RR (11/3/2025):

Please see execution arrangement section

RR (7/1/2025):

1. Please see comments in execution arrangements section. Exception for UNDP self execution is not warranted for this project. UNDP should be removed from the list of executing entities in the project information table as well.

Agency Response

Agency Response

UNDP 20 November 2025

The response provided in the execution section.

UNDP 12 November 2025

The response provided in the execution section.

UNDP 6 Aug 2025

Thank you for your comment regarding the execution arrangements and your recommendation that an exception for UNDP self-execution is not warranted for this project. We acknowledge the guidance to remove UNDP from the list of executing entities in the project information table. However, UNDP remains listed based on the rationale provided in detailed response in question 5.2, and Institutional Arrangements and Coordination with Ongoing Initiatives and Projects of the CEO Endorsement Request (page 31).

b) Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/3/2025)

1. Cleared

RR (8/11/2025):

1. Noted - the Rio marker still appears as 2 for CCA on the portal.

2. Cleared

RR (7/1/2025):

1. On adaptation : could you please in the project rationale and description provide further details to support the selection of a Rio marker of 2? Currently this seems like a significant objective but not a principal one as there are only some resilience measures mainstreamed throughout the design on diversification to support resilience and consideration of worst case climate scenarios. A project tagetting adaptation as principal objective would include in the rationale a description of several climate scenarios and expected impacts, vulnerabilities of targetted ecosystems to these impacts but also of people living in these landscapes, and measures to reduce exposure/vulnerability and/or increase resilience to expected climate impacts for ecosystems and for people. This project has some potential to address this but these elements are not outlined in the project document. Thank you for clarifying and revising as needed.

2. On mitigation, it seems that there are sufficient elements in the project design to support a rio marker of 2 - could you please clarify what guided the choice of a RM of 1 and consider whether changing the selection to 2 would make sense in light of project objectives?

Agency Response

UNDP 21 September 2025

The Rio marker for CCA on the portal has been revised to ?1?.

UNDP 6 Aug 2025

1. **Adaptation was mistakenly assigned a ?2? in the portal. This has been revised to ?1?.**

2. **Climate change mitigation is pursued as a significant global environmental co-benefit through integrated sustainable forest management and restoration activities. However, the project?s primary focus is on addressing Algeria's acute land degradation and biodiversity loss, severe threats exacerbated by climate change and unsustainable land management practices. Therefore, the Climate Change Rio Marker remains at 1.**

2. Project Summary.
a) Does the project summary concisely describe the problem to be addressed, the project objective and

the strategies to deliver the GEBs or adaptation benefits and other key expected outcomes?
b) Does the summary capture the essence of the project and is it within the max. of 250 words?

Secretariat comment at CEO Endorsement Request

RR (11/20/2025):

Cleared

RR (11/14/2025):

The information is still absent from the portal view.

RR (11/3/2025):

1. This was added to the Agency ProDoc but not to the portal view (below)

> Northern Algeria's forests, particularly in the High Steppe region, are grappling with climate impacts, land degradation, and biodiversity loss partly caused by human activity, exacerbated by droughts, fires, and pest diseases. These challenges are intensified by years of under-investment, particularly in knowledge and evidence-based management and decision-making, and by limited participation of forest users in shaping the forest management regime. This has led to escalating trends in forest degradation and loss.
>
> The project aims to promote inclusive conservation, restoration, and sustainable management of the Algerian Aleppo pine forest ecosystem. It targets the conservation and restoration of 50,000 hectares of this ecosystem and the implementation of sustainable forest management practices over 293,175 hectares. Key strategies include strengthening forest regulatory and management frameworks, improving knowledge management and capacity-building, and piloting innovative financing solutions to attract private investment. These strategies will integrate best-practice tools for Sustainable Forest Management (SFM) and Forest Landscape Restoration (FLR) approaches and enhance the generation of forest ecosystem goods and services.
>
> The project will benefit the 850,000 individuals living in vulnerable conditions in the region, 50% of whom are women facing heightened vulnerabilities. It will also generate global environmental benefits by aligning with GEF-8 Focal Area objectives on Land Degradation, Biodiversity, and Climate Change Mitigation by targeting GEF Core Indicators 3, 4, 6, and 11. In addition, the project will contribute to the goals of the CBD and the Kunming-Montreal GBF targets 2, 10, 11 and 19, support achieving SDGs 13 and 15, national LDN target 2 and 4.

RR (8/11/2025):

1. Could you please also add the expected value for core indicator 6 on the CEO ER portal view (the summary includes GEBs for core indicator 3,4, 11, but not 6).

RR (7/1/2025):

1. Could you please add, in the paragraph describing the GEBs to be generated by the project, the expected values for each of these GEBs?

Agency Response

Agency Response

UNDP 20 November 2025

The information has now been fully reflected for Indicator 6 in the summary box of the portal view. ?As a result of ecosystem restoration activities, the project will achieve a total greenhouse gas emission reduction of 3,302,869 tCO?e, significantly contributing to national climate mitigation targets.?

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. (max. 250 words, approximately 1/2 page)

Northern Algeria's forests, particularly in the High Steppe region, are grappling with climate impacts, land degradation, and biodiversity loss partly caused by human activity, exacerbated by droughts, fires, and pest diseases. These challenges are intensified by years of under-investment, particularly in knowledge and evidence-based management and decision-making, and by limited participation of forest users in shaping the forest management regime. This has led to escalating trends in forest degradation and loss.

The project aims to promote inclusive conservation, restoration, and sustainable management of the Algerian Aleppo pine forest ecosystem. It targets the conservation and restoration of 50,000 hectares of this ecosystem and the implementation of sustainable forest management practices over 293,175 hectares. As a result of ecosystem restoration activities, the project will achieve a total greenhouse gas emission reduction of 3,302,869 tCO_2e, significantly contributing to national climate mitigation targets. Key strategies include strengthening forest regulatory and management frameworks, improving knowledge management and capacity-building, and piloting innovative financing solutions to attract private investment. These strategies will integrate best-practice tools for Sustainable Forest Management (SFM) and Forest Landscape Restoration (FLR) approaches and enhance the generation of forest ecosystem goods and services.

The project will benefit the 850,000 individuals living in vulnerable conditions in the region, 50% of whom are women facing heightened vulnerabilities. It will also generate global environmental benefits by aligning with GEF-8 Focal Area objectives on Land Degradation, Biodiversity, and Climate Change Mitigation by targeting GEF Core Indicators 3, 4, 6, and 11. In addition, the project will contribute to the goals of the CBD and the Kunming-Montreal GBF targets 2, 10, 11 and 19, support achieving SDGs 13 and 15, national LDN target 2 and 4.

UNDP 12 November 2025

Thank you for your comment. The information that was previously added to the Agency ProDoc has now been reflected in the portal view as well.

UNDP 21 September 2025

The value of 3,302,669 tCO?e for Core Indicator 6 has been added in the CEO ER portal view.

UNDP 6 Aug 2025

The values of GEBs, as per core indicators, have been added to the project summary of the CEO ER page 2.

3. Project Description Overview
a) Is the project objective statement concise, clear and measurable?
b) Are the components, outcomes, and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?
c) Are gender dimensions, knowledge management, and M&E included within the project components and budgeted for?
d) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?
e) Is the PMC equal to or below 10% (for MSP) or 5% (for FSP)? If above, is the justification acceptable?

Secretariat comment at CEO Endorsement Request

Cleared

RR (8/11/2025):

1. Cleared

2. The output 4.1.3 is still visible as before in the project overview table.

3. Cleared

RR (7/1/2025):

KM, gender and M&E included and budgeted. PMC contributions proportional and under 5%.

1. Objective repeats the title and is a bit general (it looks like the entire Algerian aleppo pine forest will be restored and sustainably managed). While keeping it succinct, could you please clarify maybe in the objective the specific focus of the project (geographically, and in terms of project contribution)?

2. Output 4.1.3 on environmental safeguards management has no place in the M&E component, as this should be mainstreamed throughout project components per GEF policy and guidelines on ESS. Please remove and allocate these costs throughout project components for implementation by the execution partner.

3. Please see comments on project description and core indicators and reflect in logical framework as needed.

Agency Response

UNDP 21 September 2025

The output 4.1.3, which was previously visible in the project overview table, has been deleted.

UNDP 6 Aug 2025

1. **The project objective has been revised to read: ?Strengthen the resilience of Algeria?s Aleppo pine forest ecosystems through targeted restoration and sustainable forest management at Senalba, Telagh and Beni Imloul Forests?. This revised objective is reflected on page 4, 19 and 50 of the CEO ER.**

2. **This output has been deleted. Costs had already been shown under Component 1, so no changes needed here.**

3. The core indicators have been reflected in logical framework of CEO ER page 50-55.

4. Project Outline
A. Project Rationale
a) Is the current situation (including global environmental problems, key drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective and adequately addressed by the project design?
b) Have the role of stakeholders, incl. the private sector and local actors in the system been described and how they will contribute to GEBs and/or adaptation benefits and other project outcomes? Is the private sector seen mainly as a stakeholder or as financier?
c) If this is an NGI project, is there a description of how the project and its financial structure are addressing financial barriers?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/14/2025):

Cleared

RR(11/3/2025):

3. Noted

4. The addition is welcome - but the two paragraphs these were supposed to replace are still there which makes the rationale confusing as the explanations go in opposite directions. This is particularly the case for this paragraph (see highlights in particular): "Socio-economic drivers would also remain unaddressed under this baseline. Years of underinvestment mean no or limited new forest management programs would be implemented, and outdated plans from 1978 and 1982 wouldn't be updated. Unsustainable human activities?such as illegal logging, agricultural expansion, fire use for land management, and overgrazing?fueled by a burgeoning local population and limited alternative livelihoods, would continue to drive forest and biodiversity loss (the introduced paragraph notes ongoing programs on this topic so this is confusing too). A notable lack of participation from forest users and local communities, coupled with limited benefits from forest protection, would undermine conservation efforts. The 850,000 vulnerable beneficiaries, particularly women, would see their challenges persist due to limited job access and financial instruments. This scenario leads to continued significant environmental and economic vulnerabilities.

If time allows, please consolidate.

RR (8/11/2025):

1. Cleared - Thank you, this is the type of information we were looking for.

2. Cleared - it seems from the description provided that the challenges in multi-year financial planning from the forest management policies of the 1980s are not addressed by the 2023 law either and that this constitutes a major area where the project could add value.

3. The list seems incomplete as it does not include government led initiatives that are accounted for as co-financing, and which also for some of them are already ongoing initiatives and are the most relevant to the situation analysis. Could you please complete this mapping with this crucial information? It seems that a quick way to do this would be to move up in the rationale section the information currently contained under the section "Alignment with national policies and multi-stakeholder platforms", and complement this information as needed.

Please also see follow up comments in project description regarding value added in relation to BIOFIN work in the country.

4. Perhaps the question was not sufficiently clearly articulated - the result is that the introduced paragraphs are not realistic, as they assume nothing would happen in a BAU scenario without the project. Clear elements of progress have been outlined in the rationale regarding improvements expected under the 2023 law recently promulgated, and regarding ongoing initiatives by partners in the country to address some of the observed challenges in the sector. While some GEF support will be helpful to lock-in and replicate some of this progress, it is not appropriate to consider that none of the changes introduced by the new law (and by the other initiatives) would occur without the project. This assumes that a law was prepared by a country without any means or ambition associated to its implementation (and similarly for the list of ongoing initiatives), which has to be incorrect. A simple example of this is the co-financing provided - for example "National Programme on the three project sites through the National Fund for Rural Development and the Sectoral Development Plan (2020-25)" which corresponds to activities of sustainable forest management, restoration and community involvement already ongoing in project sites and which

would therefore yield results without the project ; same thing with "National forestry inventory and National Programme for Forest Development (2021-24)" which also corresponds to some of the gaps noted earlier in the rationale and is already ongoing.

Please distinguish in the introduced paragraphs your response to the two distinct aspects of this question.

(i) The evolution of climate risks and socio-economic drivers is exogenous to the project, and should be described independently. It would be incorrect to assume the absence of GEF funding is the cause of these issues.

(ii) Then, a description would be welcome on the expected progress that would happen without the GEF project in terms of level of implementation of policies and financial means associated with sustainable forest management building on the response usefuly provided to question 1,2 and 3 above.

RR (7/1/2025):

1. The barrier assessment (first barrier) notes that the policies on forest management from the 1980s might be outdated, but then the rest of the paragraphs only talk about budget allocation issues. Could you please clarify to what extent these policies are outdated and why this may not fit today's reality? Do you have an example perhaps? Another reason why this clarification is useful is that the logical conclusion from this barrier would be to look at whether the policies themselves may benefit from being updated/revised - but currently the project looks mostly at implementation capacities. Thanks for clarifiying.

2. Related to the above, please see questions in the project description section below regarding the new December 2023 law on forests. No information is provided on this in the rationale in spite of it being at the center of component 1 of the project. Please provide a detailed explanation in the project rationale of what this law changes in the Algerian landscape, how it addressed some of the policy level issues outlined in the rationale, and the remaining issues to be addressed.

3. Situation analysis : a list of other GEF/partner funded initiatives is provided (about 8 projects from UNDP and FAO) but no detail is given as to what these initiatives cover in relation to the project, and most importantly what are the gaps/unanswered needs left by these projects which justify having this new GEF investment on this topic and how the GEF investment can bring additionality. Lessons learned from these experiences are also missing. Could you please elaborate on that point?

4. The rationale is lacking a detailed description of what would happen in a scenario without GEF funding (baseline) along with expected changes in drivers underpinning the project's theory of change (not only in terms of expected climate risks but also socio-economic drivers). Only a short paragraph is presented at the end which might be sufficient for PIF stage but at CEO ER stage we would expect a more comprehensive vision. Could you please add these two elements which are critical for understanding the incremental cost reasonning for this project ?

Agency Response

UNDP 12 November 2025

The final paragraphs of this section have been redrafted to help clarify the distinction between exogenous climate and socio-economic trends and the impacts of GEF financing. The text acknowledges ongoing progress under Law 23-21 and national programmes, while explaining their remaining limitations without GEF support. Contradictions were removed by recognizing baseline activities (e.g., restoration, management planning, rural development)

that would continue, but in a slower, uneven, and less coordinated manner. The text explains what progress would occur anyway, what gaps persist, and why incremental GEF support is required to operationalize reforms, strengthen institutions, and achieve landscape-level, gender-responsive SFM outcomes. The revised details are provided on page 16 of the CEO ER and page 17 of the UNDP Prodoc.

UNDP 21 September 2025

3. The government-led initiatives that are accounted for as co-financing, including ongoing interventions relevant to the situation analysis, have been incorporated into the relevant table in the Project Rationale section of the CEO ER at page 13 and 14. In addition, The value added of BIOFIN?s work in the country has been incorporated into the Project Rationale section of the CEO ER on page 13.

4. Thank you for your suggestion. The explanation has been incorporated into the Current Trends and Baseline Scenario section of the CEO ER (page 16), with a clear distinction made between the two requested aspects such i) evolution of climate risks and socio-economic drivers (exogenous factors) and ii) expected progress without the GEF project (baseline scenario).

UNDP 6 Aug 2025

1. **The following text has been added to the barrier assessment (second barrier, on policy and regulatory environment) and is reflected on page 10 of the CEO ER.**

   Algeria?s forest management policies of the 1980s have become increasingly obsolete, unable to ensure the sustainable management of forest resources or their long-term viability. Two key barriers contributed to this: (i) an inadequate legal and regulatory framework, and (ii) flawed planning and financing methods tied to the annual nature of the Finance Act.

   The forestry legislation under Law 84-12 (1984), which prevailed until 2023, proved ineffective in managing and protecting forest resources. Despite its initial intent to fill a legal vacuum, the law failed to keep pace with evolving challenges, leading to ongoing forest degradation. The law's focus on protection over development created a regulatory approach that minimized human interaction with forests but failed to support sustainable forest management. Moreover, its outdated design and enforcement shortcomings necessitated a revision, especially given the emergence of related legislative texts since 1990.

   Institutionally, the forest administration, the only public body present in rural areas since the establishment of the state, played a central role in conserving national forests. However, during the 1980s, its focus on environmental protection overshadowed efforts to enhance ecosystem goods and services. The sector struggled with inadequate financial systems, programs, and annual planning, all of which hampered the achievement of long-term forest management goals. For example, forest management plans, key tools for organizing forest resources, have faced delays in implementation due to the lack of multi-year financial planning. Although planning was completed for over 200,000 hectares in the 2000s, the absence of consistent funding meant that these plans often became obsolete before

they could be implemented. This highlights the need for stable, long-term financial and regulatory support for effective forest management.

2. **The following text has been added to the CEO ER document page 13, Project Rationale section:**

A crucial element of the baseline situation is the adoption of Law No. 23-21 on December 23, 2023, which represents a significant reform of Algeria's forest management framework, providing the legal basis for more sustainable and inclusive management of the country?s forest resources. This new law, enacted following the 2020 constitutional reform that emphasized public ownership of Algeria?s natural resources, addresses the growing challenges of forest degradation, biodiversity loss, and climate change, while promoting the long-term sustainability of the forest sector. The law comes at a crucial time for the forestry sector, which has faced increasing pressures from environmental degradation and climate impacts, including drought and pests. It represents an opportunity to update outdated policies from the 1980s, which, as noted above, have become insufficient in addressing the modern-day challenges of forest management, conservation, and sustainable use.

One of the key advances introduced by Law 23-21 is its focus on the principles of sustainable forest management (SFM). This approach aims to balance forest conservation, economic benefits, and social development. The law embodies the National Forestry Strategy, which outlines strategic directions aligned with Algeria?s broader socio-economic and environmental policies. These strategic directions will guide decision-making on the management and conservation of forest resources, ensuring their contribution to national development goals. Furthermore, the law establishes the National Forest Inventory (IFN), a critical tool for regularly assessing the state of forest resources, which will feed into the development of the National Forest Development Plan. This plan will serve as the blueprint for long-term forest management, restoration, and exploitation, ensuring that the country?s forest heritage is managed sustainably.

An important provision of Law 23-21 is the requirement for forest management plans, which are legally mandated for both public and private forest lands. These management plans are designed to ensure the long-term conservation and sustainable use of forest ecosystems. Plans must include measures for biodiversity preservation, fire prevention, soil conservation, and sustainable exploitation of forest resources. The Law also calls for the identification of areas within forests that can be designated for non-exploitative uses, such as ecotourism or recreational activities. This forward-thinking approach is key to adapting forest management to current environmental and socio-economic needs, particularly in the face of climate change and shifting land use pressures.

Furthermore, the law addresses the exploitation and valorization of forest resources through clear frameworks for timber and non-timber product value chains. This includes regulating the use of forest products, promoting sustainable harvesting practices, and ensuring that forest-derived products reach local and international markets under certified, sustainable conditions. For example, the law allows for the establishment of forest cooperatives and forestry groups, giving forest-dependent communities more direct control over resource management and

enabling them to benefit from the sustainable use of forest resources. These provisions not only empower local communities but also foster greater involvement in forest management, creating a pathway for economic development through sustainable forest-based livelihoods.

Another notable aspect of Law 23-21 is its emphasis on the inclusion of local communities and stakeholders in forest management. Articles 116 and 117 provide the legal framework for local forest users, such as residents, farmers, and businesses, to organize themselves into cooperatives or associations. These groups can enter into agreements with the forestry administration to manage and exploit forest resources, receive technical support, and enjoy preferential access to forest products. This provision is a significant shift from previous approaches, which often excluded local communities from forest management decisions, and represents a more inclusive model that promotes sustainable development.

While these reforms are promising, there remain significant challenges in the implementation of the law. The legal and regulatory framework needs further refinement, particularly related to development of implementing texts that will clarify how the various provisions of the law will be enforced. Institutional capacity also remains a concern, as the forestry administration must strengthen its ability to monitor and regulate forest activities effectively. Finally, while the law provides for forest conservation and restoration, it will be crucial to ensure that the integration of development and conservation objectives is fully realized, particularly in light of Algeria?s growing need for land-based economic activities, such as agriculture, tourism, and infrastructure development.

Thus, Law 23-21 represents a significant leap forward for forest governance in Algeria, aligning with global standards for sustainable forest management. It provides a comprehensive framework for forest management that balances conservation, development, and community engagement. However, for the law to reach its full potential, it must be backed by strong institutional support, clear regulatory frameworks, and ongoing efforts to engage local communities in the sustainable management of Algeria?s forest resources. This law has the potential to transform Algeria?s forestry sector, fostering sustainable development while protecting the country?s valuable forest ecosystems for future generations.

3. **As noted in the draft, addressing the barriers to SFM and FLR in the project target areas will build on and contribute to past and ongoing investments by government to address land degradation, desertification and biodiversity loss. Gap filling and additionality from the present project are presented in a new table in**

Section A of the CEO ER page 12, replacing the previous bullet list of projects, along with the following new text:

The proposed project will build on and complement a range of ongoing and completed GEF- and partner-funded initiatives, ensuring alignment with national and global biodiversity conservation objectives and sustainable forest management commitments while addressing remaining gaps through innovative, large-scale interventions in the Aleppo pine forest landscape.

TABLE (Please see revised text in the table)

By building on the above initiatives, the proposed project will address remaining barriers identified in past interventions, institutionalize lessons learned on participatory governance and sustainable value chains, and achieve a step change in Algeria?s capacity to meet its biodiversity, land degradation neutrality, and climate commitments.

4. **The baseline scenario has been expanded / revised in page 13 of CEO ER.**

5 B. Project Description
5.1 a) Is there a concise theory of change (narrative and an optional schematic) that describes the project logic, including how the project design elements are contributing to the objective, the identified causal pathways, the focus and basis (including scientific) of the proposed solutions, how they provide a robust approach? Are underlying key assumptions listed?
b) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?
c) Are the project components (interventions and activities) described and proposed solutions and critical assumptions and risks properly justified? Is there an indication of why the project approach has been selected over other potential options?
d) Incremental/additional cost reasoning: Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12? Has the baseline scenario and/or associated baseline projects been described? Is the project incremental reasoning provisioned (including the role of the GEF)? Are the global environmental benefits and/or adaptation benefits identified?

e) Other Benefits: Are the socioeconomic benefits resulting from the project at the national and local levels sufficiently described?
f) Is the financing presented in the annexed financing table adequate and demonstrate a cost-effective approach to meet the project objectives? Are items charged to the PMC reasonable according to the GEF guidelines?
g) How does the project design ensure resilience to future changes in the drivers and adaptive management needs and options (as applicable for this FSP/MSP)?
h) Are the relevant stakeholders (including women, private sector, CSO, e.g.) and their roles adequately described within the components?
i) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component design and description/s?
j) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?
k) Policy Coherence: Have any policies, regulations or subsidies been identified that could counteract the intended project outcomes and how will that be addressed?
l) Transformation and/or innovation: Is the project going to be transformative or innovative? Does it explain scaling up opportunities?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/14/2025):

2. Cleared

4. Cleared

5. Cleared

RR (11/3/2025):

2. The list of activities is still missing from the CEO ER portal view (and from the prodoc) and still appears only in annex 4 and not in the project description.

1.1.2.4 Prepare a scoped Environmental and Social Impact Assessment (ESIA) and an Environmental and Social Management Plan (ESMP) as integral components of each sustainable forest management (SFM) plan.
1.1.2.5 Develop criteria and indicators (C&I) to assess key SFM objectives, including forest conservation, biodiversity protection, sustainable use, and restoration, in alignment with MEA forest-related commitments
1.1.2.6 Prepare and finalize three sustainable forest management plans based on the baseline studies, outlining necessary actions such as regeneration, sanitation, phytosanitary treatment and forest infrastructure development
1.1.2.7 Develop site-specific approaches to forest ecosystem health to address the impacts of drought and degradation due to parasitic infestations, focusing on long-term forest health
1.1.2.8 Finalize and submit SFM plans for DGF approval
1.1.3.1 Identify data and information gathering parameters needed for effective decision-making in pine forest conservation, management and restoration.
1.1.3.2 Identify, select, adapt and/or develop decision-support tools that are user-friendly, gender-responsive and facilitate real-time access to relevant data, enabling informed decision-making by forest managers, policymakers, forest user groups and communities.
1.1.3.3 Deploy decision-support tools and provide technical training and support on the use of the tools in decision-making processes at different levels, including community, user group, forest managers and

2.bis - cleared

2.ter - cleared - it is our understanding that this has been considered during agency's risk screenings.

4. Noted - please ensure to remove from the list of activities supported by this project any application/products related to energy (firewood, charcoal); and please also ensure that any products related to industrial timber would not result in another form of large scale industrial private sector access to these forest ecosystems through sub-contractors.

5. Noted - the portal view of the CEO ER document still points to operationalization of this scheme. If this is now to be changed to feasibility only, then the financial sustainability of this project would be impacted and the risk assessment would need to be revised accordingly given the risk that the feasibility study stays on a shelf. The point of clarifying these success factors during PPG stage is specifically to avoid the PES scheme staying on a shelf. In addition, working on feasibility aspects is already what is underway with the BIOFIN project in country as detailed, so there would be overlap and low additionality. We would recommend project proponents to consider whether the below explanation would need to be reflected in the CEO ER or if early implementation can clarify the points remaining to be described so that this activity may be fully rolled out as initially planned.

RR (8/11/2025):

1. Cleared

2. Thank you for pointing to annex 4. Please reflect the list of activities provided in this workplan directly on the CEO ER portal view description - this is a requirement at CEO ER stage. The level of detail provided in the workplan will work for this (no need to include the calendar, just the list of activities, under respective outputs).

2.bis. Could you please clarify the articulation between the capacity assessment / training to be provided in output 1.2 and the guidelines to implement the new national regulatory framework to be developped under output 1.1? It seems logical that the development and implementation of both should be linked but no description of how this would happen is described in the document.

2. ter. Reference is made to application of "phytosanitary treatment" in targetted forest areas. If this involves the use of pesticides, could you please clarify how related environmental and social risks would be addressed ? Asking also as this is not triggered in the current E&S screening.

3. Cleared

4. Thank you for the clarification. The priority on community-based organizations and non-timber forest products is noted and aligned with GEF strategy on forests. Regarding private sector involvement in relation with timber products, could you please confirm (i) that this would only be at small-scale (e.g. equivalent to community-based activities), (ii) clarify the types of products covered and of forest management practice/culture, (iii) how the project will ensure biodiversity will not be reduced in areas accessed by private sector for timber products.

5. The description provided clarifies the options envisaged in terms of ecosystem services covered (carbon sequestration, water regulation, biodiversity, and soil protection) and potential buyers. It however does not clarify options for who would be the recipient of the funds (service providers), preliminary understanding of conditions conducive to successful PES implementation in this context, and necessary regulatory and institutional reforms.

Also, please note that in case carbon offsets are produced based on GEF funding, any related result should be removed from the core indicator reporting (please adjust core indicator targets accordingly if this is expected to be the case) - in addition, please assess in the key risks table (and/or in project description) the risks related to such approaches of carbon credits which may not materialize as expected in the long term (price volatility or inadequations, deals not materializing at the scale expected) and how this may affect long term sustainability of outcomes sought by this project. it should also be noted that the GEF cannot finance transaction level support for carbon offsets as this is already covered by the buyers when such transactions occur.

Please also further clarify the additionality of this work compared to the existing work done on PES in the country as part of the BIOFIN program in Algeria (noted in the project rationale). This would entail also further clarifying the status of the work conducted under this program in the situation analysis.

Finaly, activities under output 2.3 clarify how the PES scheme will be piloted but not how potential policy and regulatory level bottlenecks would be addressed. As this would be the main value added of a project level GEF investment on the matter, please clarify and revise as needed.

RR (7/1/2025):

1. The TOC description (before the description of project components) makes a link between project activities and expected outcome (e.g. if the project does "...", then this outcome will be achieved), but one missing logical connector in this explanation is the link with barriers, or in other words, the answer to the question "why"? Could you please clarify why implementing these activities would be sufficient to address the barriers and problems identified in the project rationale?

1bis. As an example, in connection with the above question : the TOC description refers to developing guidelines and protocols for a "new forest law" (also described as low of Dec 2023 in project description) - but the rationale and baseline only talk about the law of 1984 noting that there might be mismatch with realities on the ground. Something is missing here, could you please elaborate on this new law in the rationale, also clarifying if it addressed some of these mismatches, and then in the TOC/project description clarify why guidelines and protocols would (i) be needed given this very recent policy change that perhaps addressed some of the issues identified in the baseline and for which it is probably to early to assess whether it is effective or not (ii) be sufficient to address any remaining misalignment?

2. The description of outputs and activities is very succinct for a CEO ER stage document - the level of details is almost the same as the PIF and leaves several important questions open (please see below some of them). Could you please elaborate based on information collected during PPG on what these activities will entail in practice and how this will address the problems and barriers identified in the project rationale?

3. The use of the terms ESIA and ESMP is usually attached to private sector and donor financed investments, not for public plans - could you please confirm that these are not ESIA and ESMP linked with private sector investments? (Because if so, the GEF E&S policy prohibits use of GEF funds for such purposes given that they are covered in IFC safeguards)

4. The project refers to activities to facilitate access to wood and non-wood products. Could you please clarify whether this would be small scale community level harvested products or related to private sector concessions, and also specify the types of products envisaged?

5. On PES activities. This seems like an impactful activity and the connection with Costa Rica and Viet Nam examples will surely yield useful lessons. But it is unclear why PES are envisaged here to address the project problems (lack of budget allocation to SFM and of local level incentives) as opposed to alternatives. As an important part of the project success relies on this, it would be useful for us to better understand the baseline at this preliminary stage in terms of (i) what would be the services provided, (ii) who would be the providers of the services/recipients of the funds, (iii) who would be the prospective buyers, (iv) what would be the policy and regulatory level interventions/reforms needed to make the PES system viable, depending on its structure, (v) enabling conditions for successful PES implementation, e.g. whether the targetted service users are sufficiently organized to act together and engage as/with prospective buyers, whether tenure and access to resource is well organized, with sufficient trust between stakeholders, and envisaged intermediaries and monitoring infrastructure. Thank you for clarifying the scenarios envisaged in terms of PES structure envisaged at this stage : Would it be a tax based system like in Costa Rica? A vertically funded system with funds delegated by the State? A private sector financed system at

local level through performance agreements, certification programs? A market-based system (noting that for the latter, there might be eligibility constraints)? Thank you for also clarifying whether the GEF activities would identify establishing the institutional level systems and infrastructure to enable PES to be operationalized, or intervene in transactions directly.

Agency Response

UNDP 12 November 2025

2. The list of activities under each output has now been incorporated into the main project description section for clarity and completeness. Detailed activities are presented under each corresponding output in the CEO ER (pages 23?34) and UNDP Prodoc (pages 25-38).

4. The comment has been duly addressed. All activities and products related to energy (firewood, charcoal) have been removed from the list of activities supported by the project. Furthermore, the project design ensures that any products related to industrial timber will not result in large-scale industrial private sector access to forest ecosystems, whether directly or through sub-contractors.

5. Thank you for your comment. The PPG team, including Government, has again reviewed Output 2.3.1 and agrees that the more ambitious, initially planned approach should be pursued. The output description has thus been revised to re-instate the pilot testing element, as well to make specific reference to an early assessment aimed, inter alia, at resolving key questions related to the PES design. In addition, the nature of support being received by Algeria from the BIOFIN project, as well as its synergistic relationship with this output, has now been clarified. The detailed revised texts are provided under Output 2.3.1 of CEO ER (page 32) and UNDP Prodoc (page 35).

UNDP 21 September 2025

2. The list of activities from the workplan has been reflected directly in the CEO ER portal view description, as requested.

2.bis. The clarification has been added to the description of Outcome 1.1 on page 22 of the CEO ER which explains that ?Regulatory texts often encounter difficulties in their application and translation into practice and remain inoperative due to unforeseen circumstances, lack of precision and/or misunderstanding. More precise and operational mechanisms and other regulatory, contractual and organizational instruments are therefore needed. Guidelines to support implementation of the new national regulatory framework will make it possible to better specify and make operational on the ground the provisions of the regulatory framework. In this context, the project will identify the target stakeholders, assess the gaps and design and deliver an appropriate training program aimed at improving their capacity to support the development and implementation of the above mechanisms and instruments to ensure, in turn, full implementation of the new forest policy.?

2.ter. The following footnote (#12) has been added on page 32 of the CEO ER.

The term ?phytosanitary treatment? in this case refers to ?biological control methods? only. In fact, Algeria has abandoned the use of chemical pesticides for forest treatments for more than 20 years now. For example, the major phytosanitary treatments against the pine processionary caterpillar carried out since 2005 used biological products (*Bacillus thuringiensis*) on more than 200,000 ha. In the case of the project intervention areas, work will involve implementing an innovative biological control program under the supervision of the Djelfa forestry research station and with the support of international expertise to be mobilized within the framework of GEF financing. This will include support for testing and implementation of new biological agent methods, including the use of pheromone traps for bark beetles and entomopathogenic fungi in order to diversify the biological control toolkit.

4. The requested clarification has been incorporated into the description of private sector involvement on page 31 of the CEO ER. Specifically:

i) The involvement of private sector operators will be limited in scale, typically to the level of a ?forest series?, which represents the basic programming unit of the forest management plan.

ii. a) Given the opportunities offered by the targeted forest areas, the types of products will include wood and its derivatives (timber, industrial timber, crushing timber and firewood including significant volumes resulting from dieback caused by the effects of drought and pest attacks. In terms of demand, Aleppo pine wood is generally intended for the manufacture of makeshift furniture, pallets, crates, all-purpose boards, wooden bricks and charcoal, among others. In particular, there are promising outlets for the large quantities of wood waste and residues that can supply processing units for specific products for crushing and reconstituting wood and charcoal, while also clearing forest debris.

ii. b) Regarding agro-forestry management practices and crops, actions undertaken in recent years related to the development of fruit tree growing in the arable areas adjacent to the forests targeted by the project have been the source of substantial interest among local rural populations in view of their ability to generate wealth, income and employment. This includes the case of apple orchards around the Beni Imloul massif and that of olive orchards in the Telagh massif, which have given very satisfactory results both in terms of yields and adaptation. Also, it should be added that the species requested and used benefit pollinators, thus allowing for the further development of beekeeping.iii) The project will ensure the preservation of biodiversity in areas exploited by the private sector for forest products, in particular through the application of measures laid down by the forest management plan and the system of rotation of plots to be exploited to be put in place. In addition to these technical and administrative measures and the awareness campaigns to be carried out, local phytosanitary and ecological (biodiversity) monitoring units are envisaged under cofinancing, involving research and university institutions, which will benefit from capacity building within the framework of the project. In addition, in line with Articles 41 and 42 of the new forest law, systems for certification and traceability of forest products will help to ensure that these come from forests managed and exploited according to the national standard of sustainable forest management. This is in compliance, among other things, with criteria relating to the conservation and improvement of forest resources, the conservation of biodiversity and the protection of soil and water.

5. Following further review and consultation with Directorate General of Forests (DGF), it has been agreed that the project will not seek to directly establish a PES financing fund but will instead conduct a feasibility study on the creation of such a mechanism (output 2.3.1 on page 28 of the CEO ER and page 97 of the UNDP Prodoc). The project description and workplan (Activities 2.3.1.5 ? 2.3.1.7) have been revised accordingly on page 97 of the UNDP Prodoc.

The PES feasibility study will examine the legal, institutional, financial, and operational conditions required for its establishment, identify potential models adapted to the Algerian context, and assess risks and opportunities. By doing so, it will lay the groundwork for a future fund that can effectively channel PES revenues towards forest conservation and rural livelihoods.

The feasibility study will include the identification and assessment of possible ecosystem services and their feasibility, the identification of service providers, potential buyers and beneficiaries of funds, but also the conditions favorable to the successful implementation of PES and possibly the contribution to regulatory and institutional reforms that would be necessary for the implementation of such mechanisms in the best conditions. While a number of these aspects will need further development during the full project, in response to the questions raised in the review, the broad parameters are as follows:

(i) Funds generated by Payments for Ecosystem Services (PES) would primarily benefit the financing of forest protection and development programs and the improvement of the living conditions of rural populations. However, it remains to define and design the necessary mechanisms and instruments to be put in place in accordance with Algeria?s legal framework to ensure the reinvestment of these funds for the benefit of the preservation and promotion of forest heritage and the improvement of the living conditions of rural populations and citizens. The project will thus have to work, by involving the key stakeholders concerned, to identify and specify the beneficiaries, drawing on successful experiences in other countries.

(ii) The project will have to determine and closely analyze the different ecosystem services that can be provided by the Aleppo pine forest and *the conditions* conducive to the successful implementation of PES.

(iii) The enactment of Law 23-21 on Forests and Forest Resources (2023) provides a solid political and legal foundation for PES. However, effective implementation will require targeted regulatory and institutional reforms to remove practical barriers. Overall, three areas of reform and related project activities are envisaged:

1. Development of Implementing Regulations and Guidelines
- Activity: Draft and validate the by-laws, ministerial decrees, and technical guidelines needed to operationalize Law 23-21, particularly on co-management, NWFPs, and certification/ traceability of forest products.
- How this addresses barriers: Prevents regulatory uncertainty and ensures that existing political will translates into enforceable, practical rules.

2. Strengthening Institutional Roles and Coordination
- Activity: Establish inter-ministerial and inter-professional councils at wilaya and national level to coordinate forest management, clarify roles of DGF, local authorities, and community organizations, and define responsibilities for PES or NWFP value chains.
- How this addresses barriers: Reduces overlaps and bottlenecks between institutions, enhances transparency, and ensures participatory decision-making in line with the new law.

3. Incentives and Access Rights for Local Communities
- Activity: Revise and formalize contractual frameworks (e.g. usufruct agreements, community forestry contracts) to secure user rights and enable community-based organizations, including women?s groups, to benefit from sustainable forest management.
- How this addresses barriers: Provides legal security for communities, incentivizes sustainable practices, and mitigates risks of illegal exploitation due to lack of formal access.

Finally, regarding the existing work on PES carried out in the country within the framework of the BIOFIN program in Algeria, this work is still in a preliminary stage and has not yet reached the operational level or the mechanisms for integrating ecosystem services and biodiversity into national accounting.

UNDP 6 Aug 2025

1. **Thank you for the insightful comment regarding the Theory of Change (ToC). The importance of clearly articulating the logical connection between project**

activities, expected outcomes, and the barriers identified in the project rationale is fully acknowledged. It should be noted that the link between the proposed interventions and the removal of key barriers is detailed in the Theory of Change section of the CEO ER (page 19) and UNDP Prodoc (page 17).

1bis. As noted above, Law 84-12 was repealed with the enactment of Law No. 23-21 on December 23, 2023. This new law addresses key shortcomings of the previous framework, establishing a more comprehensive legal and regulatory basis for forest management, including tools like the National Forest Strategy, the Forest Inventory, and Forest Management Plans. It also introduces provisions for organizing forestry activities through associations and cooperatives, while setting up traceability systems for forest products.

While Law No. 23-21 marks a significant step forward, the implementing regulations (such as executive decrees and ministerial orders) are still being finalized. This creates a need for more detailed, operational guidance to translate the new law?s provisions into effective practice. The guidelines and protocols the project will develop aim to clarify these provisions, providing stakeholders with the necessary tools to implement them. These will help overcome challenges in applying the regulatory framework and ensure that the law is operational, particularly in areas such as forest management, biodiversity protection, and sustainable exploitation.

The project?s focus on creating clear, practical instruments like directives, memoranda of understanding, and partnership agreements will help institutionalize the law?s provisions and build consensus on their implementation among key stakeholders. This approach will strengthen the capacity of forest management systems and improve enforcement and monitoring, facilitating the law's successful adoption.

Additional details along the lines of the above have been added to the description of Output 1.1.1 (page 21 of CEO ER).

2. **Output descriptions 1.1.1, 2.2.3 and 2.3.1 have been expanded (page 21, 25 and 26 of CEOER). Please note that additional details regarding outputs are available in the Multi-year Workplan (see Prodoc, Annex 4)**

3. **The ESIA and ESMP mentioned in the proposal are not linked to private sector investments but are instead associated with public-sector activities under the forest ecosystem restoration and conservation, such as small-scale infrastructure (e.g., green tourism, community-based nurseries) and nature-based solutions. These assessments are intended to ensure compliance with national environmental and social regulations and to align with the GEF?s E&S Safeguards Policy. There is no use of GEF funds for ESIA/ESMP activities related to IFC-covered private sector operations.**

4. **The following text has been added to the description of Output 2.2.3, page 25 of CEO ER in order to clarify this aspect:**

Priority will obviously be given to the community level, involving the most affected target groups, such as local residents' associations and traditional forest users, but with organizational forms to be determined in accordance with the provisions of the legal and regulatory framework. For this category, the focus will be on access to non-timber forest products and other activities such as organized grazing, arboriculture, and beekeeping. The private sector will also be integrated based on the potential identified by the management plan, particularly for access to timber and timber products. The situation may differ from one project area to another, depending on the specific local context of each region.

5. **In response to the comment, the description Output 2.3.1, page 25 CEO ER, has been revised to read as follows:**

This output aims to test and operationalize a gender-sensitive PES mechanism at one of the target sites, compensating local communities for their contribution to ecosystem services like carbon sequestration, water regulation, and biodiversity conservation. Following the example of the ongoing cork oak project, a feasibility assessment of PES systems specific to the geographic and social context of Aleppo pine forests will be conducted at pilot sites. This assessment will initially characterize ecological services and test the social acceptability of various PES systems. A list and pre-feasibility analysis of potential PES systems for the Aleppo pine forest will be prepared, with their economic and social feasibility tested through modeling and local surveys. Specific options for analysis include payments from hydrocarbon companies, a payment system from public water suppliers or large water users, or reforestation fees from companies using forest resources, akin to Brazil's "New Forest Code". Stakeholders will develop concept notes outlining the ecosystem services to be compensated and identifying the criteria for payment. Key actors, such as forest-dependent communities, NGOs, government agencies, and private sector partners will be engaged through consultations to ensure broad participation and support for the scheme.

The project will then focus on developing a mechanism for one or two key ecosystem services (to be determined), aiming for a significant step towards national-level incorporation in the medium term. Activities will involve identifying:

? Possible ecosystem services

? Service providers and fund beneficiaries

? Potential buyers (e.g., state, local authorities, companies, private sector)

? Conditions conducive to successful PES implementation

? Necessary regulatory and institutional reforms

The project will pilot the PES scheme at the selected site with a representative sample of local stakeholders, followed by testing the payment mechanisms for ecosystem service provision. To ensure the sustainability of the scheme, monitoring and verification systems will be established to track the services provided. In addition, capacity-building workshops will focus on integrating gender-sensitive approaches, ensuring that women are actively involved in decision-making processes and benefit sharing. By engaging potential buyers of ecosystem services, the project seeks to secure funding for the PES scheme, fostering long-term sustainability.

5.2 Institutional Arrangements and Coordination with Ongoing Initiatives and Project
a) Are the institutional arrangements, including potential executing partners, outlined on regional, national/local levels and a rationale provided? Has an organogram and/or funds flow diagram been included?
b) Comment on proposed agency execution support (if agency expects to request exception). Is GEF in support of the request?
c) Is there a description of coordination and cooperation with ongoing GEF and non-GEF financed projects/programs (such as government and/or other bilateral/multilateral supported initiatives in the project area, e.g.).

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/20/2025)

Cleared

RR (11/14/2025):

1. Noted - could you please confirm our understanding that UNDP assesses that it is not feasible to rely on the auditing and external control standards of the Cour des Comptes to confirm alignment of ministries/public entities with GEF requirements and go ahead with full national execution?

Please also remove from the description text any element related to the need for international salary scales, as this would not be an acceptable justification under any of the policy exception criteria in this context.

RR (11/3/2025):

This justification is not acceptable under criteria 2 of the policy exceptions. It can be considered under criteria 1. For this:

1. Thank you for sharing an action plan to ensure this episode is not repeated in the future. We would stress that the Agency should make use of any alternative available in light of challenges with executing entities, of which they have been aware for two years already.

2. Thank you for confirming that the proposed scope corresponds to the minimal scope that is limited per national regulations cited (public procurement code and treasury expenditure procedures). There are some variations between what the minimum executing role Agency notes they must perform and what is proposed in the various letters and CEO Endorsement text. We note the following bulleted tasks in the CEO Endorsement and the LoS from 2023:

- Management of payment Process

- Contractual Services for Individuals (including recruitment and contract issuance)

- Staff selection and recruitment process

- Staff HR & Benefits Administration & Management

- Procurement of Services and goods

- Travel management

We would prefer that the Agency make a definitive statement that the selection of staff, individual consultants and/or firms is the prerogative of DFG as EA and that the Agency will only facilitate the process (e.g. drafting TORs, using its platform to advertise opportunities and receive applications, etc) to the extent necessary, given DFG?s limitations.

3. Finally, we cannot see in the CEO Endorsement where the PMU will sit physically speaking ? will it be within DGF premises or in UNDP CO? To increase national ownership, GEF would prefer the first option.

RR (8/11/2025):

1. The further explanation provided does not change the issue stated below, which is that this does not correspond either to a situation of country with executing entities prohibited from receiving

GEF funds, nor to a situation of country limited or inadequate fiduciary and / or procurement capacities in potential executing partners as assessed by agency.

There are multiple projects ongoing in Algeria with multiple GEF agencies and national executing entities where the stated issues of procurement (which are claimed to be nation-wide) have not prevented national execution of GEF projects without execution support provided by a GEF Agency. This is the case for GEF ID 11438 (GEF Agency :UNIDO, executing entity : CREG), GEF ID 10080 (GEF Agency: UNDP, executing entity : ministry of environment and renewable energy), GEF ID 10170 (GEF Agency: FAO, executing entity: ONEDD, within ministry of environment).

Unless a clearer explanation for this difference of treatment can be provided, we would therefore recommend to revise execution arrangements in this section and reflect as well in the project information table.

RR (7/1/2025):

1. Please remove the request for self-execution from the CEO endorsement document package. The request is not aligned with the policy amendment approved by the Council at its 69th meeting Annex III page 14: https://www.thegef.org/sites/default/files/documents/2025-05/EN_GEF_C.69.12_Policy%20Amendments%20to%20Streamline%20the%20GEF%20Project%20Cycle-May%205.pdf), because (i) it is not prohibited in national regulations to proceed with national execution, the description simply notes that this is complex, which is a different matter, so it does not fit with the first critieria for exception, (ii) the assessment does not identify a high procurement or fiduciary risk nor low national capacities (in fact it notes quite the opposite, "Very good procurement human resource capacity" and overall "low risk"), the letter from the Algerian counterparts confirms solid experience and operational capacity from the executing partner (DGF) and the project document merely notes that some time-saving might be achieved, hence this does not fit with the criteria on insufficient capacities.

As a consequence please revise execution arrangements in this section and reflect as well in the project information table.

Agency Response

Agency Response

UNDP 20 November 2025

The Cour des Comptes cannot be considered an alternative to the UNDP HACT assessment or to GEF-required financial audits. Its mandate is strictly defined by law: it intervenes only when formally seized by public authorities, and its role is to verify compliance with existing legislation and the proper use of public funds, not to conduct real-time fiduciary, financial or performance audits on externally funded projects. It does not certify project financial statements, does not evaluate procurement performance, and applies its internal audit standards aligned with national regulations.

For these reasons, the Cour des Comptes cannot replace the financial and performance project audit requirements and assurance mechanisms required under UNDP Financial Rules and Regulations for the management of GEF resources, and therefore it cannot serve as a pathway for direct receipt and execution of GEF funds by the DGF at the time of writing this.

Reference to international salary scales has been removed from the response text in the CEO ER.

UNDP 12 November 2025

1. Thank you for your comment and noted.

2. Thank you for your observations regarding the scope of the executing role and the tasks outlined in the CEO ER and Letters of Support. The detailed justifications are as follow:

Context and constraints

The Government of Algeria does not permit external entities to audit or evaluate government institutions (Note Verbale No.10-152/DGRM/2023 dated 28 March 2023, annex 19 UNDP Prodoc). One of the key Laws, the Law No. 95-20 (Ordinance 95-20) establishing the Algerian Court of Accounts, in Article 7, assigns the Court oversight over all public entities subject to public accounting rules. In addition, Law No. 23-07 on Public Accounting and Financial Management, particularly Articles 104 and 105, stipulates that external controls (including audits) are the exclusive responsibility of the Court of Accounts. As a result, external audits and HACT-based financial assessments by third parties are not permitted for ministries or other public entities.

Consequently, UNDP?s Harmonized Approach to Cash Transfers (HACT) including macro and micro assessments, cannot be applied to the implementing partner, Directorate of General Forest (DGF). As a result, the direct fund transfers to the DGF are not feasible (CEO ER pages 37-40), therefore necessitating the need for UNDP to carry out Direct Payments to UNDP Implementing Partners/GEF Executing Entities.

Additionally, Algeria?s administrative and regulatory frameworks significantly hinder the mobilization of international expertise and procurement of goods and services through national financial and procurement systems and procedures. All procurement processes, whether national or international, are governed by the *Code des March?s Publics* (Public Procurement Code) and must follow the same expenditure procedures e.g. engagement, payment scheduling, and payment issuance through the Treasury. Further, payments to foreign suppliers add an additional layer of complexity, since each wire transfer requires validation by the Treasury and the Bank of Algeria, with the support of a local commercial bank. The DGF is a public institution *(institution publique)* fully integrated into the State?s budgetary and administrative framework, and it adheres to national accounting and procurement regulations. These barriers include strict foreign currency regulations, making the government?s use of international funding resources inefficient and often impractical, as they entail complex, time-consuming procedures that lead to significant delays.

In recognition of the limitations presented by these complex regulatory requirements, the Government of Algeria has requested to rely on UNDP systems, tools and procedures to secure goods and services for international projects, including those financed by the GEF.

Government request and legal basis

The request from the Government of Algeria for UNDP to provide execution support services under NIM (National Implementation Modality) was formalized through a signed Letter of Support dated on 1 November 2023 and 11 August 2025. These letters clearly outline the government?s reliance on UNDP for operational and fiduciary support in light of prevailing national constraints presented by the regulatory framework. The documents serve as official confirmation of the modality envisaged and the specific support services UNDP is requested to provide.

Detailed justification based on the country context is as follows:

a) **Restrictions on direct implementation by public entities. Under Algerian law, public institutions like the DGF cannot be subjected to external financial audits or verification missions. This point is formally established in the Note Verbale No. 10-152/DGRM/2023, which states that the UN/DP?s Harmonized Approach to Cash Transfers (HACT) cannot be applied to ministries or public institutions. Since HACT macro and micro-assessments are a mandatory pre-requisite for UNDP to transfer funds under any national implementation modality, this legal position means that DGF cannot undergo the required verification process. Without HACT, UNDP has no fiduciary mechanism to verify internal controls, assess the capacity for cash management, or ensure compliance with international procurement, documentation, and reporting standards. Transferring GEF funds directly to DGF without a prior HACT assessment that finds DGF low risk would therefore place both parties in a non-compliant position: UNDP would be unable to meet its global fiduciary obligations, and DGF would be unable to provide the audit trail, disbursement evidence, and reporting formats required by GEF standards. If the transfer were to occur, funds would enter the Treasury circuit, lose their project-specific identity, be subject to national budget classification rules, and follow payment procedures incompatible with UNDP?s timelines, documentation requirements, and year-end closure. Any financial report provided to the GEF would then be unverifiable by UNDP, since UNDP cannot audit or access public financial transactions. In short, while nothing prevents the Algerian government from receiving funds in general, the combination of national rules prohibiting external audits and UNDP?s fiduciary requirements for GEF funds makes a direct transfer to DGF legally and operationally unworkable.**

b) **Administrative and regulatory constraints. The Government of Algeria faces significant bureaucratic constraints in mobilizing international expertise or procuring goods and services, particularly when foreign currency transactions are involved. Under Algerian foreign-exchange regulations issued by the Bank of Algeria, any payment in foreign currency requires prior authorization, rigorous documentation, and the domiciliation of the transaction through a commercial bank. This highly regulated process makes foreign payments slow, complex, and in some cases ineffective, especially when the contracting institution is a public entity subject to ministerial oversight. These limitations hinder the timely and effective implementation of internationally funded projects. UNDP?s procurement and financial mechanisms offer the required flexibility to overcome these constraints.**

c) **Currency and procurement limitations. Algerian regulations issued by the Bank of Algeria https://www.bank-of-algeria.dz/devises-reglement/ do not permit the Government to issue contracts or make payments using foreign currencies, which is essential for international consultants and suppliers. UNDP?s systems allow for efficient management of these contracts, ensuring project execution aligns with international quality and accountability standards.**

d) **Human resource recruitment constraints. Recruitment under *Ordinance 06-03 Journal Officiel Alg?rie* requires multiple approval layers, often taking six to twelve months. In practice, payments to international consultants or suppliers must first comply with the Public Procurement Code, then obtain Treasury clearance for commitment and payment scheduling, and finally receive foreign-exchange authorization from both a commercial bank and the Bank of Algeria. All payments in foreign currency are subject to an overly restrictive regulatory framework, making the process slow, sequential, and often unpredictable. These cumulative layers create significant delays that make it extremely difficult for national entities to manage international contracts. In addition, government salary scales do not allow for the recruitment of highly qualified experts required for the Project Management Unit, as they would be considered short-term/temporary and project-based, and fall outside of the remit of the civil-service salary grid. UNDP recruitment using its salary scales ensures the attraction and retention of skilled professionals who are essential to effective project delivery.**

Absence of viable alternative implementing partners:
? No local NGOs in Algeria have been found to have the capacity to manage projects of this scale. Specifically, existing NGOs do not have: (i) experience managing multi-million-dollar internationally funded projects; (ii) systems for procurement and financial reporting that meet GEF and UNDP fiduciary standards; (iii) the technical staffing and institutional structure needed to manage a national-scale forest and land-use programme.
? Under Law No. 12-06 of 12 January 2012 prohibits Algerian associations from receiving international funding.
These combined gaps explain why no NGO can serve as an alternative implementing partner for this project.

Confirmation of support services and associated cost.

The Government has requested UNDP Country Office to support with provision of the following services:

Support services	Descriptions	Timetable for supply support services
To manage the recruitment monitoring and funding of project staff (CEO ER page 39)	Recruitment process: Publication, selection of CVs, interviews conducted together with the DGF representatives and including direct involvement of DGF in the final decisions. UNDP would issue staff contracts based on collective decision with DGF. Recurring personnel management services: salaries for project personnel, administration & management (salaries, validation, disbursement, performance appraisal, extension promotion, leaving monitoring, etc.), internal management	UNDP draws up the contracts and makes the payment per UNDP procedures as soon as the project document is signed.

To take charge of the payment of all invoices forwarded by DGF		**Payment will be made through transmission of the direct payment request validated and signed by the DGF, certifying the service rendered.**
To take charge of recruiting experts, companies, international /national	**Call tenders, analysis, identification and drawing up of contracts.**	**The process is triggered immediately after receipt of the service request, per the annual work plan validated by project steering committee.**
To take charge of the equipment and supplies acquisition process, with all the associated franchises.	**Purchasing process involving the local procurement committee or other procedures (Identification & selection, supplier contracting, purchase order and follow-up)** **Procurement not involving the local procurement committee (Identification & selection drawing up the Purchase Order, monitoring the process), Provision of equipment.**	**The process is triggered immediately after receipt of the service request by the DGF, per the annual work plan validated by the project steering committee.**
Take charge of travel services	**F10 travel authorization** **Presentation of DSA costs in the event of a mission as part of the project.** **Make airline and/or hotel reservations if necessary.**	**UNDP must receive the service request at least two weeks before the departure of the person in question in order to ensure that the mission expenses (DSA) are ready for payment.**

The Country Office confirms that the cost of providing these support services will not be charged to the GEF resources. In addition, UNDP Algeria ensures a functional segregation of responsibilities between oversight and execution support (CEO ER page 40).

The PMU will be physically hosted within the DGF offices, and day-to-day implementation of project activities will be directly overseen and coordinated by DGF through the PMU. DGF and UNDP will jointly participate in the project steering committee to guide the project management unit, including through review and approval of annual work plans and budget at steering committee meetings. The Project Steering Committee/Board will be chaired by the DGF to ensure full national ownership. UNDP?s role will be limited support, and it will not entail replacing the national ownership over the project execution. This approach would allow the project to complement national procedures, where timelines and remuneration frameworks create structural constraints to the timely execution of the project.

In addition, the project will also aim to strengthen the institutional and technical capacities of the national partner, including through training on project cycle management, results-based management and M&E, and other technical and project management related topics, thereby enabling the national partner to progressively undertake full National Implementation Modality (NIM) projects in the future. UNDP is also in the process of supporting the government to one of the national institution - *FNI - Fonds National*

d'Investissement - Ensemble pour garantir l'avenir **- (National Investment Fund) to get accredited for GCF, and it is envisaged that this entity could act as a future executing entity for GEF projects as well.**

UNDP remains committed to providing effective and transparent support services to ensure the successful implementation of the Aleppo Pine project in line with the GEF and UNDP established procedures.

3. The Project Management Unit (PMU) will be physically located within the Directorate of General Forest (DGF) premises.

UNDP 21 September 2025

A Note Verbale (No. 10-152/DGRM/2023) from the Ministry of Foreign Affairs indicates that the Harmonized Approach to Cash Transfers (HACT) does not apply to public institutions such as ministries. This constitutes the explicit official position of the Algerian Government. Additionally, all procurement processes, whether national or international, are governed by the Code des March?s Publics (Public Procurement Code) and must follow the same expenditure procedures e.g. engagement, payment scheduling, and payment issuance through the Treasury. Further, payments to foreign suppliers add an additional layer of complexity, since each wire transfer requires validation by the Treasury and the Bank of Algeria, with the support of a local commercial bank. The Directorate General of Forests (DGF) is a public institution (institution publique) fully integrated into the State?s budgetary and administrative framework, and it adheres to national accounting and procurement regulations. As such, the DGF is institutionally different from entities such as CREG and ONEDD - mentioned above e.g. GEF ID 11438: GEF Agency UNIDO and executing entity CREG; GEF ID 10170: GEF Agency FAO and executing entity ONEDD. ONEDD and CREG are Public Establishments of an Industrial and Commercial Nature (?tablissements Publics ? caract?re Industriel et Commercial ? EPICs). As such, ONEDD and CREG are financially independent and adhere to commercial law, rules and regulations. Consequently, CREG and ONEDD can hold project accounts and issue contracts directly and more independently, as opposed to DGF. The mandates of CREG (Electricity and Gas Regulation) and ONEDD, the national observatory responsible for monitoring and assessing the state of the environment and sustainable development in Algeria, are not connected to forest management. As a regulatory commission and an observatory, respectively, these institutions lack both the mandate, and the technical or human capacities required to implement a forestry project of this magnitude.

The Ministry of Environment and Quality of Life (formerly Ministry of Environment and Renewable Energy) is a public institution, fully integrated into the State?s budgetary and administrative framework. MoEQL adheres to national accounting and procurement regulations. In this case, as per the request of the Government of Algeria, the UNDP has provided limited support to the project activities in GEF ID 10080 project: GEF Agency UNDP and executing entity Ministry of Environment and Renewable Energy.

In this situation, the OFP held further discussions with the DGF and issued a new execution support letter dated on 11 August 2025, which has been uploaded to the portal. In the letter, the IP has designated the DGF, and the OFP?s letter to the GEF Secretariat outlines the rationale for this choice, highlighting the relevance of the DGF?s mandate. Specifically, the OFP confirmed that the DGF will provide overall supervision and guidance, while UNDP will support international procurement and the recruitment of international experts and consultants, as these functions cannot be undertaken directly by the DGF under national regulations.

Lastly, experience from other projects also shows that when PMUs are recruited under national systems, mobilization is often delayed due to rigid civil service procedures and uncompetitive salary scales. For a large, complex, multi-site project such as Aleppo Pine, this would jeopardize results. UNDP support offers a practical solution by facilitating timely and competitive recruitment through its procedures.

UNDP 6 Aug 2025

The General Directorate of Forests, (Direction G?n?rale des For?ts (DGF), under the Ministry of Agriculture and Rural Development, has been designated as the Implementing Partner (IP) for this project, the government has requested limited execution support for key services, due to several financial and regulatory challenges explained below. The National Implementation Modality (NIM), which is based on a formal request from the Government of Algeria conveyed through Note Verbale No.10-152/DGRM/2023 dated 28 March 2023 (annex 19), puts constraints of the ability of UNDP to conduct a full independent assessment of capacities and risks associated with public institutions. As the aforementioned Note Verbale, no national public entity is eligible for capacity assessments under HACT (Harmonized Approach to Cash Transfers). UNDP applied a Partner Capacity Assessment Tool (PCAT) for DGF in early 2023 (see annex 18) and while it confirmed that DGF presents a low implementation risk in programme and project management, procurement capacity has been assessed as presenting a moderate risk.

The project will therefore proceed under national execution in full compliance with GEF policy, leveraging DGF?s proven capacity and leadership. At the same time, the Government of Algeria has formally requested UNDP?s provision of targeted support services to complement national execution and address specific structural and procedural constraints that continue to affect Algeria?s public procurement and financial systems. The OECD?s *Revue du syst?me de passation des march?s publics en Alg?rie* (2019) highlights that the Public Procurement Regulatory Authority (ARMP), foreseen under the 2015 Presidential Decree, has not yet been established, leaving critical institutional reforms incomplete and constraining full application of modern, competitive procurement practices. These findings are echoed by the African Development Bank?s *Dialogue Note 2023?2027*, which notes that Algeria has not yet finalized its Benchmarking Public Procurement Assessment (BPAR) and therefore cannot rely fully on its national procurement system for Bank-financed operations, underscoring persistent institutional gaps. Both assessments point to procedural delays, limited competition, and administrative complexity, particularly in international procurement and foreign currency transactions, as ongoing challenges.

In response to these documented constraints, the government has requested that UNDP provide targeted support services, particularly for international procurement, contracting, and financial operations, to ensure timely, efficient, and transparent project implementation. These services will complement DGF?s strong institutional capacity by mitigating procedural bottlenecks, aligning procurement with international standards, and maintaining the project?s pace and effectiveness without undermining national ownership or accountability.

In summary, while national execution remains the appropriate modality, consistent with GEF policy and Algeria?s institutional capacities, the documented gaps in the national procurement system justify UNDP?s complementary support services, as requested by the government. These measures will ensure that the project meets its ambitious objectives efficiently and in full alignment with both national priorities and international best practices.

5.3 Core indicators
a) Are the identified core indicators calculated using the methodology and adhering to the overarching principles included in the corresponding Guidelines (GEF/C.62/Inf.12/Rev.01)?
b) Are the project's targeted contributions to GEBs (measured through core indicators and additional listed outcome indicators) /adaptation benefits reasonable and achievable?
Are the GEF Climate Change adaptation indicators and sub-indicators for LDCF and SCCF properly documented?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/3/2025):

3. cleared

RR (8/11/2025):

1. Cleared

2. Cleared

3.

a. Based on the description of restoration activities to be conducted over the 500 ha as opposed to 50,000 ha, it seems that the first area is a full scale restoration (reforestation) and the gap used for this on the EXACT tool is appropriate. But for the 50,000, this restoration is not expected to occur at the same scale, hence the gap should be smaller - please use tier 2 to manually reduce this gap. It seems that using 30% of degradation instead of the default value of 40% in the situation without the project (cell #AU-14 in module 5.1) would be a good landing ground to reflect this difference in outcomes.

b. Given the nature of improved practices described for the 293,175 ha and the large area used, the gap computed (which is the same as full scale restoration activities) is too large. Please use Tier 2 to manually reduce this gap and reach a more conservative estimate. It seems that using 45% of degradation instead of the default value of 60% in the situation without the project (cell #AU-15 in module 5.1) would be a good landing ground to reflect this difference in outcomes.

RR (7/1/2025):

1. Could you please clarify, for core indicator 3, the repartition of restoration efforts? It seems in particular that if agroforestry-based restoration is envisaged, then perhaps not the entire area should be reported as a forest area under restoration but also part of it as agricultural area under restoration? could you please also distinguish the practices that will be implemented for assisted natural regeneration and those that will be implemented for active restoration, and clarify how these practices would be sufficient to ensure long term restoration in view of the threats identified in the rationale section on these landscapes?

2. Could you please clarify, for core indicator 4, how the supported management plans would be supported towards implementation in practice through the project ? The current justification under the table describes an effect that seems to be relatively indirect for now.

3. There is no updated EXACT sheet on core indicator 6. The latest available has a result of 16 Mt. Could you please upload an up to date calculation sheet in line with more refined data collected during PPG stage? In particular, it seems that from restoration actions to be conducted 8MtCO2e seems quite high (as noted at PIF stage) and that perhaps the hectarage used as input in the calculation should be reduced to focus on smaller portions where more clarity is available on direct impact from the project.

Agency Response

UNDP 21 September 2025

3. a-b. The GHG emissions calculations have been adjusted as proposed, resulting in an estimated total GHG benefit of 3,302,669 tCO_2e, reduced from the previous value of over 8 million tons.

UNDP 6 Aug 2025

1. **The forest restoration efforts under the project will focus on two main approaches and is reflected in the Output 2.1.1 (page 23 of CEO ER).**

   Reforestation through Repopulation: This method targets forest areas with high production potential, generally distant from human activity. It involves rehabilitating ecosystems by promoting natural regeneration where possible, or, if necessary, through direct seeding or planting nursery-grown plants (reforestation). This approach prioritizes restoring ecosystems in areas protected from human interference.

   Agroforestry Restoration: This approach, suitable for areas with significant human activity, integrates tree and fodder species in harmony with the forest ecosystem. It may also include beekeeping, utilizing honey-producing species to foster biodiversity and generate income for local communities. These areas will gradually transition to agroforestry systems, engaging local populations sustainably. The introduction of fodder and honey-producing species also promotes cultural and biological diversity.

   In both cases, the public domain status of forest areas will remain unchanged, with forest activities conducted under Law No. 23-21. Restoration efforts, including assisted natural regeneration and active restoration, will ensure long-term success if technical conditions and monitoring are met. Measures like supplemental watering and area protection for at least five years will be implemented, as stipulated in the law.

   Assisted natural regeneration involves soil tilling to promote seed germination, while active restoration uses direct seeding or planting locally grown plants for reforestation. In both cases, local communities will play a critical role in ensuring long-term sustainability and benefiting from these activities.

2. **Tangible support for implementation of management plans is delivered primarily through Component 2: Conservation, sustainable management and forest landscape restoration. Specifically, Output 2.2.1 (page 24 of CEO ER) supports the implementation of these plans through inclusive co-management approaches with local communities, with key practical interventions including:**

   ? Prioritizing and executing forest management activities such as silviculture, integrated pest management (e.g., for bark beetles), strengthening fire prevention systems, and implementing sanitary cutting programs for infested trees;

? Promoting sustainable resource use by defining harvesting quotas for wood and non-wood forest products, managing grazing patterns, and diversifying species with climate-resilient varieties;

? Developing sustainable value chains and facilitating market access for responsibly sourced forest products, with a strong focus on generating green jobs and income for women and local communities (Outputs 2.2.2 and 2.2.3)

? Mobilizing local communities and providing them with inputs, tools, equipment, and training to actively participate in implementing these plans, thereby integrating their knowledge and ensuring equitable benefit sharing

This comprehensive approach ensures that the project directly drives the adoption of sustainable practices, transforming the targeted landscapes and enhancing their productive capacities

3. **An updated EX-ACT analysis has been uploaded. Please note that, as a result of this update, Core Indicator 6 has increased slightly, to 8,564,546, this despite the decrease in the restoration target from 76,500 ha to 50,500 ha. One reason for the increase is that, in this round, account has been taken of the effect of SFM across the large-scale landscape.**

   To avoid confusion, it has now been indicated that the total area covered by management plans is actually 343,675 ha. This area consists of 50,500 ha restoration area and 293,175 ha of area under improved practices.

5.4 Risks
a) Is there a well-articulated assessment of risk to outcomes and identification of mitigation measures under each relevant risk category? Are mitigation measures clearly identified and realistic? Is there any omission?
b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?
c) Are environmental and social risks, impacts and management measures adequately assessed and rated and consistent with requirements set out in SD/PL/03?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/3/2025):

Cleared

RR (8/11/2025):

1. Thank you for the clarification - please include the description of how the overall risk rating was identied in the related column in the Key risks Table. Currently this shows mostly empty on the portal.

2. This will be addressed in other sections. Cleared

RR (7/1/2025):

1. Please describe how the Overall risk rating was identified in the related column. Also, the overall rating is noted as substantial, but only one of the categories has this rating, while most of the others are moderate or low. Overall taking the average/median value, it would make more sense to use a Moderate rating (unless you estimate that the one specific substantial risk identified is so structural that it prevails over all others?).

2. See comments on execution arrangements and reflect in related risks.

Agency Response

UNDP 21 September 2025

The Key Risks Table has been updated on the portal to include a description of how each overall risk rating was identified. Explanations have been added in the related column, clarifying the rationale behind the likelihood and impact assessments that led to the final ratings.

UNDP 6 Aug 2025

1. **Thank you for your review of the risk assessment. In accordance with UNDP?s risk categorization methodology, the overall project risk rating is determined by the highest individual risk category identified across all the risks. The social and environmental risk categorization is rated as ?Substantial,? and other six risk areas were assessed at a ?Moderate? level. Taken together, and in line with UNDP?s internal risk framework, this results in overall risk rating of ?Substantial.? This rating reflects UNDP?s commitment to proactively identifying and managing potential challenges during implementation. The detailed risk ratings are provided in CEO ER page 41.**

2. **The proposed execution arrangements remain the same, therefore the related risks unchanged except overall risk level which is now indicated as ?Moderate?.**

5.5 For NGI Only: Is there a justification of the financial structure and of the use of financial instrument with concessionality levels?

Secretariat comment at CEO Endorsement RequestN/A

Agency Response

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities
6.1 a) Is the project adequately aligned with Focal Area objectives, and/or the LDCF/SCCF strategy?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes, this was well elaborated on at PIF stage and confirmed since.

Agency Response
6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors).

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes, this was well elaborated on at PIF stage and confirmed since.

Agency Response
6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes, this was well elaborated on at PIF stage and confirmed since.

Agency Response
7 D. Policy Requirements
7.1 Are the Policy Requirement sections completed?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response
7.2 Is the Gender Action Plan uploaded?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response

7.3 Is the stakeholder engagement plan uploaded?

Secretariat comment at CEO Endorsement Request

Cleared

RR (8/11/2025):

1. Cleared

RR (7/1/2025):

1. Please see comment below in connection with safeguards

Agency Response

7.4 Have the required applicable safeguards documents been uploaded?

Secretariat comment at CEO Endorsement Request

Cleared

RR (8/11/2025):

1. Cleared

2. Cleared

RR (7/1/2025):

Yes. But please see comment below:

1. Clarifying engagement with Indigenous Peoples and enhancing risk assessment: while the project description indicates engagement with Indigenous Peoples (and uses the related project tag), Annex D (?SES Template?) suggests otherwise, stating that Standard 6 does not apply. Could you please review and clarify this inconsistency? Also since in question 5, subsection 5 ?Displacement and Resettlement?, indicate potential grievance mechanisms/actions. In line with this could you please ensure the ESS address more comprehensively potential risks, impacts, and the establishment of appropriate grievance redress/mechanisms as appropriate?

2. Further detailed stakeholder engagement plan: Please include in the relevant stakeholder engagement plan document outlines of how Indigenous Peoples, local communities, and other key actors will be meaningfully consulted and actively involved throughout the project cycle based on the above. This should reflect principles of Free, Prior and Informed Consent (FPIC) where applicable and be consistent with relevant environmental and social standards.

Agency Response

UNDP 6 Aug 2025

1. **We confirm that there is no mention of Indigenous Peoples in the project description, and the concept of the Indigenous People doesn?t apply to the project sites. The groups residing in and around forest areas are referred to as local communities, a terminology consistently used in national legal, institutional,**

and social contexts. We fully recognize the importance of robust risk management and grievance mechanisms in ensuring environmental and social sustainability. However, the current ESS already reflects the level of risk identified through screening and is proportionate to the scale and scope of the project activities, which do not involve land acquisition, involuntary resettlement, or other actions likely to trigger significant displacement impacts. As such, introducing additional layers of risk assessment and grievance mechanisms at this stage would not be consistent with the project?s risk profile, nor with established national procedures. The project remains fully committed to addressing any grievances that may arise through the standard channels already in place under national law and institutional practice.

2. **As previously clarified, the concept of Indigenous Peoples, as defined under international standards, does not apply in the project sites. The groups concerned by this project are local communities, who are already covered through culturally appropriate and meaningful consultation processes embedded in the national framework. The stakeholder engagement plan reflects this reality and ensures that local communities and other key actors are informed, consulted, and engaged throughout the project cycle in a manner that is inclusive, transparent, and aligned with both national practice and international good practice where relevant. Overall, the project aims to ensure alignment with the national context, respect for the country?s legal and institutional frameworks, and proportionality to the actual risks and impacts of the project. We remain committed to meaningful engagement with all relevant stakeholders throughout implementation and to addressing any concerns that may arise in a timely and effective manner.**

8 Annexes
Annex A: Financing Tables
8.1 GEF Financing Table and Focal Area Elements: Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):
STAR allocation?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response
Focal Area allocation?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response
LDCF under the principle of equitable access?

Secretariat comment at CEO Endorsement RequestN/A

Agency Response
SCCF A (SIDS)?

Secretariat comment at CEO Endorsement RequestN/A

Agency Response
SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat comment at CEO Endorsement RequestN/A

Agency Response
Focal Area Set Aside?

Secretariat comment at CEO Endorsement RequestN/A

Agency Response
8.2 Project Preparation Grant (PPG)
a) Is the use of PPG attached in Annex: Status of Utilization of Project Preparation Grant (PPG) properly itemized according to the guidelines?

Secretariat comment at CEO Endorsement Request

RR (11/14/2025):

1. Noted

RR(11/3/2025)

1. Considering that it is explicitly prohibited, please (i) specify the amount utilized in ?Travel expenses of representatives of UNDP?; then (ii) return this amount to the Trustee following the provisions included in the Financial Procedures agreement signed between UNDP and the Trustee.

RR (8/11/2025):

1. The list is still not in line with guidelines, as it does not clarify the activity and purpose of each expense. Please specify each item of expense in line with itemization outlined in the GEF guidelines on the project and program cycle policy. Each line whould clarify the activity (e.g. travel, technical assessment, workshop, screening, etc) and associated purpose (e.g. stakeholder consultation, technical feasibility, E&S input, fiduciary screening, etc).

As annex was uploaded providing this information - please use this annex to update the table on the portal entry. It is ok if the table is longer as a result.

RR (7/1/2025):

1. The PPG use is not in line with guidelines. Please note that preparation of the project document is supposed to be covered by the GEF Agency Fee and is not an eligible expense. Only inputs to the project design can be covered by the PPG. Please specify each item of expense in line with itemization outlined in the GEF guidelines on the project and program cycle policy. Each line whould clarify the activity (e.g. travel, technical assessment, workshop, screening) and a purpose (e.g. consultation, technical feasibility, E&S input, fiduciary screening, etc).

Agency Response

UNDP 12 November 2025

1. Thank you for your comment. In reference to the query regarding expenditures under the category ?Travel expenses of representatives of UNDP,? we confirm that an amount of USD 799.58 was utilized under this budget line. In compliance with the Financial Procedures Agreement signed between UNDP and the Trustee, this amount will be returned to the Trustee accordingly. The refund process has been initiated in line with UNDP?s financial regulations and procedures.

UNDP 21 September 2025

1. The use of the PPG has been revised and is now aligned with the GEF guidelines and the information presented on page 61 of the CEO Endorsement Request.

UNDP 6 Aug 2025

1. **The use of the PPG has been revised and is now aligned with the GEF guidelines and the information presented on page 57 of the CEO Endorsement Request.**

8.3 Source of Funds
Does the sources of funds table match with the amounts in the OFP's LOE?
Note: the table only captures sources of funds from the country's STAR allocation

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response

8.4 Confirmed co-financing for the project, by name and type: Are the amounts, sources, and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?
e.g. Have letters of co-finance been submitted, correctly classified as investment mobilized or in-

kind/recurring expenditures? If investment mobilized: is there an explanation below the table to describe the nature of co-finance? If letters are not in English, is a translation provided?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/3/2025):

Cleared

RR (8/11/2025):

1. More details would be needed for item c and d which for now do not seem to be linked with the project. This is critical as they represent the vast majority of the proposed co-financing. Could you please clarify whether the priority watersheds covered in the watershed restoration programme include the project's three target areas, and whether the rehabilitation and extension of the great green dam also features this geographic overlap?

1.bis. Please also further clarify, for all four items, how they are expected to articulate with specific activities to be undertaken under the project.

2. Noted the difference in categorization. Pending on addressing comment above.

3. Cleared

RR (7/1/2025):

1. The qualitative rationale linking the overall proposed co-financing with project activities is clear, but we need your help in better understanding how the numbers provided fit into this picture at a more granular level :

a. "National Programme on the three project sites through the National Fund for Rural Development and the Sectoral Development Plan (2020-25): $55 295"

> Is this part of the in-kind or investment portion? Could you please clarify the type of activities that is entailed by this line in connection with the project?

b. "National forestry inventory and National Programme for Forest Development (2021-24): $ 3,639,750"

> Is this part of the in-lind or investment portion? given the amount, it seems unlikely that this would correspond to in-kind contributions.

c. "Watershed Restoration Programme (development of mountain areas and combat against land degradation and desertification 2020-23): $ 19,072,292"

> It seems that this is split between in-kind and investment? Could you clarify the repartition and the type of activities that is entailed by this line in connection with the project?

d. Actions targeting the Great Green Dam (Barrage Vert): $950,000

> Is this part of the in-kind or investment portion? Could you please clarify the type of activities that is entailed by this line in connection with the project?

e. In-kind contribution of the DGF: $290,000

> Is this part of the in-kind or investment portion? Could you please clarify the type of activities that is entailed by this line in connection with the project?

2. In connection with the above, the contribution as recurrent expenditures seems currently quite high. Given that recurrent expenditures are usually only for staff costs and for portions of equipment use and maintenance directly linked to the project, it seems that perhaps a share of the 7.2 M$ is provided as grant rather than recurrent expenditures. Thank you for clarifying/revising as needed.

3. Please submit a translation into english of co-financing letters.

Agency Response

UNDP 21 September 2025

1. c and d. The Watershed Restoration Programme (2020?2023, USD 19,072,292, in-kind) and the Great Green Dam (Barrage Vert) programme (USD 950,000, in-kind) both present strong geographic and thematic synergies with the project?s three intervention areas. The ?Watershed Restoration Programme? covers the wilayas of Batna, Djelfa, Sidi Bel Abb?s, and Khenchela, which overlap with the project?s target sites, thereby ensuring complementarity in activities such as reforestation, fruit plantations, soil stabilization, erosion control, and integrated sustainable land management. These interventions directly support the project?s goals of combating land degradation, enhancing vegetation cover, improving soil protection, and building resilience to climate change. Similarly, the ?Great Green Dam programme?, which operates across 13 wilayas, overlaps with four project pilot areas?Khenchela, Biskra, Batna, and Djelfa?creating direct synergies through large-scale reforestation, water and soil conservation works, natural regeneration, dune stabilization, and rural infrastructure improvements. While Sidi Bel Abb?s lies outside the Green Dam?s perimeter, the program?s actions nonetheless reinforce the project?s objectives by restoring ecosystems, improving water and soil management, and contributing to local livelihoods and green job creation. These two national programmes provide significant in-kind contributions that are fully consistent with the project?s strategic focus on land restoration, landscapes under improve practices and ecosystem resilience.

1.bis. All four co-financing programmes are closely linked with the project?s activities on land restoration, landscapes under improved practices, and livelihoods improvement. The National Programme implemented through the National Fund for Rural Development and the Sectoral Development Plan (2020?2026) complements project interventions by financing land rehabilitation, reforestation, soil conservation, and community support actions and livelihood components. The National Forestry Inventory and the National Programme for Forest Development (2021?2027) will provide essential data and planning frameworks to guide reforestation, forest management, and biodiversity conservation measures, thereby strengthening the project?s capacity to apply improved practices at the landscape level. It reflects the ongoing efforts of the DGF to maintain and update the national forest inventory and to implement the national forest development program. These are core national functions of the DGF, carried out on a continuous basis and directly supporting the baseline and monitoring needs of the project. The Watershed Restoration Programme (2020?2027) overlaps geographically with the project?s sites and supports activities such as reforestation, erosion control, soil stabilization, and integrated land management, which directly contribute to land restoration and ecosystem resilience under the project. Finally, the actions targeting the Great Green Dam (2023?2030) bring large-scale interventions in reforestation, dune stabilization, water and soil conservation, and rural infrastructure that are complementary to project objectives, particularly in enhancing ecosystem services, creating ecological corridors, and supporting local communities with improved livelihoods and green jobs. Collectively, these national programmes provide in-kind support that is fully aligned with and reinforcing of the project?s core activities, ensuring both geographic and thematic synergies.

2. please see above explanation.

UNDP 6 Aug 2025

We confirm that all the contributions mentioned below are in-kind contributions, reflecting direct field interventions by the DGF as part of its national prerogatives and ongoing programs, aligned with and supportive of the project objectives. These contributions are not new investments or separate budget allocations, but rather the monetized value of national programs and actions already planned and implemented by the DGF, which are synergistic with the project. Specifically:

a. National Programme on the three project sites through the National Fund for Rural Development and the Sectoral Development Plan (2020-25): $55,295
This is an in-kind contribution representing DGF?s field activities on the three targeted sites, including reforestation, soil conservation, and community support actions already underway and aligned with project activities.

b. National forestry inventory and National Programme for Forest Development (2021-24): $3,639,750
This is also an in-kind contribution. It reflects the ongoing efforts of the DGF to maintain and update the national forest inventory and to implement the national forest development program. These are core national functions of the DGF, carried out on a continuous basis and directly supporting the baseline and monitoring needs of the project.

c. Watershed Restoration Programme (development of mountain areas and combat against land degradation and desertification 2020-23): $19,072,292
This amount is entirely in-kind as well. It covers DGF?s interventions in priority watersheds, through soil stabilization, afforestation, erosion control, and sustainable land management activities, which are consistent with the project?s land restoration and ecosystem resilience goals. There is no cash transfer or new investment outside the regular national programs.

d. Actions targeting the Great Green Dam (Barrage Vert): $950,000
This is an in-kind contribution from DGF?s ongoing activities related to the rehabilitation and extension of the Great Green Dam, which contribute to combating desertification and improving ecosystem services in areas overlapping with the project.

e. In-kind contribution of the DGF: $290,000

This is confirmed that the $290,000 contribution from the DGF is recurrent expenditure, not an investment. This amount corresponds to the estimated value of staff time, office space, use of equipment, and other logistical and operational support that the DGF will provide throughout the implementation of the project. These are costs borne by the DGF through its regular budget, directly supporting the project?s activities.

1. We acknowledge that the amount of recurrent expenditures may appear high; however, it accurately reflects the scale of the institutional and operational support provided through regular budget allocations. This is in line with national budgeting practices, where such contributions are not treated as separate investments or grants but as part of the government?s recurrent commitments to sustain forestry programs.

2. The co-financing letter from DGF, in English, has been provided and uploaded to the GEF portal.

Annex B: Endorsements
8.5 a) If ? and only if - this is a global or regional project for which not all country-based interventions were known at PIF stage and, therefore, not all LOEs provided:
Has the project been endorsed by the GEF OFP/s of all GEF eligible participating countries and has the OFP name and position been checked against the GEF database at the time of submission?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response
b) Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response
c) Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat comment at CEO Endorsement RequestN/A

Agency Response
Annex C: Project Results Framework
8.6 a) Have the GEF core indicators been included?
b) Have SMART indicators been used; are means of verification well thought out; do the targets correspond/are appropriate in view of total project financing (too high? Too low?)
c) Are all relevant indicators sex disaggregated?
d) Is the Project Results Framework included in the Project Document pasted in the Template?

Secretariat comment at CEO Endorsement Request

Cleared

RR (11/3/2025):

cleared

RR (8/11/2025):

1. Given that further reduction in core indicator 6 is expected - please also reflect this change here.

RR (7/1/2025):

1. Could you please see comments in core indicator section and reflect in the results framework as needed?

Agency Response

UNDP 21 September 2025

The GHG emissions calculations have been adjusted as proposed, resulting in an estimated total GHG benefit of 3,302,669 tCO2e, reduced from the previous value of over 8 million tons. The updated calculation result has been uploaded to the portal.

UNDP 6 Aug 2025

Responses to comments in the core indicator section have been reflected in the results framework as appropriate.

Annex E: Project map and coordinates
8.7 Have geographic coordinates of project locations been entered in the dedicated table? Are relevant illustrative maps included?

Secretariat comment at CEO Endorsement Request

Cleared

RR (7/1/2025):

Yes

Agency Response

Annex G: GEF Budget template
8.8 a) Is the GEF budget template attached and appropriately filled out incl. items such as the executing partner for each budget line?
b) Are the activities / expenditures reasonably and accurately charged to the three identified sources (Components, M&E and PMC)?
c) Are TORs for key project staff funded by GEF grant and/or co-finance attached?

Secretariat comment at CEO Endorsement Request

Cleared

RR(11/3/2025):

cleared

RR (7/1/2025)

1. The right template is used, but budget should be revised in light of revisions to be made to execution arrangements.

Agency Response

UNDP 6 Aug 2025

As noted above, safeguard-related costs had already been shown under Component 1, so no changes are needed here.

Annex H: NGI Relevant Annexes
8.9 a) Does the project provide sufficient detail (indicative term sheet) to assess the following criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments.
b) Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments.
c) Is the Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat comment at CEO Endorsement RequestN/A

Agency Response

Additional Annexes

9. GEFSEC DECISION

9.1.GEFSEC Recommendation
Is the project recommended for approval

Secretariat comment at CEO Endorsement Request

RR (11/20/2025):

Cleared and recommended for approval

RR (11/14/2025):

final clarification pending

RR(11/3/2025):

final issues to address, thank you for resubmitting.

RR (7/1/2025) :

Thank you for resubmitting with highlights to track changes made.

9.2 Additional Comments to be considered by the Agency during the inception and implementation phase

Secretariat comment at CEO Endorsement RequestSee above

9.3 Review Dates

	CEO Approval	Response to Secretariat comments
First Review	**7/1/2025**	**8/7/2025**
Additional Review (as necessary)	**8/11/2025**	**10/2/2025**
Additional Review (as necessary)	**11/3/2025**	**11/14/2025**
Additional Review (as necessary)	**11/14/2025**	
Additional Review (as necessary)		