

## STAP guidelines for screening GEF projects

Part I: Project Information	Response
<b>GEF ID</b>	10385
<b>Project Title</b>	Mainstreaming Natural Capital Values into Planning and Implementation for Sustainable Blue Economic Growth in Indian Coastal Districts
<b>Date of Screening</b>	November 13 2020
<b>STAP member screener</b>	Rosie Cooney
<b>STAP secretariat screener</b>	Virginia Gorsevski
<b>STAP Overall Assessment and Rating</b>	<p><b>Minor</b></p> <p>STAP welcomes this project from UNEP focused on mainstreaming the consideration and incorporation of natural capital (NC) values into planning and implementation of efforts toward sustainable "Blue Economy" growth in coastal districts of India.</p> <p>The focal areas are clearly highly valuable from an ecological and livelihood perspective and are threatened by infrastructure and economic development processes that to date are failing to adequately incorporate ecosystem values into planning.</p> <p>This project sets out a suite of targeted activities that seek to embed fuller consideration of the diverse ecological values of these areas into planning. STAP welcomes the well thought-through and clear theory of change, identifying key assumptions that underpin achievement of the steps toward the final impact.</p> <p>While generally viewing this as a well-planned and important initiative, STAP recommends that focused attention is given in further project planning to a key assumption underlying the project's logic: that making natural capital values explicit will necessarily change behavior.</p>

	<p>There are many (e.g. economic, political) reasons that greater knowledge/visibility on NC values may not change behavior, and strategies to address the incentives faced by major players directly to leverage changes in behavior are recommended. Further, STAP notes many biodiversity mainstreaming projects take a long time - well over the lifespan of a single GEF project and recommends considering in planning what approaches can be developed to maintain this area of activity over the longer term.</p> <p>Finally, specific points are highlighted in this screen regarding embedding climate change projections for NC values in target areas into planning and articulating what lessons can be learnt from other efforts (GEF-funded or otherwise/in India or elsewhere) for achieving similar objectives.</p>	
<b>Part I: Project Information</b> <b>B. Indicative Project Description Summary</b>	<b>What STAP looks for</b>	<b>Response</b>
Project Objective	Is the objective clearly defined, and consistently related to the problem diagnosis?	The objective of the project is “To enhance biodiversity conservation and environmental sustainability of critical coastal landscapes in India by integrating natural capital and ecosystem services values in District-level blue economy strategy and spatial planning processes, and coastal sector operations”. The intervention aims at a paradigm shift in the economic development model, investment portfolio and policy framework to enable a sustainable blue economic growth model in India, with protection and sustainable use of marine and coastal NC resources as a core element.
Project components	A brief description of the planned activities. Do these support the project’s objectives?	Activities are clearly laid out, and support the project's objectives
Outcomes	A description of the expected short-term and medium-term effects of an intervention.	These are clearly laid out, although a clear (ideally graphic) TOC would considerably help in linking short to medium to long term impacts

	Do the planned outcomes encompass important adaptation benefits?	of this intervention. Many of the benefits from this project are likely to only accrue well after the end of the funding period, so making the scope of the impacts expected at different time scales here would be very valuable.
	Are the global environmental benefits/adaptation benefits likely to be generated?	This depends on at least one key assumption, that making NC values explicit and visible will actually change behaviour of public and private actors. The reason these actors act in ways that largely ignore or overlook NC is not just lack of awareness of these values, so there needs to be concrete mechanisms and strategies to actually effect change - see further discussion below.
Outputs	A description of the products and services which are expected to result from the project. Is the sum of the outputs likely to contribute to the outcomes?	Yes, broadly, although see major caveat re achievement of outcome 2.1, and noting some of these processes may take considerably longer than the project duration.
<b>Part II: Project justification</b>	A simple narrative explaining the project's logic, i.e. a theory of change.	
<b>1. Project description.</b> <b>Briefly describe:</b> 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)	Is the problem statement well-defined?	Yes. Across these two wetland sites past development has not taken natural capital and ecosystem services into account and has degraded ecosystem services (habitat loss, overfishing, hydrological disruption, pollution, etc). Currently investment and infrastructure initiatives threaten to dramatically upscale these threats
	Are the barriers and threats well described, and substantiated by data and references?	The threats are clearly articulated at the two sites. The root causes are rather superficially addressed. The logic of this proposal largely rests on the contention that making NC values in these sites clear and explicit will lead to policy/planning/decision-making that incorporates those values better and thereby reduces the ongoing degradation of ecosystems. Given this, it would be good to see more explicit discussion of how/to what extent this lack of visibility and recognition of ecosystem values does underlie the problems and threats we see. If this link is not clear, then changing

		<p>this is unlikely to address the problem. Root causes identified also include population and consumption growth - it would be good to see more explicit consideration in the proposal of these dynamics and how the intervention is likely to affect them. There is a lot of overlap between the root causes and the barriers here (e.g. lack of awareness/visibility of NC values feature in both) which ideally should be at least conceptually disentangled. Barriers include lack of systemic support for integration of NC into the SNA, lack of integration of NC info into the national decision-support tools NES and GRIDSS, lack of basic information on ecosystem services and their values, inadequate knowledge and capacity for integrating NC values into development/economic activity (including into risk analysis frameworks, core business models and investment decisions; and lack of partnerships/networks. This section is quite repetitive and could be clarified.</p>
	<p>For multiple focal area projects: does the problem statement and analysis identify the drivers of environmental degradation which need to be addressed through multiple focal areas; and is the objective well-defined, and can it only be supported by integrating two, or more focal areas objectives or programs?</p>	<p>N/A</p>
<p>2) the baseline scenario or any associated baseline projects</p>	<p>Is the baseline identified clearly?</p>	<p>Other ongoing initiatives that form the backdrop of this project are clearly articulated. I would have liked to see a quantitative or at least qualitative assessment of what the biodiversity loss (in ha or some other metric) would be without this project going ahead compared to with this project, as it looks like the primary impact of this project will be in terms of averted loss of biodiversity rather than actual gain. Re GRIDSS, it will be really important to capture in some way environmental attributes that are not grid-based, such as connectivity and hydrological flows. How will these be captured and reflected in valuation of NC?</p>

	Does it provide a feasible basis for quantifying the project's benefits?	Not quantitative - a qualitative assessment of the project's benefits against baseline (with the ecosystem degradation/biodiversity loss expected) would be possible but is not done.
	Is the baseline sufficiently robust to support the incremental (additional cost) reasoning for the project?	It is not explicit but can be readily inferred.
	For multiple focal area projects:	N/A
	are the multiple baseline analyses presented (supported by data and references), and the multiple benefits specified, including the proposed indicators;	N/A
	are the lessons learned from similar or related past GEF and non-GEF interventions described; and	N/A
	how did these lessons inform the design of this project?	N/A
3) the proposed alternative scenario with a brief description of expected outcomes and components of the project	What is the theory of change?	<p>There is a good TOC, which shows the interrelationships between pathways and enables identification of key assumptions - great to see this.</p> <p>Essentially, the capacity and mechanisms (across a number of domains - technical, financial, institutional) will be set in place to enable analyses and assessments of NC values and the impacts of development on them; ecosystem values will be integrated into planning and development in the Blue Economy context through focused strategy development, spatial planning, and integration of NC protocols by major development players; and this will be scaled up through knowledge-sharing, capacity-building and networking. There may need to be more explicit consideration of the incentives for major development/economic players to integrate NC into their planning/activities, and how the disincentives can be overcome. Presumably this represents a cost to them compared to business as usual - what will incentivise them to change practice, in the absence of regulatory</p>

		requirements to do so? The projected financing mechanisms are very vague - they include "voluntary compliance" (not clear how this is a financing mechanism) and "offsets" (which is only a way to compensate for damage occurring, not incentivise better conservation). There is consideration of ecological fiscal transfers - not clear where the funding to enable these would come from.
	What is the sequence of events (required or expected) that will lead to the desired outcomes?	See above.
	What is the set of linked activities, outputs, and outcomes to address the project's objectives?	See above.
	Are the mechanisms of change plausible, and is there a well-informed identification of the underlying assumptions?	See above. Assumptions are not made particularly clear, but there are many here. The core one is that making ecosystem/NC values clearer will actually change practice. There are many reasons why economic or political actors may favour business as usual over integrating NC considerations, even where these are clear and overlooking them has costs to society as a whole. Explicit consideration of the incentives facing different actors, and the power relationships that determine whose interests are likely to prevail, is strongly recommended in further stages of project planning.
	Is there a recognition of what adaptations may be required during project implementation to respond to changing conditions in pursuit of the targeted outcomes?	No.
5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund, LDCF, SCCF, and co-financing	GEF trust fund: will the proposed incremental activities lead to the delivery of global environmental benefits?	Yes, the benefits aimed at are in the nature of avoided loss rather than actual gains against baseline, but if successful would constitute GEBs.
	LDCF/SCCF: will the proposed incremental activities lead to adaptation which reduces vulnerability, builds adaptive capacity, and increases resilience to climate change?	N/A
6) global environmental benefits (GEF trust fund)	Are the benefits truly global environmental benefits/adaptation benefits, and are they measurable?	They are GEBs and are estimable at least.

and/or adaptation benefits (LDCF/SCCF)		
	Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?	Yes, if project is successful.
	Are the global environmental benefits/adaptation benefits explicitly defined?	No - the on-ground benefits are primarily in the nature of avoided losses due to planned infrastructure/economic expansion being made more ecologically sensitive, but this is not made explicit. General terms such as "improved management" do not capture the key dynamic that these habitats/areas are the focus of major infrastructure plans that would have major detrimental impacts on them, and this project will reduce those negative impacts. The project also aims at more diffuse but nonetheless extremely important benefits of ecosystem valuation in government and corporate systems: this is difficult to translate directly into on-ground benefits (like many mainstreaming initiatives), yet these systemic changes are likely to be very important in the long-term for delivering biodiversity benefits.
	Are indicators, or methodologies, provided to demonstrate how the global environmental benefits/adaptation benefits will be measured and monitored during project implementation?	No, this needs strengthening.
	What activities will be implemented to increase the project's resilience to climate change?	See below for recommendations on this aspect.
7) innovative, sustainability and potential for scaling-up	Is the project innovative, for example, in its design, method of financing, technology, business model, policy, monitoring and evaluation, or learning?	The core innovation is making ecosystem/NC values explicit and visible. Whether this will drive the kinds of behaviours envisaged involves some key assumptions (i.e. that this will change government, corporate and consumer behaviour)- addressing these through interventions, or highlighting them as key risks to be monitored and managed should be a focus of further planning.
	Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?	Yes, this is quite clear.

	Will incremental adaptation be required, or more fundamental transformational change to achieve long term sustainability?	This project aims at setting in one element of fundamental transformational change, toward an economy that understands and reflects the importance of natural capital in underpinning social and economic wellbeing and resilience.
<b>1b. Project Map and Coordinates.</b> Please provide geo-referenced information and map where the project interventions will take place.		Maps are provided.
<b>2. Stakeholders.</b> Select the stakeholders that have participated in consultations during the project identification phase: Indigenous people and local communities; Civil society organizations; Private sector entities. If none of the above, please explain why. In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.	Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers?	This seems quite comprehensive, although many groups are noted for later consultation rather than having been consulted to date. It is important to highlight the complexity of determining natural capital values, and the need to fully involve and reflect the values of local community stakeholders and user groups whose cultures and livelihoods are directly or indirectly dependent on ecosystem values in this process.  This is not a simple or quick process and needs to be carefully planned in further stages of planning. This IUCN work may be helpful <a href="https://www.iucn.org/commissions/commission-environmental-economic-and-social-policy/our-work/people-nature-pin">https://www.iucn.org/commissions/commission-environmental-economic-and-social-policy/our-work/people-nature-pin</a> .
	What are the stakeholders' roles, and how will their combined roles contribute to robust project design, to achieving global environmental outcomes, and to lessons learned and knowledge?	Stakeholders are key to project durability - the project is aiming to change some systemic levers in public and private realms, so engaging these stakeholders strongly from the outset will be critical to their full adoption of the changes sought and the impacts of the project after the funding period. It is likely that many of these systems will take much longer than this funding cycle to change so (in line with many

		mainstreaming projects) planning over a much longer time horizon is recommended.
<p><b>3. Gender Equality and Women’s Empowerment.</b> Please briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis). Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes/no/tbd.</p> <p>If possible, indicate in which results area(s) the project is expected to contribute to gender equality: access to and control over resources; participation and decision-making; and/or economic benefits or services.</p> <p>Will the project’s results framework or logical framework include gender-sensitive indicators? yes/no/tbd</p>	<p>Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?</p>	<p>The consideration of gender is quite comprehensive - however, it is important to add here that gender-specific perspectives on identifying/defining ecosystem values is an important element to add into further planning. Women and men are likely to have divergent sets of values regarding key ecosystem benefits and values due to gendered roles and responsibilities.</p>
	<p>Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed?</p>	<p>Yes, see above.</p>
<p><b>5. Risks.</b> Indicate risks, including climate change, potential social and environmental risks that might prevent the project</p>	<p>Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project’s control? Are there social and environmental risks which could affect the project?</p> <p>For climate risk, and climate resilience measures:</p>	<p>Yes, they are largely things outside the project's control. See the key assumption highlighted above - this needs to be addressed within project planning or highlighted as a risk.</p>

<p>objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design</p>	<ul style="list-style-type: none"> <li>• How will the project’s objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately?</li> <li>• Has the sensitivity to climate change, and its impacts, been assessed?</li> <li>• Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with?</li> <li>• What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures?</li> </ul>	<p>There are social risks which could affect the project. For instance, local communities could oppose the project developments due to livelihood impacts.</p> <p>Climate change impacts are identified as a risk, and the project is viewed as contributing to addressing these through enhancing resilience of the targeted areas. However, it should be noted that climate change to 2050 could lead to rapidly changing NC values over time, spatial plans showing NC values and setting out biodiversity-friendly routes for infrastructure being rapidly out of date, or infrastructure being severely damaged or unviable in these areas (meaning improved practice in Rebuild Kerala or Sagarmala being irrelevant, if these entities are no longer targeting these areas). It is recommended that climate change projections for these areas are integrated from the outset in assessment of NC values, and values are projected out to at least 2050 to ensure that aspects like biodiversity movements, connectivity, and hydrological function are planned to be maintained not under current conditions but in the face of expected climate change.</p> <p>Climate change projections relevant for these sites, plus interpretation of what they mean for ecosystem values, and then implications of expected changes for planning/management measures, all need incorporation into this project - and the local capacity built to do this.</p>
<p><b>6. Coordination.</b> Outline the coordination with other relevant GEF-financed and other related initiatives</p>	<p>Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects?</p>	<p>No - there is no indication of this, and such knowledge and learning (if there are relevant projects) would be extremely valuable. What other GEF or non GEF projects have tried to achieve similar outcomes? What was learnt from them?</p>

	Is there adequate recognition of previous projects and the learning derived from them?	No – see above.
	Have specific lessons learned from previous projects been cited?	No – see above
	How have these lessons informed the project’s formulation?	No – see above
	Is there an adequate mechanism to feed the lessons learned from earlier projects into this project, and to share lessons learned from it into future projects?	This is very vague and should be developed further in project planning, particularly regarding clearly articulating lessons and sharing them into future projects.
<b>8. Knowledge management.</b> Outline the “Knowledge Management Approach” for the project, and how it will contribute to the project’s overall impact, including plans to learn from relevant projects, initiatives and evaluations.	What overall approach will be taken, and what knowledge management indicators and metrics will be used?	No details are provided at this time.
	What plans are proposed for sharing, disseminating and scaling-up results, lessons and experience?	This is only dealt with in very general terms at this stage.

Notes

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

<p><b>3. Major issues to be considered during project design</b></p>	<p>STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical methodological issues, barriers, or omissions in the project concept. If STAP provides this advisory response, a full explanation would also be provided. The proponent is strongly encouraged to:</p>
	<p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised; (ii) Set a review point at an early stage during project development including an independent expert as required. The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p>