GEF-8 PROJECT IDENTIFICATION FORM (PIF)

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General Project Information

Project Title

Supporting Country's Policy Coherence for Nature-Positive and Resilient Agrifood Systems through the Policy Optimization Tool Lab (PolOpT Lab)

Region	GEF Project ID
Global	12324
Country(ies)	**Type of Project**
Global Chile Costa Rica Uzbekistan Nigeria Mozambique	MSP
GEF Agency(ies):	**GEF Agency ID**
FAO	763766
Executing Partner	**Executing Partner Type**
ODEPA Chile	Government
Ministry of Ecology - Uzbekistan	Government
Federal Ministry of Food Security - Nigeria	Government
GEF Focal Area (s)	**Submission Date**
Biodiversity	4/28/2026

Project Sector (CCM Only)

Taxonomy

Demonstrate innovative approache, Influencing models, Strengthen institutional capacity and decision-making, Transform policy and regulatory environments, Land Degradation, Focal Areas, Climate Change, Mainstreaming, Biodiversity, Climate Change Mitigation, Gender Mainstreaming, Gender Equality, Capacity Development, Capacity, Knowledge and Research, South-South, Knowledge Exchange, Innovation, Training, Knowledge Generation

Type of Trust Fund	Project Duration (Months)
GET	48
GEF Project Grant: (a)	**GEF Project Non-Grant: (b)**
1,776,484.00	0.00
Agency Fee(s) Grant: (c)	**Agency Fee(s) Non-Grant (d)**
168,765.00	0.00
Total GEF Financing: (a+b+c+d)	**Total Co-financing**
1,945,249.00	2,000,000.00

PPG Amount: (e)	PPG Agency Fee(s): (f)
50,000.00	4,750.00
PPG total amount: (e+f)	Total GEF Resources: (a+b+c+d+e+f)
54,750.00	1,999,999.00
Project Tags	
CBIT: No NGI: No SGP: No Innovation: No Competitive Window: No	

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. The explanation and justification of the project should be in section B “project description”.(max. 250 words, approximately 1/2 page)

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. The explanation and justification of the project should be in section B “project description”. *(max. 250 words, approximately 1/2 page)*

Agrifood systems contribute to greenhouse gas emissions and environmental degradation, limiting countries’ ability to meet commitments under multilateral environmental agreements and achieve the Sustainable Development Goals. Current agrifood policy frameworks often generate conflicting incentives across sectors, leading to inefficient resource allocation, environmental harm, and missed opportunities to address climate change, restore land, and conserve biodiversity.

At the same time, agrifood systems can become a central driver of transformative solutions. A key challenge is to enable this transformation without compromising economic growth and social development, particularly in the context of fiscal constraints and declining development finance. While existing tools track public expenditures and financial flows, they mainly highlight financing gaps and do not assess whether resources are allocated cost-effectively or how they can better achieve environmental, economic, and social outcomes simultaneously.

This project addresses this policy innovation gap by strengthening the capacity of GEF beneficiary countries to transform agrifood systems into engines of environmental and economic benefits. It will do so through scaling FAO’s Policy Optimization Tool (PolOpT) via a dedicated PolOpT Lab. Building on FAO’s MAFAP programme and its expansion under the GEF Food Systems Integrated Programme (FSIP), PolOpT supports governments in identifying optimal reallocations of existing agrifood budgets across sectors and policies.

Through tailored tool adaptation, capacity building, technical assistance, and knowledge sharing, the project will enhance policy coherence and decision-making. Expected results include improved allocation of agrifood budgets, increased collaboration, and measurable environmental benefits such as reduced emissions, improved land use, and strengthened resilience—without increasing fiscal pressure.

Indicative Project Overview

Project Objective

To strengthen the capacity of GEF beneficiary countries to design and implement coherent, evidence-based investment plans that integrate environmental, economic, and social priorities

Project Components

Project Components 1. PolOpT Lab operational

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
500,000.00	400,000.00

Outcome:

1. PolOpT Lab is fit-for-purpose to build the capacity of GEF beneficiary countries on optimizing policies for policy coherence

Indicators
PolOpT Lab is operational and continuously supports five participating countries and national partners

PolOpT web-based interface developed and training documentation ready for its use by national executing partners

Output:

1.1.1. PolOpT Lab established as a platform that brings together FAO, international, and national experts to advance global knowledge on related to policy coherence

1.1.2. Updated version of PolOpT to increase its functionality and relevance for MEAs

1.1.3. PolOpT web-based interface developed, documented, and ready to be transferred to national partners in the five target countries

2. Five countries advance towards policy coherence through agrifood policy optimization

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
1,000,000.00	1,000,000.00

Outcome:

2.1. Target countries have the capacity, through national partners and the PolOpT Lab, to generate evidence, inform coherent national or sectoral agrifood policies and investment plans

Indicators
-Informed by PolOpT evidence, number of countries that carry out a participatory process to prioritize their policies and investments, with a target of five countries.

-Based on PolOpT evidence and a multi-stakeholder consultation, number of countries that implement more coherent policy reform or design and adopt/ adjust a national agriculture program or investment plan, with a target of at least four countries

-Number of countries that include women's groups/ relevant gender stakeholders in multi-stakeholder consultation and that implement gender-responsive policy reform or design and adopt a gender-responsive national agriculture program or investment plan, with a target of five countries

-Core Indicator 4: Number of hectares under improved management through policy coherence, with a target of 370,000 ha (Nigeria: 10,000 ha; Mozambique 60,000 ha; Uzbekistan: 300,000 ha; Chile and Costa Rica: tbd during PPG phase)

-Core Indicator 6: Tons of GHG emissions reduced through policy coherence, with a target of 215,000 tons of CO2 avoided (Nigeria: 45,000 tCO2; Mozambique: 65,000 tCO2; Uzbekistan: 105,000 tCO2; Chile and Costa Rica: tbd during PPG phase)
-Core Indicator 11: Number of beneficiaries from coherent policies, with a target of 258,000 no longer living in poverty, half of them women (Nigeria: 38,000 people; Mozambique: 182,000 people; Uzbekistan: 38,000 people; Chile and Costa Rica: tbd during PPG)

Output:

2.1.1. National micro-level analysis completed in five countries to provide PolOpT with country-specific empirical basis and report on findings

2.1.2. PolOpT base scenario (business-as-usual) constructed specifically for each country

2.1.3. PolOpT policy optimization scenarios developed for the five countries with systematic results, including a policy stack or ranking of policy-support measures by commodity to prioritize/deprioritize

2.1.4. PolOpT web-based interface is functioning in each of the five countries with national data and transferred to country experts by PolOpT Lab experts through a capacity building program

2.1.5. Policy optimization notes and briefs co-developed and published with each national government.

2.1.6: Micro- and georeferenced-level feasibility analyses and reports focused on specific priorities co-developed for each of the five countries

3. Knowledge management and learning

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
140,000.00	400,000.00

Outcome:

Knowledge and innovations on agrifood system transformation through policy optimization is effectively generated and managed, so that country projects are at the cutting edge of best practice, and in turn, collectively catalyze the transformation of awareness and practice at national and global levels

Indicators
Number of international events organized to share experience on policy coherence, with a target of two events

Number of events and knowledge products that integrate a gender lens.

Number of "new" countries that, based on the results and experiences generated through this project, including through "south-south" dissemination activities, request similar support from the PolOpT Lab.

Output:

3.1.1 Capacity building program for national institutions from the five countries on (i) participatory processes for policy coherence, and (ii) use of the web-based interface of PolOpT to analyze policy scenarios

3.1.2 Contribution to global public goods on policy coherence, including participation in international fora

M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)

50,000.00	100,000.00

Outcome:

ME.1. Project Monitoring and Evaluation system supports effective project delivery

Indicators

-M&E system supports effective program delivery

Output:

ME1.1. Project M&E system designed and operational

ME1.2. Project evaluations completed on time to support project delivery and knowledge sharing

ME1.3. Monitoring Reports submitted on time to the GEFSEC

Component Balances

Project Components	GEF Project Financing ($)	Co-financing ($)
Project Components 1. PolOpT Lab operational	500,000.00	400,000.00
2. Five countries advance towards policy coherence through agrifood policy optimization	1,000,000.00	1,000,000.00
3. Knowledge management and learning	140,000.00	400,000.00
M&E	50,000.00	100,000.00
Subtotal	**1,690,000.00**	**1,900,000.00**
Project Management Cost	86,484.00	100,000.00
Total Project Cost ($)	**1,776,484.00**	**2,000,000.00**

Please provide justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Briefly describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

Context

1. Policy coherence is recognized as a critical mechanism to narrowing the Nature Funding Gap, but if left unattended, incoherent policies can hamper the world's ability to reverse current environmental trends and reach its nature-positive targets. Strengthening policy coherence can improve intersectoral coordination, although outcomes depend heavily on local contexts. The Global Environment Facility (GEF) has made policy coherence a strategic priority and a key lever for systems transformation in its programming directions. The aim is to better align environmental objectives with broader development goals across government sectors. This commitment was reinforced in 2023 with the launch of the Roadmap "Enhancing Policy Coherence through GEF Operations" (GEF/C.64/09), which marked a more deliberate effort to integrate environmental considerations into national and sectoral planning.

2. The proposed Roadmap to enhance policy coherence in GEF operations includes activities such as engaging countries and agencies in policy coherence, building a tool for assessing policy coherence, developing knowledge activities and products on policy coherence, and creating a repository of data on the Nature Financing Gap, among others. The proposed project will support the implementation of the Roadmap (i) by providing a concrete approach to measure and assess policy coherence and advance knowledge and learning about policy coherence, (ii) by helping countries understand the tradeoffs that policymakers face when analyzing non-environmental policies that drive negative environmental impacts, and (iii) by providing data and tools that will allow countries to align national and subnational policies to simultaneously target socio-economic and environmental goals.

3. The recently published Eighth Comprehensive Evaluation of the GEF (OPS8) recognizes the efforts made by the GEF Secretariat (GEFSEC) to promote policy coherence as a strategi priority aiming to align environmental objectives with broader development goals across government sectors. The report states that contributions to policy coherence have primarily been through multilevel institutional collaboration and legal reforms. Examples include integrating agrobiodiversity and sustainability principles into national development plans, budget programs, and sectoral policies; formalizing transboundary agreements; and operationalizing data-sharing frameworks among ministries to facilitate the development of climate-resilient legislation. Nonetheless, the programmatic impact of efforts to mainstream policy coherence are constrained by limited understanding of policy coherence and insufficient engagement with finance and planning ministries.

4. Policy coherence is crucial for addressing these challenges and ensuring that environmental, economic, and social policies work synergistically rather than at cross-purposes, and fall within countries' financial means. Coherent policies align incentives across sectors, reduce harmful fiscal support, and promote practices that are not only sustainable but also economically and socially viable, thus enabling countries to meet their commitments under multilateral environmental agreements (MEAs). For example, integrating biodiversity values into national development strategies and budgets can help mitigate the drivers of environmental degradation while fostering sustained and equitable economic growth.

5. Effective policy coherence also facilitates better use of existing resources and interministerial coordination and sends the right signals for the mobilization of additional financial resources and private sector engagement, which are essential for implementing environmental initiatives at scale. By aligning public and private investments with MEA goals, countries can create enabling environments for innovative financial mechanisms like blended finance, nature bonds, and payments for ecosystem services. These approaches not only attract additional funding but also ensure that investments are directed toward impactful and sustainable solutions; nonetheless, they need the right policy environment.

6. Ultimately, policy coherence is a foundational element for achieving systemic change and nature-positive development; it is unavoidable for many countries facing growing fiscal and development aid constraints, and it is needed in all countries of the world given the urgency with which we must protect nature. It promotes integrated governance under the whole government approach, cross-sectoral collaboration, and inclusive decision-making, ensuring that all stakeholders—governments, private sector, civil society, Indigenous Peoples, and local communities—work together under the whole society approach to address environmental challenges. By fostering alignment and reducing trade-offs, coherent policies can amplify the impact of environmental actions, contributing to a healthier planet and sustainable development without compromising economic and social prosperity.

7. Policy coherence will continue to be a priority for the GEF. The GEFSEC's Strategic Vision for its 9th cycle is to generate lasting Global Environmental Benefits that are critical to sustaining a Healthy Planet for Healthy People through four pathways to nature positive development: (i) scaling up adequate and effective funding to meet the needs of developing countries and close the nature financing gap; (ii) integrating the value of nature in development through policy coherence efforts and a whole of government approach, (iii) mobilizing private capital and aligning public and private investments with MEAs; and (iv) engaging the whole of society. Policy coherence remains a critical lever to support the transformation of key systems.

8. Policy coherence is not easily achieved in practice without political will and participatory stakeholder engagement. To ensure these aspects are the engines of policy coherence, countries need tools and innovations that provide them with the evidence needed to make decisions on how to make their policy environments more coherent across the economic, social and environmental dimensions of sustainable development under existing fiscal envelopes. The concept of policy coherence needs to be operationalized through innovative tools.

<u>Baseline in the absence of the project</u>

9. The UN and IFIs are pursuing policy coherence by (1) embedding coherence as a normative principle (via the SDGs and UN system guidance), (2) fostering institutional mechanisms and capacity across sectors and governance levels, and (3) aligning financing, policy tools and monitoring frameworks so that interventions in one area do not undermine – and ideally support – progress in others. These efforts have

been centered around tagging public expenditures and tracking finance flows to target sectors (i.e., food systems, biodiversity) as a key step to analyze gaps and engage key actors for advocacy and awareness. Important efforts include:

- The **Financial Flows to Food Systems (3FS) initiative** supports policy coherence by providing governments and stakeholders with a tool that tracks public, development and (in future) private financing for food systems. By mapping how much and where money is flowing into food systems — including agriculture, infrastructure, nutrition, social assistance, climate and natural resources — the tool helps understand gaps to align financing with national food systems transformations and policy pathways. This is an entry point for better coordination across ministries (agriculture, health, finance), improving transparency of resource allocation, highlighting gaps and misalignments to resolve so as to support investment decisions that are ideally consistent with multiple objectives (food security, nutrition, sustainability, resilience). For example, by revealing that a country's food system expenditure is insufficiently targeting nutrition or climate resilience, 3FS can catalyze adjustments in policy and budget priorities to enhance coherence. Although the 3FS methodology tracks relevant expenditures to food systems based on previously existing classification methodologies, including FAO's MAFAP methodology for measuring financial flows to agricultural development and value chains, it will not suggest how the existing flows could be optimally reallocated to achieve better economic, social and environmental outcomes, or how the additional resources that need to be mobilized to bridge the funding gap should be optimally used to the same end.

- The GEF-Funded **Biodiversity Finance Initiative (BIOFIN)** helps support the policy-coherence agenda by embedding biodiversity finance considerations into national development planning and sectoral policies. It does this through a structured methodology of reviews (policy & institutional review, expenditure reviews, needs assessments) and the creation of Biodiversity Finance Plans, which map the biodiversity-related expenditures, identify gaps and propose mechanisms to mobilize and redirect resources. BIOFIN helps countries analyze and reform subsidies deemed harmful for biodiversity, integrate biodiversity into budget processes, and bring together finance ministries and environment ministries in coherent policy dialogues to advance coherence across the environment, finance, and development sector. The approach however does not allow to say if the solutions being proposed are optimal under the existing financial constraints and/or well aligned with some of the transformational outcomes desired for food systems, including more agrifood output and off-farm jobs in rural areas, as well as less poverty and more healthy diets affordability. Also, subsidies deemed harmful for biodiversity in the BIOFIN approach may be very positive for the economy and people's wellbeing and the compromise that policy makers must achieve through policy coherence to manage this trade-off is not part of the BIOFIN recommendations.

Country level baselines

10. **Chile:** Chile has made important progress in strengthening policy coherence between the agriculture and environment sectors through climate adaptation planning, sustainable water management initiatives and the integration of environmental targets into agricultural strategies. National frameworks increasingly

recognize the interdependence between agricultural productivity, biodiversity conservation and ecosystem resilience, particularly in response to drought and climate change. However, coherence remains a challenge due to tensions between export-oriented agricultural expansion, water-intensive production systems and ecosystem protection goals. Coordination between agricultural, water and environmental authorities is a government priority, while incentives for sustainable land management and agroecological practices are still limited in scale and implementation.

11. **Costa Rica:** Costa Rica demonstrates relatively strong coherence between agriculture and environment, supported by integrated approaches to biodiversity conservation, sustainable agriculture and climate action. Policies promoting agroforestry, sustainable livestock systems and payments for ecosystem services have helped align agricultural production with ecosystem restoration objectives. Institutional coordination between the agriculture and environment sectors is comparatively advanced, and national decarbonization and biodiversity strategies increasingly incorporate food systems considerations. Nonetheless, challenges remain in addressing agricultural intensification, agrochemical use and land-use pressures linked to export crops and tourism development. Local implementation capacity and long-term financing remain constraints to fully integrated territorial management approaches.

12. **Mozambique:** Mozambique has increasingly incorporated environmental sustainability into agricultural and rural development policies, particularly regarding climate resilience, land management and adaptation planning. Agriculture-environment coherence is recognized within national development frameworks, reflecting the country's high vulnerability to climate shocks and dependence on natural resources. However, implementation remains weak due to limited institutional coordination, overlapping mandates and insufficient technical capacity across sectors. Expansion of commercial agriculture, infrastructure and extractive activities continues to generate pressure on forests, soils and water systems. Environmental considerations are often insufficiently integrated into agricultural investment decisions, while enforcement and monitoring capacities remain constrained at provincial and local levels.

13. **Nigeria:** Nigeria has taken steps to improve coherence between agriculture and environmental sustainability through climate-smart agriculture initiatives, land restoration programmes and integration of resilience objectives into sector planning. The latest National Agricultural Sector Investment Plan (NASIP) 2026–2027 used data from PolOpT, supporting stronger alignment between agricultural development, climate adaptation and sustainable natural resource management objectives. Nevertheless, policy coherence remains limited by challenges in inter-ministerial coordination and competing priorities related to food security, energy and economic growth. Agricultural expansion, deforestation, land degradation and unsustainable resource use continue to outpace implementation of integrated environmental management approaches across federal and state levels.

14. **Uzbekistan:** Uzbekistan has strengthened efforts to improve coherence between agricultural development and environmental sustainability, particularly through reforms focused on water efficiency, land restoration and climate adaptation. Policies increasingly recognize the environmental impacts of irrigated agriculture and the need for more sustainable resource management, especially in relation to the Aral Sea crisis. However, significant challenges persist due to continued dependence on water-intensive production systems, centralized governance structures and limited cross-sector coordination. Agricultural and environmental institutions often operate with separate planning and monitoring processes, reducing

policy integration. Implementation capacity, stakeholder participation and incentives for sustainable agricultural practices remain uneven across regions.

15. The proposed project will support national efforts to advance policy coherence by helping governments assess trade-offs and synergies among socio-economic, climate resilience, biodiversity conservation and land restoration objectives.

The use of PolOpT to advance the policy coherence agenda

16. While the efforts listed above are important to advance the coherence agenda across the economic, social and environmental realms, they do not fully answer an important question that goes beyond tracking funding and pointing to financing gaps: **how can countries optimize their complex and sometimes poorly funded policy space under their existing fiscal envelope to achieve competing objectives like economic growth, job creation, poverty reduction, access to affordable healthy diets, climate change mitigation and environmental protection.** This challenge is exacerbated in countries with binding fiscal constraints and lack of access to domestic and foreign financing. The key issue is whether the agrifood system and its agrifood policies can help find and operationalize the answers to this question.

17. PolOpT will facilitate the operationalization of the concept of policy coherence in two primary ways: First, the evidence it generates will demonstrate necessary compromises for optimally allocating agrifood public budgets across various policies and commodities to achieve coherent reductions in greenhouse gas emissions and deforestation, while still enabling transformation within the agrifood sector. This approach ensures continued sector growth, the creation of off-farm rural employment, reduction in rural poverty, and improved affordability of healthy diets—all with environmental friendliness.

18. Second, the optimized agrifood budget will encompass not only agriculture-specific public expenditures (administered through the Ministry of Agriculture) but also related outlays from other government departments that indirectly support agriculture, such as investments in rural roads (Ministry of Transport) and rural electrification (Ministry of Energy). The inclusion of objectives related to job creation, poverty reduction, healthy diets and environmental sustainability will broaden the relevance of this evidence for additional government ministries, particularly the Ministry of Employment and/or Social Development, Ministry of Health, and the Ministry of Environment. The prospective scenarios of PolOpT are itself a tool for which Ministries of Planning have shown considerable interest. The value for public money that budget optimization creates through the tool makes the exercise extremely important for the Minister of Finance. Consequently, PolOpT will provide substantive evidence that fosters vested interests among multiple governmental bodies, facilitating collaborative discussions and informed, coherent decision-making at the inter-ministerial level.

19. Therefore, while this project will center around a very disaggregated version of the agriculture sector (including livestock, fisheries and forestry), it will incorporate other sectors of the economy (mining, infrastructure, manufacturing, and services) as much as the national accounts data of each country allows it. Food systems are a critical entry point for policy coherence, as agriculture strongly shapes land use, water use and emissions. Any policy support for non-agricultural sectors that are well represented in budget and public expenditure data can in principle be optimized. When optimizing agricultural policies, the tool can provide results on production, jobs, exports/imports related to all economic sectors of the economy well represented in the data

20. The coherent way to make such progress is found through optimal reallocations and executions of public spending across policy-support measures and agriculture subsectors. The policy-support measures generally include not only fertilizer and seed subsidies, but also the provision of extension services, mechanization, research and development, feeding/breeding/veterinarian programs, as well as different public investments in key infrastructure, including in priority areas such as irrigation, rural electrification, and rural roads. Consumer taxes/subsidies and social protection policies may also be considered.

21. PolOpT aligns closely with the recommendations of the STAP Council document on policy coherence and provides a practical operational response to several proposed actions for the GEF Secretariat. It supports the development of tools for assessing policy coherence, the generation of knowledge products on policy coherence, and the creation of a repository addressing the nature financing gap. It also addresses key recommended activity packages, including reducing perverse incentives, correcting non-environmental policies that generate negative environmental impacts, supporting private sector alignment with environmental outcomes, and ensuring coherence across subnational, national and regional policy levels. Furthermore, PolOpT contributes to STAP recommendations encouraging countries facing similar challenges to collaborate through integrated programmes or focal areas, as well as advancing concrete approaches to measure and assess policy coherence while strengthening learning and knowledge sharing on the topic. Finally, the program is aligned with GEF IEO 2026 recommendations on policy coherence, namely that that policy coherence interventions are grounded in country contexts (ie. GEF National Steering Committees) and to track outcomes of long-term policy processes.

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Relevant MEAs and SDGs for PolOpT

22. PolOpT can meaningfully contribute to the following Sustainable Development Goals (SDG) and Multilateral Environmental Agreements (MEA) and their goals/targets:

- ***SDG***: PolOpT is particularly relevant for advancing synergies across the SDGs by enabling governments to evaluate how agricultural, environmental and economic policies interact, helping reduce policy fragmentation and improve coherence in national planning frameworks. It can contribute to the following goals:

- SDG 1: End poverty in all its forms everywhere, Target 1.1 (proportion of people living in poverty)
- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, Targets 8.1 related to growth and 8.6 related to employment.
- SDG13: Take urgent action to combat climate change and its impacts, Target 13.2
- SDG15"Life on Land, Target 15.2.

- ***Rio Conventions:*** PolOpT is relevant to the (i) UNFCCC as it can estimate the GHG emissions reduced from implementing coherent policies, linking to NDC processes; (ii) UNCCD as it can estimate the amount of land no longer needed in agriculture while sustaining socio-economic targets, opening the road to restore, conserve, or manage these lands for environmental purposes, linking it to the target setting process; (iii) CBD/KMGBF, contributing to targets 2, 3, 8, 10, and 18 (see Table 2 below);

- ***Chemicals Conventions and SAICM:*** PolOpT supports Chemicals Conventions and SAICM by improving coherence in policies governing agricultural chemicals and fertilizers. It enables assessment of scenarios reducing pesticide and fertilizer overuse, promotes integrated pest management and nutrient efficiency, and limits runoff and soil contamination. This strengthens implementation of SAICM objectives on sound chemicals management and risk reduction.

Current status of development

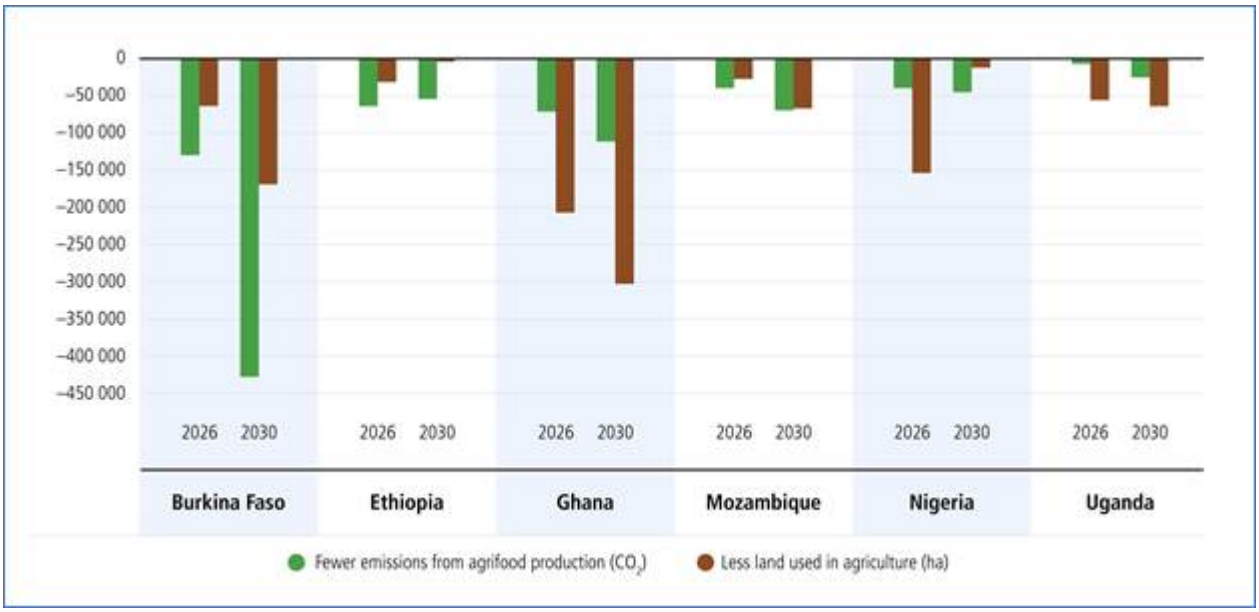
23. ***Gates Foundation support.*** The MAFAP program – under which PolOpT was initially developed – is funded by the Gates Foundation. The tool began to be developed in 2021 and after international peer-reviewing and journal publications in 2022-2023, it was applied with datasets for Burkina Faso, Ethiopia, Ghana, Mozambique, Nigeria and Uganda and began to show very promising results. FAO publications initially showcased, for all six countries, how the tool found that public expenditures will have to be reallocated very differently across policy-support measures and commodities to coherently transform agriculture in order to boost agrifood output, create off-farm jobs in rural areas, reduce rural poverty and make healthy diets more affordable for millions. At this initial stage of deployment of the tool, it informed Burkina Faso's prioritization of sectoral reforms and investments in the medium- and long-term, in the framework of *états généraux* (legislation).

24. ***Alignment with the GEF-funded Food Systems Integrated Program (FSIP, GEFID 11215).*** The MAFAP program joined forces with the FSIP in 2025 and, in the framework of this collaboration, PolOpT has been

extended to include greenhouse gas (GHG) emissions and land use in agriculture, both as outcomes from, or as objectives to pursue, through agrifood budget and policy optimization. Adding minimizing GHG emissions and minimizing the use of land in agriculture increases the functionality of the tool as it enables compromises for agrifood policy coherence to allow for these environmental outcomes while also improving on social and environmental objectives.

25. Preliminary results for climate and land use are very promising despite current agricultural policies not being designed to tackle such concerns. Optimized spending can bring down carbon dioxide (CO_2) emissions and use less land for agrifood production by thousands of hectares (Figure 1). The latter opens opportunities for additional collaboration as the land that would no be longer needed by a most efficient agriculture, could have alternative uses with additional environmental outcomes, as it makes way for reforestation efforts and ecosystem recovery.

Figure 1. Potential environmental gains from optimally reallocating public spending across policy-support measures in the crop and farming sectors, 2026-2030



Source: FAO. 2025. Spending smarter on food and agriculture: Making public spending more effective with FAO's Policy Optimization Tool (PolOpT). https://openknowledge.fao.org/handle/20.500.14283/cd7131en

26. What is equally promising is that such potential environmental gains (and additional ones that could be achieved through reforestation and ecosystem restoration) could be achieved while the economy and people gain without new financing. Agrifood output would increase, thousands of people would find jobs, and millions would no longer be poor while many more could afford a healthy diet (Table 1).

Table 1. Environmental outcomes are not improved at the cost of economic and social outcomes

Potential economic and social gains of optimally reallocating public spending across policy-support measures in the crop farming and livestock sectors, 2026–2030

	Burkina Faso		Ethiopia		Ghana		Mozambique		Nigeria		Uganda	
	2026	2030	2026	2030	2026	2030	2026	2030	2026	2030	2026	2030
Higher agrifood GDP (%)	+2.0	+7.3	+2.0	+3.3	+3.6	+5.2	+4.7	+7.1	+0.4	+0.3	+1.7	+3.1
More off-farm jobs in rural areas	+33 978	+87 844	+40 211	+56 57	+84 351	+114 995	+55 457	+100 690	+108 229	+67 952	+65 880	+93 033
Less people living in poverty	−166 539	−511 102	−537 362	−709 383	−148 623	−186 358	−248 463	−432 313	−260 561	−168 365	−149 840	−163 396
More people who can afford a healthy diet	+387 171	+1 220 828	+2 846 134	+5 077 534	+2 065 331	+2 238 444	+592 067	+964 223	+1 314 858	+749 769	+926 847	+1 142 541

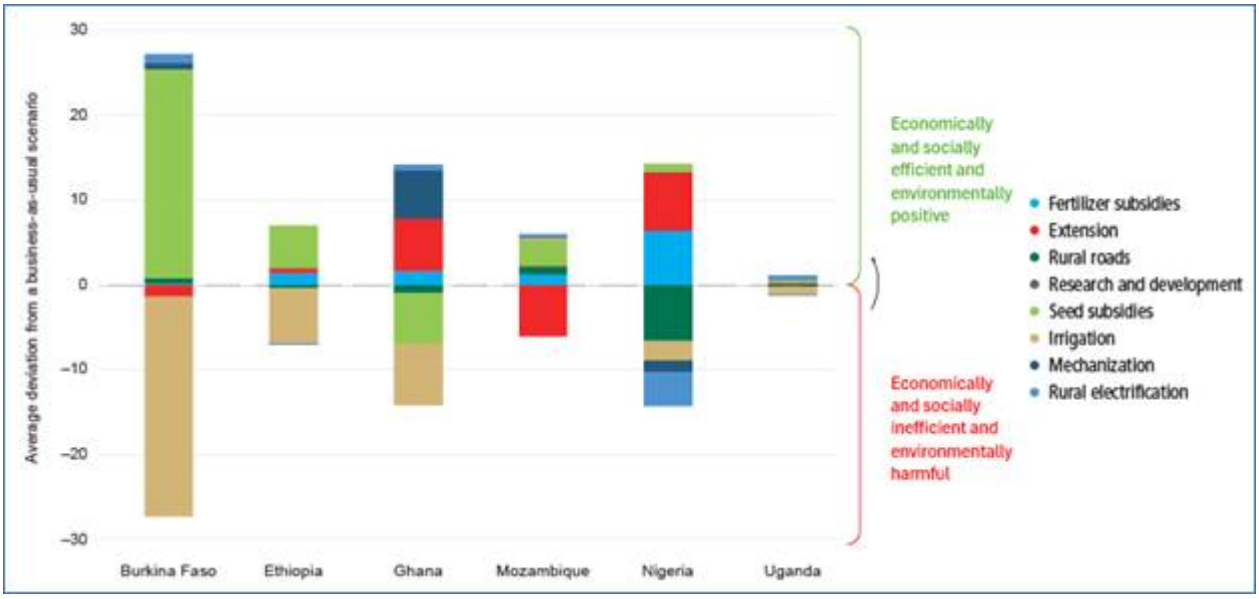
Source: FAO. 2025. Spending smarter on food and agriculture: Making public spending more effective with FAO's Policy Optimization Tool (PolOpT). https://openknowledge.fao.org/handle/20.500.14283/cd7131en

27. PolOpT further allows us to understand the very concrete ways in which the government should reallocate the agrifood budget across policy-support measures and commodities to achieve said environmental, economic and social outcomes under the same fiscal envelope – or, alternatively, even increasing financing. In the case of the six countries for which results are presented above, Figure 2 shows optimal reallocations that vary country by country. This evidence could have significant meaning for informing real world actions that are nature positive. For example, to achieve said results, Burkina Faso or Mozambique should either addresses the cost-inefficiency of their irrigation or extension programs, respectively, or reallocate important percentages of their budget towards other more cost-effective forms of agrifood policy support (Figure 2, panel a). Many countries would also have to allocate more spending on fruits and vegetables to reduce the cost of their healthy diets (Figure 2, panel b).

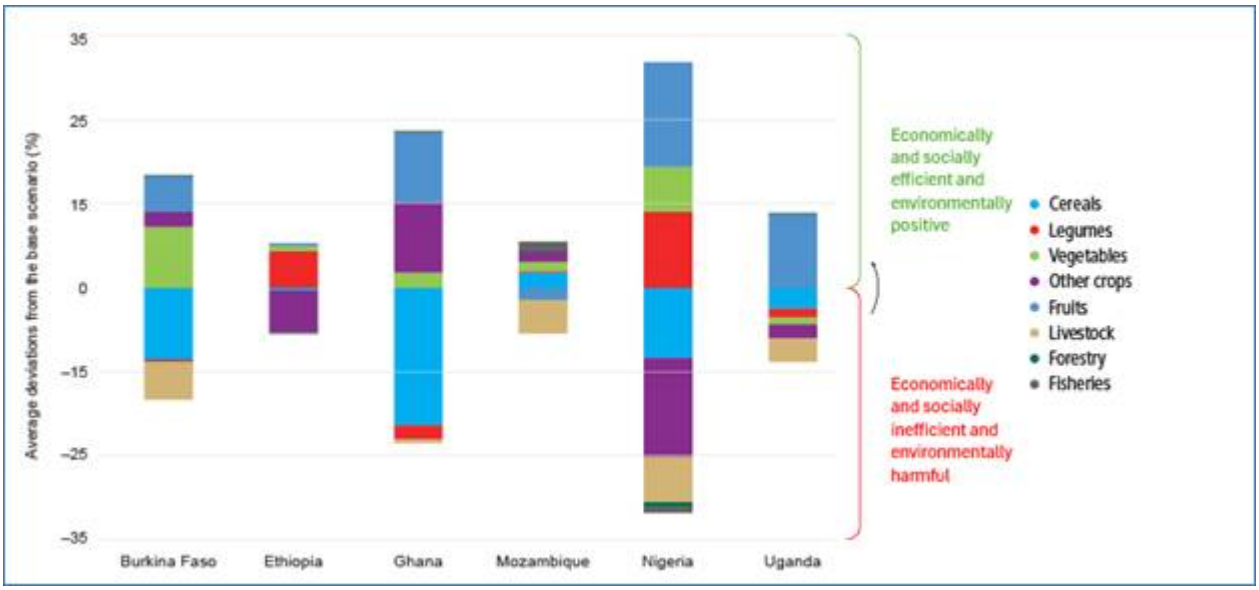
28. Realizing the optimization suggested by PolOpT will also have positive externalities for the private sector. When PolOpT optimizes the allocation of a public budget across agrifood policies and investments, countries can achieve two additional gains. First, the cost-effectiveness of the public policies and investments may increase in the long term, which could mean higher financial returns for the public purse while economic, social and environmental outcomes improve, with the same money. This may beSecond, the cost of production falls for the private sector through the increased economic efficiency (i.e. primary agricultural inputs are cheaper for processors and food is cheaper for the consumer which increases demand) and this enables a better environment for private investment which grows, as a result of which the policy optimization is also catalytic and prompts private investment.

Figure 2. Optimal reallocation of the budget across policy-support measures for crops and livestock to increase agrifood output, generate off-farm jobs in rural areas, reduce poverty, make healthy diets less costly, mitigate GHG emissions from agrifood production, and reduce the use of land in agriculture, 2026-2030 (annual average)

Panel (a)



Panel (b)



Source: FAO. 2025. Spending smarter on food and agriculture: Making public spending more effective with FAO's Policy Optimization Tool (PolOpT). https://openknowledge.fao.org/handle/20.500.14283/cd7131en

29. Through the proposed project, a task ahead for the Lab would be to further develop PolOpT to integrate climate and biodiversity targets specifically aligned with international frameworks such as UNFCCC, KMGBF, and UNCCD. This evolving functionality will reinforce the tool's potential to guide transformative policy action under GEF-8 and potentially GEF-9. Examples of extensions that could be immediately applied to the tool are depicted in Table 2. However, with the evidence that land use in agriculture diminishes and GHG emissions from agrifood production are also reduced (Figure 1), the tool is already making way for the links to some KMGBF targets (e.g., Targets 2, 3, 8 and 10). Furthermore, the tool already speaks to Target 18 of the KMGBF. For example, the reallocations presented in percentage in Figure 2 would represent, at USD prices of 2023, a cumulative 5-year amount of USD 228,034,338 for Burkina Faso, USD 633,811,642 for Ethiopia, USD 137,265,001 for Ghana, USD 37,105,162 for Mozambique, USD 359,940,455 for Nigeria, and USD 38,112,109 for Uganda. In this case, PolOpT provides concrete amounts of public support that are economically and socially inefficient and environmentally harmful while it offers clear guidance to governments on how these resources should be repurposed to be economically and socially efficient and environmentally positive. Such rich evidence for policy coherence has already been used by Nigeria's government in the framework of FAO's MAFAP programme, to inform the National Agrifood Systems Investment Plan (NASIP).

Table 2. Integrating biodiversity in PolOpT in coherence with the Kunming-Montreal Global Biodiversity Framework (KMGBF)

KMGBF target / PolOpT objective	Policy support measures	PolOpT indicators
Target 2 (Restore 30% of degraded ecosystems) / Maximize area restored	• Policy support measures across the agrifood sector • Restoration expenditure	Area under restoration (hectares)
Target 3 (Conserve 30% of land, water and seas) / Maximize protected areas	• Policy support measures across the agrifood sector • Protected areas expenditure • Monitoring and enforcement expenditure	Protected area coverage (hectares)
Target 8 (Minimize the impacts of climate change on biodiversity and build resilience) / Minimize net emissions	• Policy support measures across the agrifood sector • Reforestation and afforestation expenditure/incentives	Carbon stocks and annual net GHG emissions (tons)
Target 10 (Enhance biodiversity and sustainability in agriculture, aquaculture, fisheries and forestry) / Maximize area of sustainable forest and agricultural management	• Policy support measures across the agrifood sector • Expenditure/incentives for sustainable management • Research and extension expenditure	Annual forest area change rate (hectares) Area under productive and sustainable agriculture (hectares)
Target 18 (Reduce harmful incentives by at least $500 billion, and scale up positive incentives for biodiversity) / minimize (maximize) harmful (positive) support	• All of the above	All policy support measures redistributed (- / +) (% of budget)

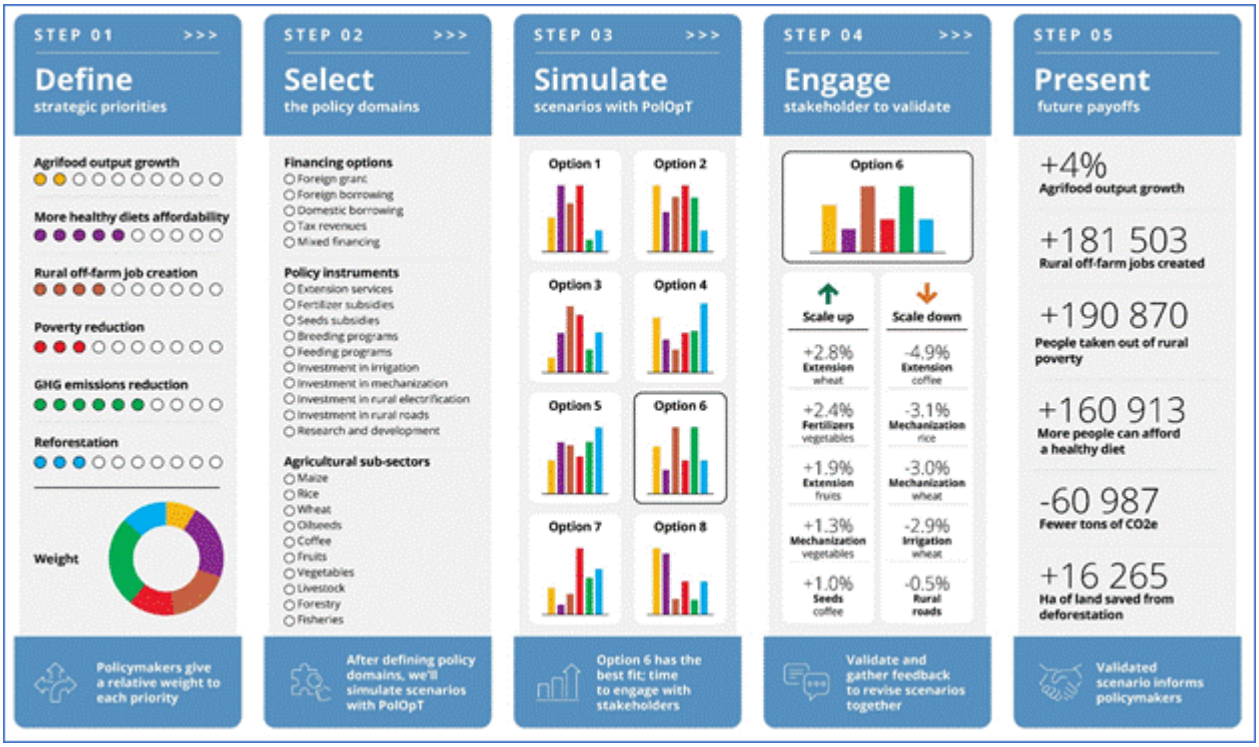
30. Other feasible extensions to further connect the tool with KMGBF targets may include Target 4 related to sustainable fisheries, Target 7 related to reducing pollution that is harmful to biodiversity, and Target 11 related to the restoration, maintenance and enhancement of nature's contribution to people (or ecosystems services). Another possibility for PolOpT extension is Target 16, which considers better consumption choices and less food waste. To incorporate all these targets, not only new resources will be needed but also significant reflection to evaluate how the modeling and integration into PolOpT could be operationalized considering the countries' priorities.

31. In summary, the proposed project will build on efforts started by the FSIP (GEFID 11215) to include environmental considerations into PolOpT as preliminary desk-results developed by FAO are promising. The project will work closely with national partners to implement PolOpT at the national level with the aim of updating national strategies/national plans or update agricultural support (Component 2, Outcome indicator 3). In FSIP countries (ie. Nigeria, Chile and Costa Rica), the project will work closely with national projects to support the implementation of project activities related to policy recommendations.

Key stakeholders

32. Beyond being a tool, PolOpT enables a 5-step process (that can be repeated as many times as needed) to engage key stakeholders at country level (Figure 3). For example, the policy objectives that will be pursued and the policies/commodities that will be optimized are to be selected with policy makers in steps 1 and 2 of the process. Once evidence for different scenarios is generated, this will be discussed with the government and all key stakeholders, and the feedback becomes a critical input to revise scenarios and validate them before providing concrete recommendations to the policy makers. It is critical to engage ministries of several sectors, including Agriculture, Environment, Economy/Finance, Planning, Health, as well as academia and research institutions. In some cases, this process can be aligned with existing policy and planning processes of the country. For instance, in the case of Nigeria, FAO's MAFAP program has drafted the “zero draft” of the next National Agrifood Systems Investment Plan (NASIP), drawing upon heavily on PolOpT scenario results. This draft will now be used by the Ministry of Agriculture as the basis for a country-wide consultation.

Figure 3. FAO’s policy optimization tool to work with countries in defining compromises to coherently pursue economic, social and environmental objectives



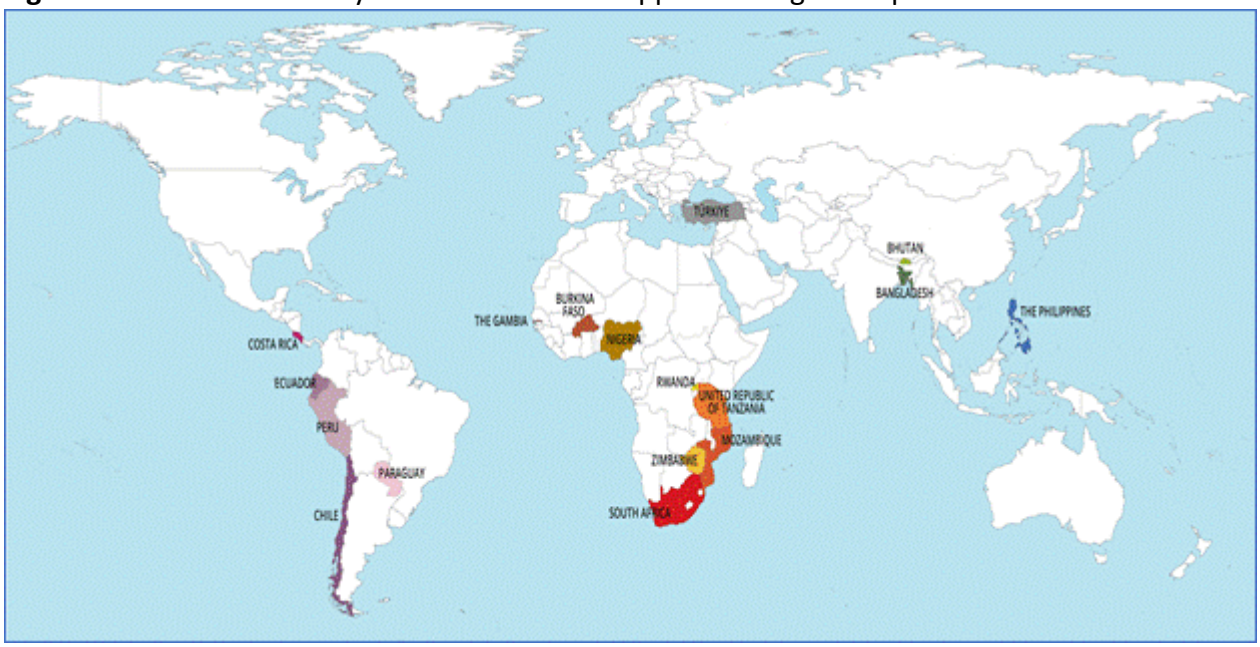
33. While PolOpT is a highly technical/specialized tool run by FAO at the request of the countries, another objective of this program is to develop a web-based interface with PolOpT results to facilitate stakeholder engagement, capacity building, and coherent policy advice. This interface will be transferred to governments as well as academia or national research institutions trusted by those governments, to empower them to optimize country policies. In other words, the proposed program seeks to build national capacities to analyze and optimize agrifood systems budgets to achieve multiple objectives using PolOpT. Other non-state actors like NGOs and the private sector are engaged in the analysis and validation of alternative scenarios and policy recommendations to verify to potential adoption of new priorities or modification to existing support instruments.

PolOpT and country priorities

34. FAO has presented PolOpt to different partners (AU-IBAR, World Bank) and several countries during events such as the First Global Meeting of FSIP countries, the Committee of Food Security (CFS), regional meetings for Africa and Latin America for the sustainable transformation of livestock (in the context of FAO's Committee on Agriculture, COAG), and the Third DSL-IP Southern Africa Regional Stakeholders Workshop in Mozambique (organized by FAO, the Government of Mozambique and the African Forest Forum). To date seventeen countries from four regions (i.e., 8 from Africa, 5 from Latin America, 3 from Asia and the Pacific, and 1 from Europe and Central Asia) have sent letters from their GEF Focal Points expressing interest in getting FAO support to apply PolOpT in their countries (Figure 4). Indeed, country buy-in is very significant

with the final report of the 53rd session of the CFS recommending that FAO organizes a PolOpT briefing for CFS members.

Figure 4. Countries officially interested in FAO support through PolOpT



B. PROJECT DESCRIPTION

Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PIF guidance document. (Approximately 3-5 pages) see guidance here

Theory of Change

1. Efforts to address agrifood-driven degradation face major barriers rooted in economic, institutional, and behavioral factors that reinforce the status quo. Farmers operate on thin margins and lack the financial security, credit access, or technical support needed to invest in regenerative practices. At the same time, agricultural support such as subsidies, insurance schemes, or trade policies often favors high-input, high-impact production models, unintentionally locking producers into practices that degrade soil, water, and biodiversity. Weak enforcement of environmental regulations and limited access to extension services further constrain farmers' ability to adopt sustainable methods.

2. Misaligned incentives remain a central obstacle: without mechanisms that simultaneously address competing objectives like sector growth, access to nutrition food, employment and environmental consideration, stakeholders have little reason to shift away from practices that prioritize short-term gains over long-term ecological resilience. This lack of policy coherence across agricultural, environmental,

climate, trade and social, specifically gender, domains, often results in contradictory signals. For instance, policies may promote fertilizer-intensive crop production while simultaneously funding water-quality improvements or encourage agricultural expansion even as climate targets call for reduced land-use change.

3. These inconsistencies weaken the impact of sustainability initiatives and create uncertainty for farmers and investors. Compounding this challenge is the significant financing gap for biodiversity and climate action: global estimates suggest that hundreds of billions of dollars in additional annual investment are needed to halt biodiversity loss and meet climate commitments, yet current flows remain far below this threshold. Public budgets are often constrained, and private finance is not sufficiently mobilized due to unclear policy signals, perceived risks, and limited investment-ready projects.

4. Figure 5 below presents a schematic view of the project's Theory of Change, including drivers, barriers, assumptions, activities and expected program results. The program will address the following barriers related to creating conditions to allow countries to move towards more coherent agrifood systems policies:

- **Data are not always available or are difficult to collect to carry out detailed policy analysis.** Collecting data for policy coherence assessments is very challenging. Data sources are often fragmented across sectors, institutions, and scales, making integration difficult. Inconsistent definitions and indicators between agriculture, health, and environmental domains hinder comparability. Many countries lack public expenditure data on food production, consumption, and trade, limiting the ability to capture systemic interactions. Informal markets and smallholder activities are frequently underreported, while private sector data remains inaccessible due to confidentiality. Additionally, resource constraints and limited technical capacity in national statistical systems exacerbate gaps, reducing the reliability and timeliness of evidence for coherent policymaking.

The proposed project helps address these gaps by using specific guidelines developed by MAFAP to collect data on agri-food policies by focusing on monetary transfers in public spending, trade, and market policies. Data collection involves identifying all explicit or implicit monetary transfers related to food and agriculture, ensuring the selection of representative commodity samples that cover about 70% of the value of production. The data is collected to analyze policy effects, inform government reforms, and improve policy coherence by using a common methodology with an emphasis on comparable results across countries and time.

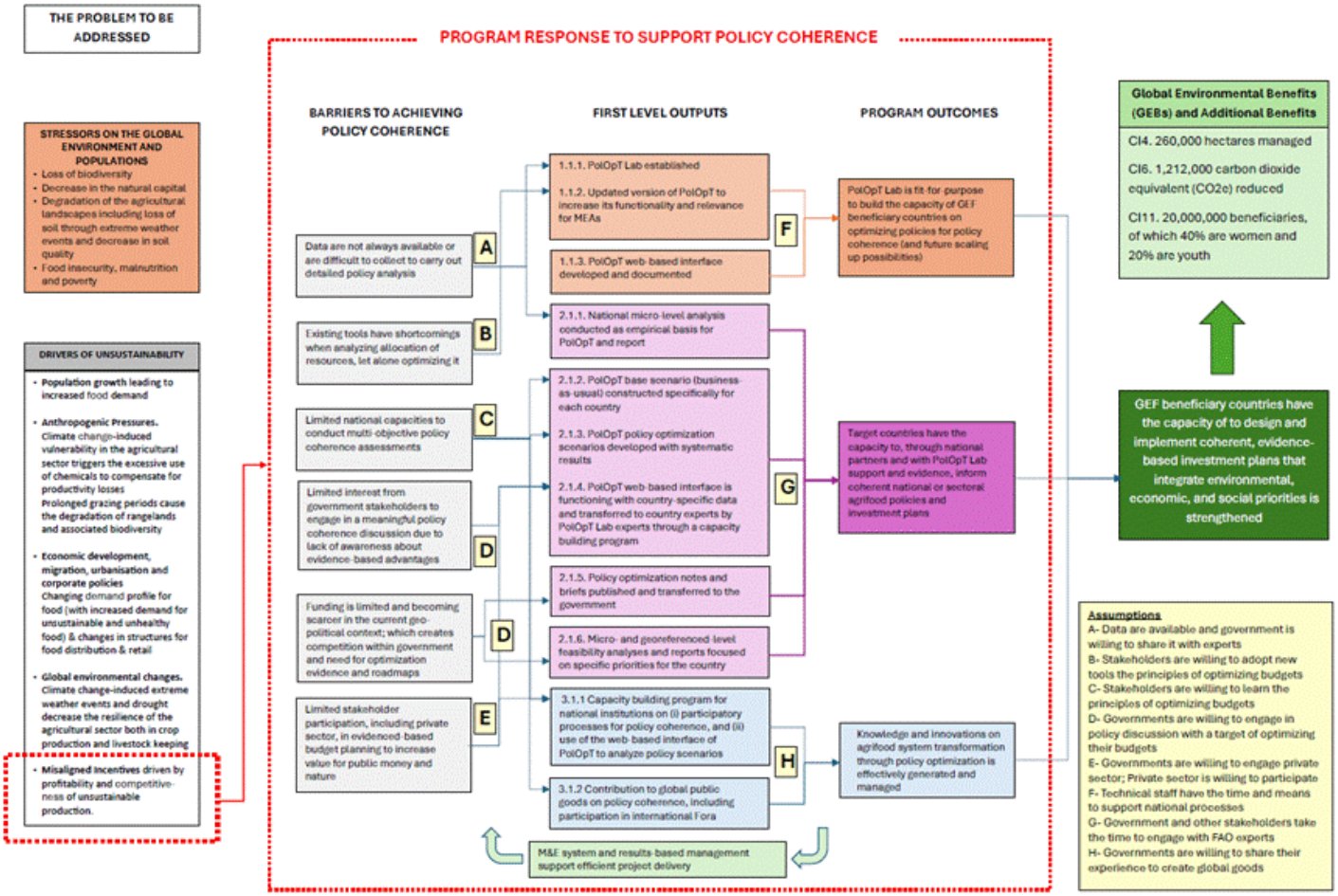
- **Existing modeling tools are complex and have shortcomings when analyzing optimal allocation of resources across different objectives**. As discussed above, existing models like BIOFIN or 3FS track food system and biodiversity related expenditures. These models do not provide information on how the existing flows could be optimally reallocated to achieve better economic, social and environmental outcomes, or how the additional resources that need to be mobilized to bridge the funding gap should be optimally used to the same end. Similarly, it is very important to understand the tradeoffs across sectors to support decision making: subsidies deemed harmful for biodiversity may be very positive for the economy and the

wellbeing of women and men, while the reverse is also true. Policy makers need complete information to manage these trade-offs.

- **Limited national capacities to conduct multi-objective policy coherence assessments.** Multi-objective policy optimization requires specialized knowledge and appropriate tools (i) to construct appropriate baseline/business as usual scenarios, (ii) to obtain systematic results and develop policy optimization scenarios, (iii) to translate those scenarios into policy advice, and (iv) to engage in complex processes to modify policies or regulations reflecting the future vision. It requires engagement with different stakeholders and sectors of the economy which can be both expensive and time-consuming.

To address these issues, the program through the PolOpT Lab, will help governments design the baseline and optimization scenarios, will provide training to national experts on interpreting results, including potential gender dimensions, and turning data into information and recommendations. In addition, a web-based interface will be develop to strengthen country ownership of program results.

Figure 6. Schematic representation of the project's Theory of Change (working document: TOC.docx)



- **Limited interest from government stakeholders to engage in a meaningful policy coherence discussion.** Limited interest from government stakeholders to engage in meaningful discussions poses a major barrier to achieving policy coherence. Competing priorities, political sensitivities, and short-term agendas often overshadow the need for integrated approaches across sectors. Stakeholders may perceive coherence processes as time-consuming or misaligned with immediate national objectives, reducing their willingness to collaborate. Inadequate awareness of the benefits of policy alignment and lack of institutional incentives further discourage engagement. This reluctance hampers dialogue, delays consensus-building, and perpetuates fragmented decision-making, ultimately undermining efforts to address complex challenges such as food security, climate resilience, and sustainable resource management through coordinated and coherent policies.

- **Financing is limited and becoming scarcer in the current geo-political context.** Limited financing is a critical barrier to achieving policy coherence as it creates competition within government for resources, highlighting the need for optimization evidence and roadmaps. Integrated approaches require substantial resources for data collection, stakeholder engagement, capacity building, and monitoring systems. However, budgets are often allocated to sector-specific priorities, leaving little room for cross-sector coordination. Financial constraints hinder the development of analytical tools and institutional mechanisms needed to align policies across agriculture, health, and environment. In many cases, donor funding is fragmented and short-term, making sustained collaboration difficult. Without adequate investment, countries struggle to operationalize coherence frameworks, resulting in siloed decision-making and missed opportunities to address complex challenges such as food security and climate resilience.

- **Limited stakeholder participation, including private sector, in budget planning.** Budget processes often prioritize government-led agendas without adequately considering the perspectives of stakeholders like businesses, civil society, and other actors involved in agrifood systems. This exclusion results in financial allocations that fail to reflect the interconnected nature of agriculture, health, and environmental objectives. Without diverse input, resources are directed toward siloed programs, reinforcing fragmented approaches rather than integrated solutions.

- Moreover, private sector engagement is critical for mobilizing investments to close the funding gaps needed to address climate change and protect biodiversity. Private sector engagement fosters innovation. When excluded from planning, opportunities for co-financing and leveraging market-driven solutions are lost. This lack of collaboration reduces transparency, weakens accountability, and limits the capacity to align public and private actions toward shared sustainability goals. Ultimately, insufficient participation perpetuates inefficiencies and undermines efforts to achieve coherent, inclusive, and resilient policies.

5. **Enablers for the TOC.** Countries are more likely to design and implement coherent, evidence-based investment plans that integrate environmental, economic and social priorities in agriculture when political commitment is combined with strong technical capacity, reliable data systems and economic analysis, and inclusive stakeholder engagement. The availability of fit-for-purpose analytical tools (eg. PolOpT), supported by targeted capacity building and technical facilitation, further enables evidence-based decision-making. At

the same time, raising awareness of the economic and environmental benefits of policy coherence, ensuring adequate resources, and fostering knowledge exchange and robust monitoring systems are essential to sustain adoption and scale impact. These enablers are described in detail below and are fully aligned with the "Assumptions" table in the TOC:

- **Political commitment and leadership.** Strong government ownership and willingness to engage in evidence-based policy dialogue enable prioritization of coherence and sustained reform across sectors.

- **Reliable and accessible data systems and fit for purpose tools.** Availability, sharing, and improvement of national data systems enable credible analysis, evidence-based decision-making, and effective use of new policy optimization tools. Accessible and country-adapted tools, such as PolOpT, enable scenario analysis, resource allocation optimization, and informed policy design across competing objectives

- **Awareness of policy coherence benefits.** Clear evidence, communication, and demonstration of efficiency and sustainability gains enable increased demand and political support for policy coherence approaches.

- **Strengthened national technical capacity.** Investments in institutional and technical capacities enable countries to conduct integrated, multi-objective analyses and manage policy coherence processes independently.

- **Inclusive multistakeholder engagement**. Participation of public, private, and civil society actors enables ownership, legitimacy, and more feasible implementation of coherent policies and investment plans. Platforms such as the PolOpT Lab enable sustained technical support, training, and methodological guidance, bridging global expertise with national implementation.

- **Knowledge exchange and global learning.** Sharing experiences and participating in international fora enable peer learning, diffusion of good practices, and strengthening of global public goods. [TOC | Word]

- **Robust monitoring, evaluation, and learning systems.** Strong MEL frameworks enable adaptive management, track results, and reinforce confidence in policy coherence approaches and their long-term impacts

Project objective

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6. The proposed project's objective is to strengthen the capacity of five GEF countries to design and implement, based on evidence, optimal agrifood policies and investments that help make coherent progress towards environmental, economic, and social objectives. The program will support five countries with the full implementation of the policy optimization support.

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Project components and activities

Component 1. PolOpT Lab operational

7. Under this component, the program will develop the conditions to strengthen countries' capacity to assess and enhance agrifood policy coherence. The program will ensure PolOpT is regularly updated to ensure it keeps up with latest MEAs commitments; will develop a web-based interface to facilitate country ownership and reduce the high technical barrier to implement policy coherence; and will provide technical support to ensure countries can simulate .different policy scenarios as they embark towards policy coherence. This component also offers an entry point for countries to establish explicit connections between national agrifood policies and the targets of the Rio Conventions, enabling more systematic monitoring and reporting. Ultimately, PolOpT would equip countries with practical instruments to track progress toward concrete MEA commitments and improve overall policy effectiveness. To achieve this, GEF funds will be used to implement the following outputs:

Output 1.1.1 PolOpT Lab established

8. A central part of the proposed program is the establishment of a PolOpT Lab cofinanced by FAO and partners. The PolOpT Lab is being conceptualized as a platform that brings together FAO expertise in applied policy modeling for sustainable development as well as international partners and country experts aiming at advancing global knowledge on issues related to policy coherence. The Lab will also offer capacity building for governments and key stakeholders and operational solutions to inform policy reform, programs and investments at country level that are also coherent with the expectations of the three Rio Conventions. The PolOpT Lab will also develop and maintain a web-based PolOpT interface (Output 1.1.3) that beneficiary countries can use to conduct independent policy coherence scenario analysis.

9. GEF resources will be used to ensure technical capacity is available to support the countries participating in the program. This specialized support will include expert time to help build the capacity of GEF beneficiary countries on policy coherence. This goes beyond developing baseline and optimized scenarios---it includes spending time with public planners understanding and choosing basic model parameters, interpreting economic results, and transforming that information into policy advice. It also includes political economy and gender considerations, steps toward understanding legal and reform needs, and behavioral science to ensure uptake of policy recommendations.

Output 1.1.2 Updated version of PolOpT to increase its functionality and relevance for MEAs

10. Under this output, GEF resources will be used to ensure PolOpT is updated to include functionalities relevant to the Rio Conventions. This includes consultation with climate change, biodiversity and land degradation experts to ensure the model can successfully respond to national commitments and the requirements of the relevant MEAs. Some ideas to be developed include:

- Climate change: Currently, the model optimizes climate targets using policy that is not designed to mitigate greenhouse gas emissions. Future work could focus on developing parameters to test alternative policies designed to reduce greenhouse gas emissions (Nature-based Solutions, regenerative agriculture)
- Land Degradation and Biodiversity: Currently, the model analyzes the amount of land needed for agriculture to optimize the selected national objectives (GCP growth, employment, poverty reduction, access to healthy diets). Future work could support the identification, using GIS, of land no longer needed for agriculture and evaluate its potential for conservation or other biodiversity friendly uses. This could be aligned with UNCCD's Target Setting Program.
- Chemicals management: PolOpT allows governments to analyze policies aimed at reducing subsidies or other incentives to fertilizers and pesticides as well as the use of biological alternatives
- Gender Equality and Women's Empowerment: Currently, the model has a number of gender-responsive provisions such as including ensuring gender balance in field samples, and through the stakeholder consultation process. The project will strengthen this dimension through explicit attention to sex-disaggregated data and the interpretation of results with a gender lens. This will include attention to Rio Conventions' gender priorities relating to jobs, poverty and nutrition.

Output 1.1.3 PolOpT web-based interface developed and documented

Finally, the proposed program will support the development of a web-based interface that national institutions can use to model different optimization scenarios, including sex-differentiated ones to support gender-lens investment. This will help build national capacity and enhance independent thinking. PolOpT is a complex general equilibrium model that requires advance knowledge in economics to fully implement it. Nonetheless, the development of a web-based tool in combination with targeted capacity building (under Component 3) will ensure that national counterparts can simulate different policy coherence scenarios.

Component 2. Five countries advance towards policy coherence through agrifood policy optimization

11. Under Component 2, and with the support of the PolOpT Lab, national governments will be equipped with robust, country-specific evidence on how they need to optimally reallocate their budgets in order to make faster progress towards climate and environmental objectives without compromising economic and social goals. By the end of the project, it is expected that five countries will have the capacity to carry out participatory processes that will allow them to design or adopt national agriculture programs or investment plans that could be the basis for an environmentally positive policy reform. The multistakeholder process proposed under PolOpT will engage different ministries (Agriculture, Environment, Finance, Health, Planning, and Energy, ministries responsible for gender and social affairs among others) and proposed concrete reallocations to the budget. This is a concrete step to making agrifood policy a driver of action towards global climate and environmental objectives without compromising economic and social development.

12. Note that while PolOpT focuses on optimizing the current budget, the model can also be used to simulate and optimize foreign borrowing or foreign grants, ensuring that additional financing is also optimally allocated to achieve the socio-economic and environmental goals.

Output 2.1.1: Micro-level empirical basis for PolOpT and report.

13. A national, micro-level analysis will be conducted with household and/or agricultural surveys to estimate the extent to which productivity will increase in agriculture in response to different interventions that can be in principle be supported by the government, considering the unit cost and the national coverage of each intervention, as well as factoring in relevant climate and environmental considerations. While the estimations are meant to provide PolOpT with key country-specific information that reflects their structural specificity, the evidence will also be analyzed and documented in a report that will allow the project to start generating policy-relevant evidence for policy dialogue. A university or national research institute that is acceptable and trusted by the government will work with PolOpT Lab experts in delivering this output and will also benefit from the capacity building of the project through a Letter of Agreement (LoA) per country.

14. Key activities include:

- Formalize a Letter of Agreement with a university or national research institution in each country to define roles, deliverables, and timelines for estimations. This agreement ensures institutional commitment and provides a framework for collaboration and accountability in support of all outputs of this component of the project.

- National survey data is used to estimate how productivity responds to different policy-support measures (e.g., different subsidies, rural infrastructure investments, mechanization, R&D, extension, etc.), considering the unit cost and coverage of each of them. This analysis will inform the calibration of the PolOpT and ensure that policy optimization scenarios reflect country dynamics.

- Conduct training workshops for the PolOpT Lab experts to transfer capacity to the university or national research institution on how to estimate the productivity responses from agrifood policy-support measures.

- Validating the empirical evidence with relevant stakeholders at country level, particularly with experts from the Ministry of Agriculture.

- In collaboration with the university or national research institution, develop a technical report summarizing estimation methods, results and implications for: (a) integrating country-specific estimated parameters into PolOpT and (b) providing initial policy recommendations on what policies the government should prioritize to boost productivity with the respective climate and environmental considerations.

Output 2.1.2: PolOpT base (business-as-usual) scenario construction.

15. PolOpT Lab experts will build a benchmark scenario for each country to understand how a projection of the current allocation of agrifood budgets across policy-support measures and commodities will affect agri-food output, jobs (where possible based on available national data, disaggregated by sex), poverty (also where possible based on available national data, disaggregated by sex), greenhouse gas (GHG) emissions, land use in agriculture, land restoration, and forest conservation, among others. This scenario will be the benchmark against which policy optimization scenarios will be compared (see next output). A university or national research institute that is acceptable and trusted by the government will support the PolOpT Lab experts in delivering this output. This team will also benefit from the capacity building of the project through a LoA per country.

16. Key activities include:

- PolOpT Lab experts interact with government counterparts (typically from the Ministry of Finance but also the Ministry of Agriculture and the Environment) or other international partners, including those which can support on gender, to collect and validate data on public expenditure allocations in the food and agriculture sector so as to establish a reliable baseline that fully reflects the state of agrifood policy support within each country's public budget.

- PolOpT Lab experts develop a benchmark scenario up to a future year using PolOpT to simulate the business-as-usual scenario, incorporating the parameters estimated as part of Output 1, the public expenditure data classified using the FAO MAFAP methodology, and a series of official national accounts and survey data provided by the country. This is the construction of the reference line against which the added value of optimizing agrifood policies will be assessed. It will include an analysis of how gender-responsive public expenditure is.

- PolOpT Lab experts draft a technical note, including gender dimensions, to communicate, discuss and validate baseline assumptions and limitations with government institutions and stakeholders for better understanding of the business-as-usual scenario.

Output 2.1.3 PolOpT policy optimization scenarios, and 2.1.4 web-based interface.

17. Several policy optimization scenarios will be developed to demonstrate how, compared with the business-as-usual scenario, optimizing the existing allocation of agrifood budgets across different policy-support measures and commodities will help governments make progress, with exactly the same resources, towards several policy objectives.

18. Policy objectives will include climate and environmental goals (i.e., reduction of GHG emissions, reduction of land being used in agriculture, increase in area of land restored and under conservation, and so forth), ensuring that, at the same time, there is improvement in economic and social objectives in the realms of agrifood output growth, job creation, poverty alleviation, and healthy diets affordability, among others. Policy-support measures will include, among others, fertilizer subsidies, seeds subsidies, extension, R&D, mechanization, breeding/feeding/veterinarian programs, irrigation, rural roads, rural electrification and others that the public expenditure data of countries allow to identify (as part of output 2).

19. Different policy optimization scenarios will be developed for a number of reasons, for example: (i) different environmental, economic and social objectives can be pursued through policy optimization and with equal or different relative weights among objectives (i.e. different prioritizations), which can be decided in consultation with the government and other key stakeholders; (ii) different combinations of policy-support measures across commodities can be used for their optimization; (iii) there may be interest in analyzing not only the optimization of the current budget, but also the optimization of a budget that will grow because the government expects an increase in tax revenues, more domestic/foreign borrowing, or even increased access to foreign aid; (iv) governments would like to use scenarios specifically designed to inform concrete agendas, for example, Nationally Determined Contributions (NDCs), Nationally Appropriate Mitigation Actions (NAMAs), National Adaptation Plans (NAPs), National Biodiversity Strategies and Action Plans (NBSAPs), National Agricultural Investment Plans (NAIPs), National Development Plans (NDPs), and so forth; (v) governments would like to use scenarios specifically designed to inform their GEF country projects; or a combination of all the above.

20. For each policy optimization scenario, a policy stack or ranking of policy-support measures by commodity to prioritize/deprioritize will be generated. This will also show how the optimized allocation of public expenditures across PSM and subsectors increases jobs for women, reduces the number of women in (rural) poverty, and increase the number of women that can newly afford a healthy diet.

21. A university or national research institute that is acceptable and trusted by the government will support the PolOpT Lab experts in delivering this output. This team will also benefit from the capacity building of the project through a LoA per country.

22. Key activities include:

- Develop alterative policy optimization scenarios using PolOpT for optimizing budget allocations across agrifood policy-support measures and commodities under existing fiscal constraints or incremental budgets with different financing sources. Scenarios will reflect national policy priorities and explore different synergies and trade-offs between environmental, economic and social outcomes, specifically with a gender lens.

- Develop a ranking or policy stack of policy-support measures mapped to commodities for each scenario generated and analyzed. The rankings will be based on the best environmental, economic and social outcomes together.

- Develop a user-friendly PolOpT web interface for each country (ie. using country data and building on 1.1.3), with potential support of AI to process results and generate visualizations, that, while under regular maintenance from the PolOpT Lab, will allow the university or national research institution in each of the four countries to generate and analyze scenario results.

- Transfer, including through proper training at country level, the PolOpT web interface to the team of a university or national research institute and technical staff from governments to allow them to simulate policy optimization scenarios and use the results to support policy dialogue and advocacy.

Output 2.1.5: Policy optimization notes and briefs.

23. Facilitated by capacity building on, and the transfer of the PolOpT web interface, a university or national research institute in collaboration with FAO will develop policy notes and briefs with concrete policy advice and will share and discuss these with government counterparts. The notes and briefs will include a focus on gender-differentiated impacts, trade-offs and benefits. This could be iterative and ongoing as long as the national experts engage in discussing and agreeing with the government on the policy issues that can benefit from such policy advice. FAO will leverage its policy engagement and gender expertise, drawing upon capacities of experts in house particularly from the PolOpT Lab and FAO country offices to support and accompany the university or national research institute in establishing a solid relationship with the government and gain credibility to secure the uptake of the emerging policy advice. A university or national research institute that is acceptable and trusted by the government will support PolOpT Lab experts in delivering this output and will also benefit from the capacity building of the project through a LoA per country.

24. Key activities include:

- Assist a university or national research institution in interpreting PolOpT results emanating from the web interface, including potential gender impacts, and translating them into actionable policy recommendations that are ideally aligned with ongoing policy processes and country projects. This support will include co-drafting briefs and guidance on tailoring messages for different policy audiences.

- Facilitate iterative consultations with government institutions to refine policy recommendations and align them with ongoing policy processes and country projects, including their gender commitments.

- Organize national policy dialogue workshops to present findings and gather feedback. These workshops will include policymakers from several ministries (Agriculture, Environment, Finance, Health, Planning, and so forth), civil society including women's organizations, and development partners to foster inclusive decision-making.

- Support the integration of recommendations into national strategic policy processes (e.g., NDCs, NAMAs, NAPs, NBSAPs, NAIPs, NDPs and their related gender action plans or similar). This will ensure that evidence-based recommendations are institutionalized and linked to budgetary processes.

Output 2.1.6: Micro-level feasibility analyses and report.

25. PolOpT Lab experts will provide technical support to, and work with a university or national research institute in developing two types of micro-level analyses. The first type will draw from existing household and agricultural surveys to identify constraints—economic, technical, or behavioral—that will need to be addressed to ensure farmers will adequately respond to the optimal agrifood policies positioned at the top of the policy stack/ranking provided through output 3. The second analysis will focus on a specific number of policy-support measures mapped to commodities identified in the policy ranking; for example, the first five at the top of the ranking, or those that the government specifically expresses desire to prioritize in practice. In this case, a georeferenced and stochastic frontier analysis will be conducted to identify geographic regions where it makes sense to scale up the specific policy support for the specific commodity within the country's territory, considering the productive and sex-disaggregated poverty reduction potential as well as the climatic, environmental and biophysical conditions. FAO will accompany the national counterpart in engaging with the government for communicating and explaining the findings and their policy implications. As such, this output delivery will be supported by a university or national research institute that is acceptable and trusted by the government through a LoA per country.

26. Key activities:

- Carry out consultations with government counterparts to understand the willingness of the government to prioritize and scale up optimal agri-food policies identified at the top of the ranking or policy stack generated from the PolOpT scenarios.

- Conduct survey-based studies to analyze constraints (economic, technical or behavioral) to farmer adoption in response to the optimized agrifood policies that the government may be willing to prioritize and scale up. Gender balance in surveys will be ensured, and the survey will aim understand gender-specific barriers for women and men. The analysis will identify concrete ways of overcoming the constraints where possible.

- Develop a georeferenced and stochastic frontier analysis to identify geographic regions where it makes sense to scale up specific policy-support measures for specific commodities that are at the top of the ranking and/or the government seems willing to prioritize.

- Draft a feasibility report outlining key findings and recommendations for effective implementation of prioritized policies.

Output 2.1.6: Feasibility notes and briefs.

27. Based on the results from micro-level feasibility analyses (output 5) and continuous technical support from the PolOpT Lab, a university or national research institute will develop policy notes and briefs with concrete policy advice and will share them with government counterparts in collaboration with FAO. Hence, this output delivery will be supported by a university or national research institute whose team will be established with gender balance/ expertise in gender-responsive policy analysis and is acceptable and trusted by the government through a LoA per country.

28. Key activities:

- Translate micro-level feasibility findings into concise policy briefs tailored for decision-makers and development partners. These briefs will highlight actionable insights and propose concrete steps for scaling up optimized agri-food policies for better environmental outcomes in coherence with economic and social ones.

- Disseminate findings through national workshops and targeted briefings with relevant ministries (Agriculture, Environment, Finance, Health, Planning, and so forth), civil society and national stakeholders – including gender and Indigenous Peoples' organizations.

- Support the integration of recommendations into national strategic policy processes (e.g., NDCs, NAMAs, NAPs, NBSAPs, NAIPs, NDPs). This will ensure that evidence-based recommendations are institutionalized and linked to budgetary processes.

Component 3. Knowledge management and learning

29. Capacity building on policy coherence is central to ensuring that knowledge and innovation in agrifood system transformation are not only generated but also effectively applied at the country level. By strengthening national institutions' ability to build policy scenarios and engage in participatory processes, stakeholders can align sectoral policies with broader development and environmental objectives, including commitments under multilateral environmental agreements (MEAs). This approach enables countries to move toward more integrated and evidence-based decision-making, ensuring that agrifood planning and budgeting reflect both national priorities and global sustainability goals.

30. A key component of this effort is the development and delivery of targeted capacity building programmes that enhance technical competencies of national institutions. FAO experts will work closely with these institutions for a period of nearly two years. Training on the use of digital tools—such as the web-based interface of the PolOpT platform—equips policymakers with the analytical capacity to model and assess policy scenarios. This promotes a more systematic understanding of trade-offs and synergies across sectors, thereby improving the coherence and effectiveness of policy interventions. As countries gain sustained access to knowledge, innovation, and technical support, they are better positioned to institutionalize these practices within their planning frameworks. Ideally, half of the countries engaged in the project take significant steps towards policy reform.

31. Knowledge management and learning is a key expected outcome of this project, and as such, a full Knowledge Management and Learning (KML) strategy will be developed in the PPG phase. At the national level, the technical briefs based on PolOpt tool and initial stakeholder consultations will contribute to the national evidence base for policy development, including through the web-based interface. These will be produced in such a way that highly technical information is easily accessible by policymakers and whole-of-society so as to facilitate their meaningful engagement, including visuals such as infographics.

32. At the global level, capacity building contributes to the creation and dissemination of public goods on policy coherence. The project will organize two global expert events to share experiences on advancing towards policy coherence. Participation in international fora and South-South knowledge exchange mechanisms amplifies the reach and impact of country-level experiences, enabling peer learning and replication of successful approaches. As more countries request support based on demonstrated results, a multiplier effect emerges, catalyzing broader transformation in both awareness and practice. This reinforces

a cycle in which local innovation informs global standards, and global collaboration strengthens national implementation.

33. Key project outputs include:

- 3.1.1 Capacity building program for national institutions on (i) participatory processes and knowledge management, including in engaging with whole-of-society including women's groups and knowledge dissemination of user-friendly findings publicly, for policy coherence, and (ii) use of the web-based interface of PolOpT to analyze policy scenarios.

- 3.1.2 Contribution to global public goods on policy coherence such as: knowledge products on lessons learned and outcomes of the project, seminars/webinars that presents the project's experiences and insights into advancing policy coherence, technical briefing notes on challenges encountered by countries while developing policy scenarios (including political economy issues), and technical contributions to the development of approaches to support key indicators under the MEAs (eg. target 8 or target 18 of the KM-GBF). In addition, videos, blogs, academic papers and conference presentations through FAO and other events targeting Member States (e.g. Africa Food Systems Summit, the World Food Forum and the Committee on World Food Security) will be generated so as to stimulate uptake by them and to enhance the state of knowledge in policy optimization in practice. All knowledge products will be hosted on FAO's PolOpt site and linked to the FSIP and FOLUR platforms among others for dissemination. All knowledge products, webinars etc. will include a section on gender, and the project may produce a specific note/ webinar on gender-specific learning given that no other multi-country initiative of this kind has been undertaken to date, according to desk research.

Component 4. Monitoring and Evaluation

A robust Monitoring and Evaluation (M&E) system underpins effective project delivery by ensuring that implementation remains results-oriented, adaptive, and accountable. The M&E system for this project will be designed and made fully operational to track progress against objectives, generate timely evidence, and inform decision-making throughout the project lifecycle. Key performance is reflected in the completion of project evaluations on schedule, enabling continuous learning and knowledge sharing, as well as in the timely submission of Project Implementation Reports (PIRs) to the GEF Secretariat. Together, these elements ensure that the M&E framework not only measures performance but actively contributes to improving delivery and achieving intended outcomes.

Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

No

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing

1. Given the nature of the project, FAO will act as Implementing Agency (IA). FAO will provide project cycle management and support services as established in the GEF Policy. As the GEF IA, FAO holds overall accountability and responsibility to the GEF for delivery of the results. FAO's potential dual role as executing agency will be determined during the project preparation phase.

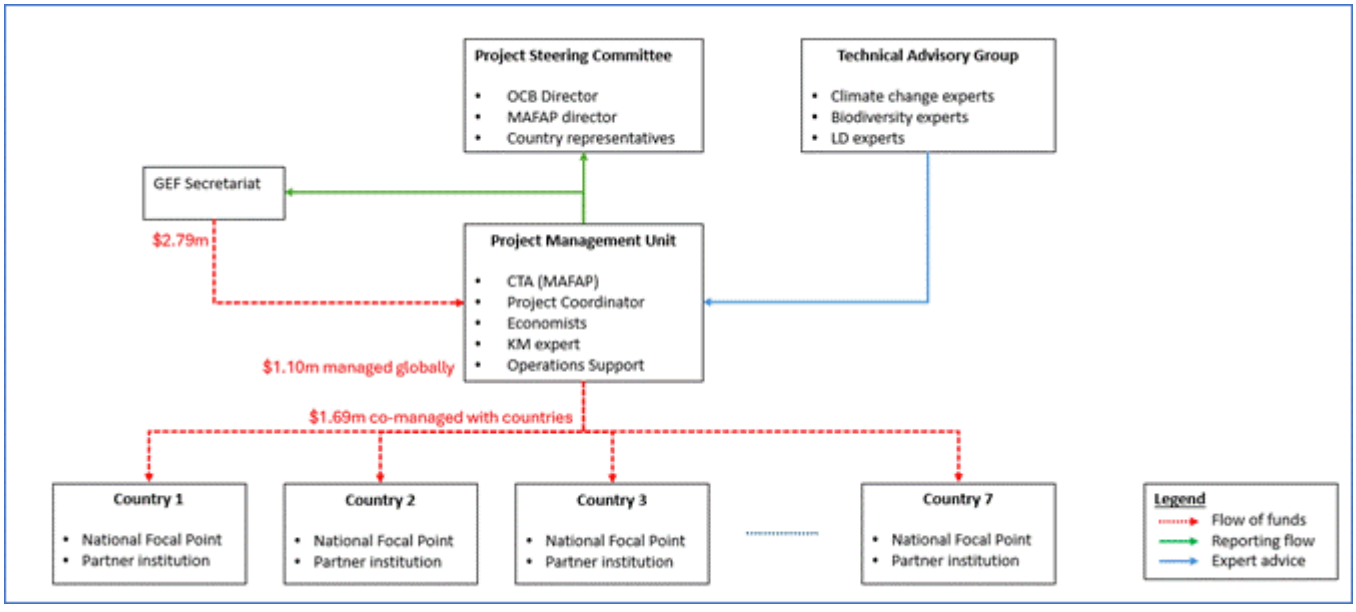
2. The program will include

a. A Project Steering Committee (PSC) which will be the main governing body of the project and will provide strategic guidance to the Project Management Unit and partners. It will be chaired by the Director of the Office of Climate Change and Biodiversity of FAO or whoever he/she delegates. The PSC will be comprised of representatives from (i) the GEF Secretariat, (ii) FAO's MAFAP program, and (iii) country representatives

b. A Project Management Unit (PMU), jointly funded by the GEF and FAO, within the MAFAP program. Guided by the PSC, the PMU's primary role will be to ensure efficient management, coordination, implementation, and monitoring of the project, focusing on effective execution of the annual work plans and budgets

c. National Focal Points and Partner Institutions. In order to ensure national ownership, each government will nominate a Focal Point

3. Full details of the Implementation Arrangements are summarized in the figure below



Coordination with ongoing initiatives

4. The project will coordinate with the following initiatives:

- FSIP and Drylands Sustainable Landscapes IP: Several FSIP and DSL countries have expressed interest in applying PolOpT to support their national agriculture investment planning efforts, including Bhutan, Burkina Faso, Mozambique, Tanzania, South Africa, Türkiye, Peru and Ecuador. The proposed project will share lessons learned with the DSL and FSIP countries and invite them to participate in the global events. In addition, and if additional resources are found to cover FAO's consultant time (e.g. from other donors like the Gates

Foundation), the PolOpT Lab will work together with the FSIP and DSL countries to implement the activities described under Component 2 (with FSIP and DSL projects covering the costs of the national entities and the meeting costs). The goal is to align GEF and cofinancing investments in areas that have the potential to create multiple benefits.

- MAFAP Program. The proposed project will work closely with the MAFAP team to share experiences with countries participating in the MAFAP program.

- Mexico's first national policy for deforestation-free and low-emission: transforming the livestock sector project (GEFID 12063), which aims to strengthen policy coherence across sectors, levels of government, and the private sector by developing and implementing Mexico's first deforestation-free and low-emission livestock policy, aligning national and subnational planning, public incentives, and private investment. Project GEFID 12063 will implement PolOpT and will pilot interaction with TNC's TAFP approach to improve parameters in PolOpT.

Core Indicators

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
370000	0	0	0

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
370,000.00			

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Documents (Document(s) that justifies the HCVF)

Title

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	215000	0	0	0
Expected metric tons of CO_2e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	215,000			
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting	2027			
Duration of accounting	1			

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)				
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	124,710			
Male	133,290			
Total	**258,000**	**0**	0	**0**

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

To calculate Core Indicators for the five countries in the project, we will use preliminary results from PolOpT from three countries in Africa: Nigeria, Mozambique and Ghana.

Uzbekistan is structurally comparable to Ghana in that both occupy a mid-transition development stage, where agriculture remains significant but is no longer dominant. In each case, agricultural employment shares fall within a similar intermediate range (roughly 25–40%), and agriculture contributes a moderate share of GDP (well below subsistence-dominated economies but still economically relevant). At the same time, both economies are undergoing structural transformation, with expanding industrial and service sectors driving growth and urbanization. Their GDP per capita levels are also broadly comparable within the lower-middle-income bracket, and each exhibits diversified economic activity rather than extreme dependence on a single sector. This combination—moderate agricultural reliance, ongoing sectoral diversification, and comparable income levels—places Uzbekistan and Ghana in a similar position along the development trajectory.

On the other hand, Chile and Costa Rica are not comparable to the countries for which we have preliminary results from PolOpT. This is because the countries are much smaller, have smaller populations and their share of people dependent on agriculture is much lower than the three African countries above. Therefore, we have not included estimates for these countries at the PIF stage.

Core Indicator 4: Land under sustainable management

PolOpT measures the change in the amount of land needed in agriculture under the optimized scenario. The amount of land no longer needed in this scenario could be set aside or change its use (for instance protected or restored). Since the land released was originally used as agricultural land, it will be accounted for under Core Indicator 4. Preliminary results for three African countries include:

Nigeria: -10,000 ha

Mozambique: -60,000 ha

Ghana : -300,000 ha (data to be used as proxy for Uzbekistan)

Total CI4: 370,000 ha under improved management

Core Indicator 6: GHG emissions avoided or reduced

PolOpT calculates the GHG emissions reduced for the optimized scenario. Preliminary results for the three African countries include:

Nigeria: -45,000 tCO2 in year 5

Mozambique: -65,000 tCO2 in year 5

Ghana : -105, 000 tCO2 in year 5 (data to be used as proxy for Uzbekistan)

Total CI4: 215,000 tCO2

Core Indicator 11: Beneficiaries

PolOpT calculates the number of people that no longer living in poverty. Preliminary results for the three African countries include:

Nigeria: -38,000 people no longer living in poverty in year 5

Mozambique: -182,000 people no longer living in poverty in year 5

Ghana : -38, 000 people no longer living in poverty in year 5 (data to be used as proxy for Uzbekistan)

Total CI11: 258,000 less people living in poverty, half of them women

Key Risks

	Rating	Explanation of risk and mitigation measures
CONTEXT		
Climate	Low	Given the nature of the proposed program (review of the coherence of national policies with environmental objectives and design of optimized policy space to achieve environmental, social and economic benefits), we expect climate change to have limited impact on project implementation. Nonetheless, perceived climate change impacts by the public could help spark stakeholder interest in the program results and support intra-government and other stakeholder dialogues.
Environmental and Social	Low	Similarly to the Climate risk above—environmental and social issues are expected to have limited impact on the program due to its nature. But perceived impacts by the public could support interest in program results and stakeholder collaboration.
Political and Governance	High	The proposed approach relies on government willingness to work across different ministries and to analyze different policies to achieve coherence with respect to desired objectives. While the countries participating in this program have confirmed their willingness to work across sectors to implement the model, the realization of the GEBs will be conditional on the adoption of policy changes developed by the national teams with FAO support. The project will build solid economic analysis of existing policies and will support policy dialogue by including political economy, governance and behavioral science approaches
INNOVATION		
Institutional and Policy	Moderate	The proposed project relies on political willingness to engage in policy discussions, including providing detailed data on public expenditures.
Technological	Low	There are no major technological requirements or limitations foreseen. The model has been developed and peer reviewed by FAO. FAO will develop a web-based interface to support national capacity building. This does not require special technical characteristics.
Financial and Business Model	Low	FAO will provide cofinancing in the form of the technical experts (FAO Staff).
EXECUTION		

Capacity	Moderate	FAO has proven capacity through the Office of Climate and Biodiversity and the MAFAP program to execute complex operations. The program will seek national partners engaged in policy planning to support country assessments.
Fiduciary	Low	FAO will engage national institutions with economic and policy expertise to ensure national activities are well implemented. Funds will be transferred via Letters of Agreement to partners selected in accordance with FAO rules, reducing fiduciary risks.
Stakeholder	Low	The program foresees the hiring of local partners to manage stakeholder engagement processes. Countries selected have expressed interest in working with stakeholders to advance towards policy coherence

Other		

Overall Risk Rating	Low	The project will not include field activities. It will focus on policy dialogue and capacity building. Target countries have expressed willingness in engaging in constructive policy dialogue.

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how. (max. 500 words, approximately 1 page)

1. The proposed program is fully aligned with the following GEF8 programming directions under the BD, LD and CC focal areas as follows:

BD Objective 3: To increase mobilization of domestic resources for biodiversity

2. GEF8 Programming directions (Page 131) indicate that "*GEF will support a global program on Domestic Resource Mobilization for Biodiversity to help countries create the enabling conditions, including baseline diagnostics, capacity, institutional arrangements, and planning required to mobilize resources at scale to implement the GBF…*" and that the "*GEF and BIOFIN's experiences have shown very limited uptake on the subsidy reform agenda, which suffers chiefly from a lack of political will rather than technical barriers. The program will thus help countries be equipped with the capacity, knowledge, and strategy to seize political opportunity windows whenever they arise, including through multilateral development bank's policy-based loans*".

3. The proposed approach reviews public expenditures and analyses not only subsidies but the entire agricultural policy support spectrum and seeks to optimize national budgets to allow for decision makers to

understand the trade-offs they incur in order to achieve multiple objectives, including biodiversity objectives. Preliminary simulations including environmental objectives (see Figure 1 in the main text) indicate that there is significant potential to reduce emissions and "release" thousands of hectares of land from agricultural production and still achieve growth, employment, poverty, nutrition, and environmental targets. The proposed project will explore, using the latest GIS techniques and participatory approaches, how these lands can contribute to improving priority ecosystems.

4. Similarly, in preliminary conversations with multilateral development banks, they indicated the potential use of PolOpT to prioritize investment sectors. Nigeria is a good example of this as they have used PolOpT to develop their National Agriculture Investment Strategy and discussions between the World Bank and FAO's MAFAP program are ongoing to use PolOpT to inform the Development Policy Loan of Ethiopia and, more broadly, activities of the Agriconnect Initiative. Finally, the proposed program will support with the integration of policy coherence with the Kunming Montreal Global biodiversity Framework as indicated earlier (see Table 1).

Land Degradation Objective 4: Improve the enabling policy and institutional framework for LDN

5. Under this objective, GEF will support countries (pg. 166) *to (i) improve policy coherence and financing systems, (ii) further develop the institutional and regulatory framework and build capacity, and (iii) implement UNCCD enabling activities to fulfil planning and reporting obligations*. The proposed program will strengthen efforts to make national policy frameworks more coherent and financeable and lead to more harmonized sector policies and improve coordination across institutions, including local governments.

6. Under component 2, the project will support countries to optimize their national financing streams and provide opportunities to optimize public financing to catalyze private sector financing mobilization. The information provided by the program can lead to improved financing systems by opening the door to move towards instruments and mechanisms that provide the incentives to reduce pressures and competition between land use systems (See Figure 1 above in the main text).

7. Finally, under components 2 and 3 the program will focus on building national capacities to move towards policy coherence. This will be done through the provision of actionable knowledge and by making PolOpT scenarios and results available to local stakeholders via the web-based interface. The proposed program will collaborate with the FSIP and the FOLUR programs on knowledge exchange efforts

Climate Change Mitigation Pillar I: Promote innovation, technology development and transfer, and enabling policies for mitigation options with systemic impacts

8. The proposed program is aligned with Objective 1.4, *Promote Nature-based Solutions with high mitigation potential*. Specifically, under components 1 and 2, the proposed project will update PolOpT to fully integrate nature base solutions as part of the potential technological options available to countries as they optimize their agrifood budgets. Preliminary results (Figure 1 in the main text) imply that when countries optimize the allocation of their public expenditures across policies and commodities they can also reduce their greenhouse gas emissions two ways: by reducing the amount of land needed to produce agrifood products and by improving the productivity of the sector. These results are important considering that the current policy space in the agriculture sector is not necessarily designed to tackle climate change. On top of this, improvements in economic efficiency and livelihoods from such policy optimization would reflect a strengthened state of resilience.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during PIF development as required per GEF policy, their relevant roles to project outcomes and plan to develop a Stakeholder Engagement Plan before CEO endorsement has been clearly articulated in the Project Description (Section B).

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities:

Civil Society Organizations: Yes

Private Sector:

Provide a brief summary and list of names and dates of consultations

Date	Venue	Entity
June 2025	FSIP meeting on the sidelines of the Regional Meeting on the International Year of Camelids in Nairobi, Kenya	Nigeria - representatives from Ministry of Environment and FSIP executing entity Civil society organizations participating in the IYC
June 2025	FSIP meeting on the sidelines of FAO's Subcommittee on Livestock (CODEGALAC) in Guatemala City, Guatemala	Chile – Ministry of Agriculture Chile – Ministry of Agriculture and ODEPA Civil society organization participating in the CODEGALAC
July 2025	Teleconference	Chile – GEF OFP and ODEPA

August 2025	Teleconference	Costa Rica – Ministry of Agriculture, department of Planning
Sep-Oct 2025	Third DSL-IP Southern Africa Regional Stakeholders Workshop in Maputo, Mozambique	Mozambique – Ministry of Environment and OFP Civil society organizations participating in the DSL event
March 2026	Teleconference	Uzbekistan - Ministry of Environment
April 2026	Meeting in the sidelines of the GEF IP Forum in Nairobi, Kenya	Costa Rica - OFP

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Low			

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant($)	Agency Fee($)	Total GEF Financing ($)
FAO	GET	Global	Biodiversity	BD Global/Regional Set-Aside	Grant	1,776,484.00	168,765.00	1,945,249.00
Total GEF Resources ($)						**1,776,484.00**	**168,765.00**	**1,945,249.00**

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount ($)

50000

PPG Agency Fee ($)

4750

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	PPG($)	Agency Fee($)	Total PPG Funding($)
FAO	GET	Global	Biodiversity	BD Global/Regional Set-Aside	Grant	50,000.00	4,750.00	54,750.00
Total PPG Amount ($)						**50,000.00**	**4,750.00**	**54,750.00**

Please provide justification

A $100k PPG is being requested in line with GEF Policy

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total($)
Total GEF Resources					**0.00**

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing($)	Co-financing($)

BD-3-1	GET	1,776,484.00	2000000
Total Project Cost		**1,776,484.00**	**2,000,000.00**

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
GEF Agency	FAO	In-kind	Recurrent expenditures	2000000
Total Co-financing				**2,000,000.00**

Describe how any "Investment Mobilized" was identified

Cofinancing includes FAO staff and collaboration with the MAFAP program under which PolOpT was developed.

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
Project Coordinator	Hernan Gonzalez	4/19/2026	Hernan Gonzalez	+390657055382	hernan.gonzalez@fao.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name	Position	Ministry	Date (MM/DD/YYYY)
Bukar Babagana	Director Planning, Research and Statistics	Federal Ministry of Environment Nigeria	4/15/2026
Javokhir Abdukalikov	GEF OFP	Ministry of Ecology, Environmental Protection and Climate Change of the Republic of Uzbekistan	4/15/2026
Miguel Stutzin	Professional, Office of International Affairs	Ministry of Environment of Chile	4/14/2026
Eduardo Baixo	Technician, National Directorate of Environment and CC	Min Agriculture, Environment and Fisheries of Mozambique	4/20/2026
Enid Chaverri	GEF Operational Focal Point	Ministry of Environment and Energy Costa Rica	4/27/2026

ANNEX C: PROJECT LOCATION

Please provide geo-referenced information and map where the project interventions will take place

The following countries will participate in this project: Chile, Costa Rica, Mozambique, Nigeria, Uzbekistan



ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title
ANNEX H GENDER ANALYSIS AND GENDER ACTION PLAN
Gender Action Plan PIF Stage
FAO ESS PIF Stage

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Principal Objective 2	Significant Objective 1	Principal Objective 2	Principal Objective 2

ANNEX F: TAXONOMY WORKSHEET

Please refer to front matter.