Advancing nature-positive and fair supply chains through better alignment of trade-related sustainability standards

Review PIF and Make a recommendation

Basic project information

GEF ID
12355
Countries
Global
Project Name
Advancing nature-positive and fair supply chains through better alignment of trade-related sustainability standards
Agencies
UNIDO
Date received by PM
5/22/2026
Review completed by PM

Program Manager
Anil Sookdeo
Focal Area
Chemicals and Waste
Project Type
MSP

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments
Yes. Please correct the spelling of ITC.

Jun 11, 2026 - comment cleared

Agency's Comments Thank you, well noted. We spotted an error in the co-financing table, which is corrected.

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments Yes

Agency's Comments

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?
b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments Yes

Agency's Comments

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's Comments Yes

Agency's Comments

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

3. PMC is not proportionate between GEF financing (9.8% of sub-total project cost) and co-financing (7.2%). Please adjust to ensure equal burden sharing of admin costs between funding sources.

	GEF financing	Co-financing
Sub Total ($)	**1,733,270.00**	**4,555,860.00**
Project Management Cost (PMC)		
GET	170,000.00	328,020.00
Sub Total($)	**170,000.00**	**328,020.00**
Total Project Cost($)	**1,903,270.00**	**4,883,880.00**
	9.8%	7.2%

June 11, 2026 - comment cleared

Agency's Comments Thank you. The co-financing for the PMC has been increased to USD 446,475. Accordingly, it has been reduced in component one by USD 118,455, as this co-financing component included project management activities.

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments Yes

Agency's Comments

4.2 JUSTIFICATION FOR PROJECT

a) Is there an indication of why the project approach has been selected over other potential options?

b) Does it ensure resilience to future changes in the drivers?

c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?

d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments Yes

Agency's Comments

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments Yes

Agency's Comments

5.2 INCREMENTAL/ADDITIONAL COST REASONING

Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat's Comments Yes

Agency's Comments

5.3 IMPLEMENTATION FRAMEWORK
a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's CommentsYes. The agency is not requesting dual execution.

Agency's Comments
5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project?s indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's CommentsYes

Agency's Comments
5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's Comments

Agency's Comments
5.6 RISKs

a) Is there a well-articulated assessment of risk and identification of mitigation measures under each relevant risk category?

b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?

c) Are environmental and social risks, impacts and management measures adequately screened and rated at this stage and consistent with requirements set out in SD/PL/03?

Secretariat's Comments
a) Yes. A structured risk table covers context (climate; environmental and social; political/governance), innovation (institutional/policy; technological; financial/business model), and execution (capacity; fiduciary; stakeholder) categories with narrative explanations and mitigation. Institutional/policy and financial/business-model risks are rated Moderate; the remainder Low; overall Low.

b) Mostly. Ratings appear to reflect residual risk; however, the climate row mixes risk and mitigation text, and detailed mitigation narrative is uneven across rows - please ensure each row states the residual rating after mitigation and adds mitigation narrative for the environmental & social and other rows.

c) Screened, but the E&S rating warrants justification. An ESS screening is referenced and supporting documents are attached (Annex D / ESS Supporting Document; overall ESS classification Low). The PIF itself flags a credible social risk - that sustainability-driven regulations may disproportionately affect smallholders and could carry gender-related impacts. Given this, please justify the Low environmental and social classification against the requirements of the Policy on Environmental and Social Safeguards (SD/PL/03), confirm which standards are triggered (e.g., on stakeholder engagement, gender, labor, and potentially Indigenous Peoples in cocoa/mining contexts), and confirm that the agency safeguard screen with risk-type ratings is uploaded to the Portal. A Moderate rating may be more defensible and should be reconsidered at PPG.

Please ensure meaningful consultations with Indigenous Peoples? groups, micro, small and medium enterprises (MSME), small scale cocoa farmers, textile and mining sectors, and integrating results of consultations into the project design during the PPG.

Please consider involving Indigenous Peoples, micro, small and medium enterprises (MSME), small scale cocoa farmers and, small scale textile and mining sectors as partners of project including capacity building activities for them as a part of the project.

Jun 11, 2026 - comments cleared

Agency's Comments

a) Thank you.

b) Thank you and well noted. All risks are now clearly structured with a dedicated risk statement and mitigation narrative.

c) Thank you. The UNIDO Environmental and Social Safeguards (ESS) screening (Annex D) used for the project provides an overall categorical classification (Category C). The classification as Category C/low reflects the nature of the project as a technical assistance intervention (policy dialogue, standards alignment, and global tool development and piloting and validation), with no direct environmental or social impacts.

At the same time, the project acknowledges indirect, contextual and residual social risks, particularly related to potential impacts on smallholders and gender dimensions. These aspects are mitigated through gender inclusive and consultative approaches. These remaining risks will be assessed in more detail during the PPG phase. Based on the findings, a reclassification of specific social risks as Moderate will be considered, while maintaining the overall low-risk profile of the intervention.

The following Minimum Standards are considered relevant: Minimum Standard 1: Environmental and Social Assessment, Management and Monitoring; Minimum Standard 2: Accountability, Grievance and Conflict Resolution; Minimum Standard 5: Indigenous Peoples; Minimum Standard 8: Labor and Working Conditions; Minimum Standard 9: Community Health, Safety and Security.

Thank you also for the recommendation on consultations and inclusion of the relevant stakeholder groups. The project recognizes the importance of inclusive stakeholder engagement (which is a core element of the project activities), particularly with groups potentially affected by sustainability requirements in global supply chains, including MSMEs, small-scale producers, and actors in cocoa, textile, and mining value chains.

Given the global scope and the focus on global policy dialogue, knowledge products, and standards and regulatory alignment, the project does not engage directly with specific communities at PIF stage. Instead, it will apply a targeted and proportionate stakeholder engagement approach during the PPG phase.

This will include:

•Identification of relevant stakeholder groups (e.g., MSMEs, smallholder farmers, and, where applicable, Indigenous Peoples and Local Communities),
•Engagement through representative organizations, sector platforms, and existing networks, and
•Integration of stakeholder inputs into the refinement of tools, frameworks, and capacity-building activities.
The project will prioritize leveraging existing consultation platforms and partnerships, rather than conducting standalone consultation processes, to ensure efficiency and avoid duplication while maintaining meaningful engagement.

In addition, the project will ensure that relevant stakeholder groups, particularly MSMEs and small-scale producers, are included as beneficiaries of global capacity-building and knowledge-sharing activities, in line with project design, i.e., in terms of global piloting, testing and validation.

This approach ensures both inclusiveness and proportionality, consistent with GEF requirements and the nature of the intervention.

5.7 Qualitative assessment

a) Does the project intend to be well integrated, durable, and transformative?

b) Is there potential for innovation and scaling-up?

c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's Comments

a) Yes. The design is integrative (links upstream capacity with downstream market requirements and institutional coordination) and aims at durability through tools delivered as global public goods, embedded learning, and partner platforms that outlast the project.

b) Yes. Innovation lies in the comparative standards framework, the Rapid Scan Legislation Navigator, buyer-supplier collaboration tools and incentive mechanisms; scaling/replication beyond the pilot chain(s) is a central design feature. Strengthen the credibility of scaling by attaching indicative replication assumptions to the GEB narrative (see 5.4).

c) Yes. Improved policy coherence - alignment of voluntary standards with national and international regulatory frameworks - is a core, explicit outcome of Components 1 and 2.

Jun 11, 2026 - comment cleared

Agency's Comments

b) Thank you. Indicative assumptions are included at the end of the GEB narrative section.

I.e., this scaling is underpinned by the following indicative assumptions:

1. Replication across supply chains: Tools piloted, tested and validated globally for the priority supply chains; besides the direct pilot cohorts, validated tools will be disseminated to supply chain actors already involved through projects of the IE and EEs (likely to double the direct outreach).

2. Adoption by market actors: a subset of participating buyers validating the tools (estimated 20%) will adopt the tools across operations, and further disseminate them to their direct and indirect suppliers along the supply chains, potentially reaching 3-5 times the number of firms directly validating the tools.

3. Geographic and supply chain scaling: Building on the validated global tools, supply chain actors in additional countries (besides those with a major role for selected supply chains) and in additional supply chains (i.e., besides the three priority supply chains) will be able to use the global tools through dissemination of IE and EEs networks, partners, and existing and future (GEF) projects.

4. Policy and standards: Outputs will inform regulatory and standards processes, influencing the global governance of global supply chains and as such indirectly deriving GEBs.

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's Comments

Yes. The project is well aligned with the GEF-8 Chemicals and Waste strategy, in particular Objective 1 (creation, strengthening and support of the enabling environment and policy coherence to transform the manufacture, use and sound management of chemicals and to eliminate waste and chemical pollution), citing the relevant activity areas on transparency of chemical information across supply chains and on policy/legislation/technical capacity including trade. Programming of funds via SAICM is consistent. The PIF also articulates secondary alignment with the climate change (efficient use of energy and materials) and land degradation (SLM in cocoa) strategies. Please ensure these secondary claims are matched by the Rio Markers and, where benefits are claimed, by indicative indicators (see 5.4 and 8.8); and clarify the relationship to the UNEP-led Integrated Program to confirm complementarity rather than overlap.

Jun 11, 2026 - comment cleared

Agency's Comments

Thank you. This is well noted. The Rio marker for Biodiversity is now set to 1, and those for climate change and land degradation were already set to 1. To reflect that, the indicative indicators through scaling and replication are kept as Core Indicators 9.7 (captures reductions in chemicals of global concern through improved alignment, standards and practices), 4.3 (reflects the adoption of improved practices across supply chains influenced by the project) and 6.1 (captures climate co-benefits associated with these practices). These are already mentioned in the GEB justification section.

The UNEP Integrated Program seeks to address environmental degradation from globally significant supply chains through the lens of chemicals. The program aims to create clean, circular (as far as possible), regenerative, and transparent supply chains that drive innovations in new materials, methods, and policy. It intends to achieve system transformations at all stages in the fashion and construction value chains by addressing four transformation levers, namely finance, policy and governance, partnerships and as well as innovation and learning. The present MSP?s focus on promoting regulatory alignment can directly support the objectives of the IP, which seeks to strengthen policies for chemical phase-out in supply chains. Collaboration with UNEP and other IP partners can enhance knowledge-sharing on best practices for regulatory frameworks related to chemicals management, influencing tools development and feedback for policy coherence.

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

Secretariat's CommentsYes

Agency's Comments

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

Secretariat's Comments

Inconsistency to resolve. The project title (nature-positive) and the alignment narrative reference the CBD and nature-positive practices, yet the Rio Marker for Biodiversity is set to No Contribution (0) and no specific KMGBF target is identified. Please reconcile: either (i) confirm the project does not aim to generate biodiversity benefits and adjust the nature-positive / CBD framing accordingly, or (ii) if biodiversity benefits are intended (plausibly via reduced agro-chemical/HHP pressure and deforestation in cocoa, and reduced contamination in mining), identify the relevant KMGBF target(s) - e.g., Target 7 (reduce pollution risks, including from pesticides and highly hazardous chemicals) and potentially Targets 10 and 16 - and explain the contribution, with the BD Rio Marker updated accordingly.

Jun 11, 2026 - comment cleared

Agency's Comments

Thank you for highlighting this inconsistency. The project does aim to generate indirect biodiversity benefits, particularly through improved sustainability practices in global supply chains.

These benefits arise from:

•reduced use of agrochemicals and highly hazardous pesticides in agricultural value chains,
•promotion of sustainable land management and reduced deforestation risks (notably in cocoa), and
•improved environmental practices in sectors such as mining, reducing contamination risks.
In light of this, the Rio Marker for Biodiversity is now set to 1.

The project thus contributes to the following KMGBF targets:

•Target 7: Reducing pollution risks, including from pesticides and hazardous chemicals

•Target 10: Enhancing biodiversity and sustainability in agriculture and forestry
•Target 16 (where applicable): Promoting sustainable consumption and supply chains
While biodiversity is not the principal focal area, these contributions are systemic and indirect, resulting from improved supply chain practices driven by sustainability standards and policy alignment.

The PIF is updated accordingly to reflect this in the Alignment section, and in the GEB section.

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments
Under Were the following stakeholders consulted during project identification, the response for Indigenous Peoples and Local Communities is left blank, whereas Civil Society and Private Sector are marked Yes. Given the cocoa and mining (including artisanal/small-scale) contexts, please indicate whether IPLCs are relevant and were/will be consulted, and address Indigenous Peoples considerations consistent with the GEF Policy and the Principles for Engagement with Indigenous Peoples.

Jun 11, 2026 - comments cleared

Agency's CommentsThank you for highlighting this. Indigenous Peoples and Local Communities (IPLCs) have been considered at the project identification stage. Given the global scope and the focus on global policy dialogue, standards alignment, and global knowledge and capacity building tools, the project does not directly target specific geographic areas or communities. However, it is acknowledged that in certain value chains, such as cocoa and mining (including artisanal and small-scale mining), IPLCs may be present and could be indirectly affected by sustainability-related requirements and practices. The project is not expected to involve activities affecting land, territories, or natural resources of IPLCs directly.
At PIF stage, targeted consultations with IPLCs have therefore not yet been undertaken. The relevance of IPLCs will be assessed in greater detail during the PPG phase, including through stakeholder mapping and consultations.

Where IPLCs are identified as relevant stakeholders, the project will ensure their meaningful and appropriate engagement, in line with the GEF Policy on Environmental and Social Safeguards and the Principles for Engagement with Indigenous Peoples, including the application of appropriate consultation and consent processes where required. This approach ensures proportionality while maintaining full compliance with GEF safeguard requirements.

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's CommentsYes

Agency's Comments

8 Annexes

Annex A: Financing Tables

8.1 Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

STAR allocation?

Secretariat's Comments

Agency's Comments

Focal Area allocation?

Secretariat's Comments Yes

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments

Agency's Comments

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

Secretariat's Comments

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments

Agency's Comments

8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's CommentsYes. The PPG of US$50,000 is at the ceiling for an MSP and the PPG Agency fee (US$4,750) equals 9.5%. No exception is required.

Agency's Comments

8.3 Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat's CommentsYes

Agency's Comments

Annex B: Endorsements

8.4 Has the project been endorsed by the country?s(ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's CommentsNot applicable for OFP endorsement. As a global project financed from the Chemicals and Waste focal area (not from STAR/country allocations), OFP letters of endorsement are not required.

Agency's Comments

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

Secretariat's Comments

Agency's Comments

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

Secretariat's Comments

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's Comments

Agency's Comments

Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project?s intended location?

Secretariat's CommentsAcceptable at PIF stage. The project is global, and Annex C states there is no specific project location, so a georeferenced map is not required now. However, Component 2 involves piloting in selected supply chain(s)/countries; at PPG, once pilot geographies are identified, please provide indicative georeferenced information for the pilot sites.

Agency's CommentsThank you, and well noted. Indicative project locations will be provided at PPG.

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's CommentsYes

Agency's Comments

Annex E: Rio Markers

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

Secretariat's Comments
Reconsider for consistency. The Rio Markers are recorded as: Climate Change Mitigation - Significant (1); Climate Change Adaptation - No Contribution (0); Biodiversity - No Contribution (0); Land Degradation - Significant (1). These should be reconciled with the alignment narrative and the core indicators: (i) the Biodiversity marker (0) is inconsistent with the nature-positive framing and CBD alignment claimed in Section C.

Jun 11, 2026 - comment cleared

Agency's CommentsThank you. This has been aligned. Rio marker for Biodiversity is set to 1.

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's CommentsYes

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table to

assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

Agency's Comments

9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/ Approval

Secretariat's Comments

1. Specify the pilot supply chain(s) and pilot geographies and align Component 2 outputs and CI 11 counting to them; provide indicative georeferenced information for pilot sites (8.6).

2. Detail concrete coordination mechanisms with the UNEP-led GEF Integrated Program on the Elimination of Hazardous Chemicals from Supply Chains to demonstrate complementarity and avoid duplication.

3. Please ensure that the findings from the gender analysis informs the preparation of the Gender Action Plan and that key elements of the GAP are reflected in the project components. Please ensure that in the development of the project results framework, gender-specific indicators are included to facilitate monitoring and reporting. Please indicate measures to facilitate and support the implementation of the GAP (e.g., budgets, regular monitoring/accountability, adaptive management, etc.). Please make a reference to include in PIRs, MTRs and TE, reports on gender-specific results, including the implementation of the Gender Action Plan.

Agency's Comments Thank you, and well noted.

Review Dates

	PIF Review	Agency Response
First Review	**5/27/2026**	
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		