



Rwanda Wildlife Conservation Bond (WCB) Operation

Review PIF and Make a recommendation

Basic project information

GEF ID

11514

Countries

Rwanda

Project Name

Rwanda Wildlife Conservation Bond (WCB) Operation

Agencies

World Bank

Date received by PM

3/21/2024

Review completed by PM

10/1/2024

Program Manager

Avril Benchimol Dominguez

Focal Area

Biodiversity

Project Type

FSP

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

- a) Thank you for the submission of this project. The GEF is planning to continue investing in biodiversity conservation bonds with the objectives to (i) facilitate replication to achieve scale with the aim of eventually eliminating GEF support, including by attracting other entities, budget lines or market mechanisms as sources of outcome payment, and (ii) enhance the ability of the instrument to deliver a wide range of benefits for biodiversity of global significance.

We note with satisfaction that this proposal would provide proof of concept in a new geography, ecosystem type and socio-economic context.

No. Please update with updated numbers noting the GEF would only finance an amount equivalent to up to the NPV of the foregone coupons

Additional comments 10/15/2024

Please clearly articulate how this project is helping achieve goals described in a).

B) Maximum amount is up to NPV. After reviewing the activities to be financed on the ground that would be aligned with GEF goals, only Component 1 would be eligible and therefore only GEF funding would need be limited to US\$ 4.71 M. Unless activities under component 2 are redesigned and aligned with GEF environmental goals, clearly articulated to deliver GEB, the GEF funding cannot cover component 2.

Additional comment from Policy team:

One of the Executing Partners in Portal (?Rwanda Environment Management Authority (REMA)?) is missed in the LoE. Please ask the Agency to remove this executing partner from Portal to match the LoE (or to get a new LoE ? executing partners can be changed during preparation).

Additional comments 10/31/2024

A) Not Cleared. Activities under component 2 continue to not address the GEF comments. Component 2 is framed as NBS and livelihoods without describing or depicting in the TOC or component text how these activities will directly contribute to the project objective nor KPIs (e.g. chimps and ecosystem integrity/connectivity) and where and how the component activities will do so. Please address/resolved.

The Secretariat provided extensive comments on how to address this in the TOC section and the Component section (sections 3 and 5 of review sheet)

B) The updated GEF amount for outcome payment, should be US\$ M 9 (net of fees) please update all tables in the data sheet, concept note and annexes including termsheet and reflow tables.

Please update numbers on the NPV of coupons to be directed to conservation having GEF financing as a floor level and provide a number that takes TV into account when estimating the budget for conservation financing.

Additional comments 11/05/2024

Cleared.

Agency's Comments

NPV assumes upfront financing is provided to the project at bond issuance. Rwanda also requested to allocate the GBFF as additional outcome payer.

Additional comments 10/15/2024

Updates made to project budget, assuming \$9M GEF NGI funding secured for project (inclusive of agency fee).

Activities under component 2 were redesigned and aligned with GEF environmental goals to deliver GEB. Excluded REMA from executing partner as that will be considered further if/when GBFF is secured as an additional outcome payer.

Additional comments 10/31/2024

- a) Updates were made to TOC and each of the components (including #2). PDO was also revised. Termsheet updated.
- b) Updated component 4 budget for MRV/M&E.

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

A) The summary should be updated to reflect a structure where both a KPI and the broader environmental benefits will be met with this financial structure.

B) Please also add any new feature that this conservation bond iteration brings to the table. The Guidance Note provided by the GEF Sec provides guidance on these two points.

Additional comments 10/15/2024

A) Project summary should be 250 words. We do not think the summary has responded to either A nor B.

For A) Also, Component 3 should include significant restoration outputs and targets since this seems to be where the work on connectivity between the PAs and restoration activities will happen. Otherwise it is unclear where the activities to support connectivity and areas outside parks are and therefore how it will be possible to reach the proposed KPI on restoration

The objective and KPIs and core indicators for this project clearly include connectivity and restoration outside and between protected areas, whereas Component 1 refers to "in National Parks" and Component 3 doesn't include restoration. Please address this gap in the TOC, results framework, and project summary.

Currently the assumptions in the TOC graphic are a mix of context (e.g. counting on political stability) and causal (e.g. we assume if we do X then Y will result) and they are not clearly explained. Please include an explanation of key assumptions in resubmission.

(i.e. Critical Assumptions A2 and A4 seem difficult to assume for a successful bond).

For PPG please further develop the TOC including a full articulation of the causal linkages and critical assumptions that underpin these (e.g. if we do X then Y will happen). This can then be used for effective M&E and adaptive management.

To include funding of GEF under component 2, we would need solid justification, and an evidence-backed TOC that shows the direct relationship between some nature-based economic activities and conservation results that can and will be measured/monitored we could consider at a much smaller scale of financing.

Project overview overall misses the conservation finance considerations i.e. lack access to finance. Why is this bond needed?

What is the shortfall of funding so that this type of Bond is the only alternative source. Rhino bond documents had a good overview of sources such as philanthropy in SA and why the bond is needed.

Additionally, please explain how the earlier Sustainability Linked Bond guaranteed by WBG and this Bond complement each other and do not overlap. What are the Indicators of the SLB?

For B) please provide how this project is additional to previous conservation bonds (IDA country, several additional outcome payors, corridors envisaged, other aspects?

Additional comments 10/31/2024

A) Cleared

B) Not cleared. Please review extensive comments in sections 3 and 5 of this review sheet to articulate the project better. Update this section after improved design.

Additional comments 11/05/2024

B) Cleared

Agency's Comments

a), b) The project summary updates have been made to incorporate the guidance note provided by the GEF Secretariat.

Additional comments 10/15/2024

Updates to project summary made to keep below 250 words and better describe work on corridors to justify restoration outputs and targets. Contribution to targets have also been added here.

Updates made to TOC and added justification to emphasize why component 2 is needed and why bond is needed. Please note that since there's a word limit on the Project Summary, the TOC and relevant text have been added under NGI: Justification of Financial Structure section.

Additional comments 10/31/2024

- a) Thank you.
- b) Extensive changes made to reflect comments received.

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

- a) The project objective only reflects the proposed KPIs (increase chimpanzee population, beneficiaries and tree cover), when the ultimate objective should not be restricted to specific biodiversity components, especially single species. Please revise the objective so that it is consistent with the improvement in the status and trends of globally significant biodiversity and ecosystem integrity at large.
- b) No. The Rhino Bond-that this structure is seeking to emulate- relied on a strong theory of change with activities/outcomes/outputs in conservation that could be quantified by a third-party calculation agent and verified. Please add as many details as possible in the updated project.

1- Outcome payments

- a- We note that additional sources of outcome payment have been identified, but their contributions is limited. Going forward, to ensure that GEF maximum funding remains commensurate with the financial flows reaching GEF-eligible countries for conservation activities, the GEF maximum contribution to outcome payments will be capped to the NPV of the foregone coupons, while recognizing that the instrument requires that the outcome payment exceeds the NPV of foregone coupons in order to remunerate the uncertainty of the payout for bondholders at maturity.

Please ensure in the resubmission that the additional sources of outcome payments are sufficient for the GEF maximum contribution to outcome payments to be smaller than the NPV of the foregone coupons.

- b- Please explain the articulation between, and justify the need for, different KPIs for different outcome payers. It seems that the non-GEF outcomes (benefits to local communities, restoration) would be instrumental for the biodiversity outcomes to materialize and be durable. Why is the instrument not structured around an integrated KPI that triggers all success payments?

2- Global environmental benefits and theory of change:

As for any GEF biodiversity project and irrespective of the KPIs chosen to trigger outcome payments, conservation bond proposals are required to include a theory of change constituting an evidence-based conservation plan to improve the status and trends of globally significant biodiversity and ecosystem integrity at large, at a landscape scale, in the targeted geographies. The proposal currently provides very little information on what conservation activities would be supported; provides no analysis of the drivers of biodiversity loss at large, beyond the targeted species, in the targeted area (For instance, bushmeat hunting as we understand it is not issue for Chimpanzees in Rwanda but may be for other species); and no theory of change for addressing these drivers.

2a- Please provide a comprehensive analysis of the drivers of biodiversity loss, clarify what on-the-ground activities will be funded, their incrementality compared to the baseline, and provide an evidence-based theory of change for their impact on globally significant biodiversity and ecosystem-wide integrity at the landscape scale.

3- KPI and MRV:

3a. Recognizing that KPIs need to remain simple and attractive for private sector investors, KPIs based on the population of a single globally threatened species, will continue to be considered at this early stage of market development in the replication and scale up of conservation bonds. Proposals with such KPIs should provide scientific evidence that the target species is an umbrella species in the project geography, i.e., a species whose conservation demonstrably confers protection to a large number of naturally co-occurring species. If the KPI remains as proposed, please provide such requested evidence.

Please also note that while single-species KPI will continue to be considered, proponents are encouraged to develop KPIs aimed at more comprehensively capturing the status and trends of biodiversity in the targeted ecosystems.

3b. Please provide evidence that the proposed KPIs are viable, i.e. changes to the indicators can be isolated and attributed to the project's interventions, the indicators can be measured with sufficient precision for the expected change compared to the baseline to be detected and occur within the project timeframe. Available evidence should be provided along with clear plans to confirm feasibility during project preparation and, as necessary for the most innovative KPIs, as part of project implementation.

3c- Please clarify anticipated cost and potential sources of financing of monitoring, reporting and verification (MRV). MRV costs are by nature not an investment and cannot be covered under the NGI -Blended Finance Program separate funding window.

Additional comments 10/15/2024

Currently the assumptions in the TOC graphic are a mix of context (e.g. counting on political stability) and causal (e.g. we assume if we do X then Y will result) and they are not clearly explained. Please include an explanation of key assumptions in resubmission.

(i.e. Critical Assumptions A2 and A4 seem difficult to assume for a successful bond).

For PPG please further develop the TOC including a full articulation of the causal linkages and critical assumptions that underpin these (e.g. if we do X then Y will happen). This can then be used for effective M&E and adaptive management.

To include funding of GEF under component 2, we would need solid justification, and an evidence-backed TOC that shows the direct relationship between some nature-based economic activities and conservation results that can and will be measured/monitored we could consider at a much smaller scale of financing.

Project overview overall misses the conservation finance considerations i.e. lack access to finance. Why is this bond needed?

What is the shortfall of funding so that this type of Bond is the only alternative source. Rhino bond documents had a good overview of sources such as philanthropy in SA and why the bond is needed.

Finally please explain how the earlier Sustainability Linked Bond guaranteed by WBG and this Bond complement each other and do not overlap. What are the Indicators of the SLB?

1- Outcome payment amount

As per guidance, maximum amount for GEF financing (i.e. cap) is the NPV coupons. In any case, GEF financing will be assessed in comparison to the objectives provided in the Guidance Note (which are reaching scale of BD impacts and deliver a wide range of benefits of BD global significance). Since the scale of the project is relatively small when compared to the ambition of GEF support for outcome bonds, please suggest a lower figure.

In the new submission please address the following:

- a- Only Component 1 seem to aim at Geb deliverance and could be considered and therefore only GEF funding i.e US\$ 4.71 M.[HF3]
- b- Activities under component 2 should be redesigned/ articulated in the PIF and TOC to clearly contribute to conservation outcomes
- a- MRV funding cannot be budgeted under the NGI (right now US\$ 300k budgeted).

2.) Global environmental benefits and theory of change

Please address previous GEB/TOC comment. Please write a brief, clear Theory Of Change narrative for this investment which includes IF...THEN statements and any key evidence to back up these critical assumptions (e.g. IF the management of national parks is improved, Chimps will have a safe place to feed and breed, increasing their population and producing KPIs for payout etc. :). For PPG this should then drive M&E (e.g. are these assumptions embedded in the causal relationships in the TOC holding true and producing results as hoped)? Currently the assumptions in the TOC graphic are a mix of context and causal and not clearly explained. Please address. 2.a.) Please describe the GEF increment of this project investment. (

Please note that in PPG and prior to endorsement further analysis of the specific drivers and threats to biodiversity targets for this project (e.g. chimps & ecosystems/landscapes), detail of activities to be funded and fleshing out of the TOC and monitoring is needed.

3a- KPI and MRV: Annex B noted with thanks, and indication of USAID/WCS development of MRV system for KPIs. Please respond to previous comment: *?Please also note that while single-species KPI will continue to be considered, proponents are encouraged to develop KPIs aimed at more comprehensively capturing the status and trends of biodiversity in the targeted ecosystems.? What KPIs beyond chimp population numbers (or trends) are being considered to capture ?status and trends of biodiversity in the targeted ecosystems??*

Understanding that KPIs will be further developed during PPG.

3b- See above.

3c- Has not been addressed. All MRV is budgeted under the GEF financing. As per comment, MRV costs are by nature not an investment and cannot be covered under the NGI -Blended Finance Program separate funding window.

Additional comments 10/31/2024

After reading the updated Concept Note and Data sheet, we continue to assess that the project is not intending to promote ecosystem integrity other than in and directly around the PAs. Rather, given the 4 component strategies, the project - as is- aims to protect endangered chimp populations and improve livelihoods and sustainability in managed landscapes to lessen Chimp and Chimp habitat threats. We suggest revisiting the Project objective, components activities outputs and outcomes with additional feedback in each of the sections.

Additional comments on TOC are provided in section 5.

1- Outcome payments

? Not cleared- Component 2 is not designed or described to support conservation outcomes. Please address with additional comments provided in this review.

? MRV/M&E can include GEF financing given the challenges for MRV and need for financing

2- Global Environment Benefits and TOC

All GEF 8 projects with investments in land management and conservation need to set targets and report on GHG emission reductions. **Please keep GHGs.**

The objective and KPIs and core indicators for this project clearly include connectivity and restoration outside and between protected areas, whereas Component 1 refers to "in National Parks" and Component 3 doesn't include restoration. Please address this gap in the TOC, results framework, and project summary

Component 2: Is framed as NBS and livelihoods without describing or depicting in the TOC or component text how these activities will contribute to the project objective nor KPIs (e.g. chimps and ecosystem integrity/connectivity) and where and how the component activities will do so. Please address/resolved. Additional comments are provided in the TOC section below

3 ? KPI and MRV 3a-b. Additional information added to measure status and trends of biodiversity in the targeted ecosystems.

? 3a.) **KPIs:** The project objective has two parts: "Protect endangered chimpanzee populations and promote ecosystem integrity in target conservation areas in Rwanda" which has two parts, chimps and ecosystem integrity/connectivity. **Please ensure that there is a KPI for each of these parts.** Hectares under restoration is an output isn't a good proxy for ecosystem integrity/connectivity. It could be considered a step in that direction.

3c. Please include GEF funding to M&E while MRV will be under USAID co-financing

Additional comments 11/05/2024

Cleared.

Agency's Comments

- a) The project objective is updated as guided.
- b) Theory of change was added to Project Summary and PCN Annex1, and details of project activities included in project overview.

Additional comments 10/15/2024

Updates made to TOC graphic and narratives accordingly.

1- Outcome payments

Outcome payment will be integrated across outcome payers.

Theory of change included in Project summary and PCN Annex A. Analysis of drivers of biodiversity loss and theory of change was provided. Component details added to project context section.

NPV assumes upfront financing is provided to the project at bond issuance. Rwanda also requested to allocate the GBFF as additional outcome payer.

Additional comments 10/15/2024

GEF financing amount reduced. Component 2 was better articulated to emphasize contributions to conservation outcomes.

MRV funding clarified (USAID not GEF).

2-Global environmental benefits and theory of change

Outcome payment was integrated across outcome payers (biodiversity and ecosystem restoration)

Theory of change included in Project Summary and PCN Annex A. Analysis of drivers of biodiversity loss and theory of change was provided. Component details added to project context section.

Additional comments 10/15/2024

TOC narrative added along with description of GEF increment of this investment.

3-KPI and MRV

3a. PCN Annex B was added to highlight use of umbrella species concept for project geography.

3b. KPI is being enhanced to capture broader biodiversity, social, and ecosystem resilience.

Additional details were included and further baseline/target efforts and MRV tools will be developed during project preparation.

3c. Clarification added to confirm USAID has provided grant to cover the MRV costs.

Additional comments 10/30/2024

3a-b. Additional information added to measure status and trends of biodiversity in the targeted ecosystems.

3c. Clarifications made to MRV costs.

Additional comments 10/31/2024

1- Outcome payments

Updates made to **component 2 as well as GEF financing for MRV/M&E.**

2- Global Environment Benefits and TOC

Updates made to component 2 and sample indicators in annex.

3 ? KPI and MRV

3a-b - Updates made to KPI and MRV sections. Team is holding a workshop on 11/14 in Kigali with global experts to optimize KPIs and methodologies. This will be updated as needed during PPG.

3c - Clarifications made to MRV costs.

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

Secretariat's Comments

No. Both need to be included.

Additional comments 10/15/2024

Monitoring and Evaluation component missed the outputs ? please amend.

Additional comments 10/31/2024 Please update with GEF financing on M&E

Additional comments 11/05/2024

Cleared

Agency's Comments

Updates made on project components to integrate gender dimensions, knowledge management, and monitoring and evaluation.

Additional comments 10/15/2024

Updates made to M&E component outputs.

Additional comments 10/31/2024

Updates made as per guidance.

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

a) Please address with new numbers for GEF financing to a max of NPV of the coupons

b) Yes.

c) N/A

Additional comments 10/15/2024

The GBFF cannot be counted as source of financing. The Max GEF amount per project should be applied to funding from all funds in the GEF family.

Additional comments 10/31/2024

1- GBFF: cleared. Thanks.

2- Please delete GCF as source of co-financing.

Additional comments relate to the lack of coherence between Financing tables, components description (outputs and outcomes) when taking into account Annex D -budget.

3- Each of the components included in the notional budget in Annex D doesn't seem to include activities that directly contribute to the two parts of the stated project objective nor the KPIs (for example, trail construction, IAS management, native tree planting and surveys seems to be a very incomplete investment to address the ongoing threats to chimps and their habitats and in improving the management of PAs and landscapes and increasing chimp #s and ecosystem integrity/connectivity). These budget items don't seem particularly well-aligned nor sufficient given the objective nor KPIs sought. GEF resources should be budgeted for activities that will clearly contribute to the TOC and result in the KPIs through a robust, evidence-based and comprehensive approach.

Additional comments 11/05/2024

Cleared

Agency's Comments

a) NPV assumes upfront financing is provided to the project at bond issuance. Rwanda also requested to allocate the GBFF as additional outcome payer.

b) Thank you.

c) Thank you.

Additional comments 10/15/2024

GBFF amount excluded from the co-financing.

Additional comments 10/31/2024

1 - Thank you.

2 - Updates made to Annex D.

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

a) Yes.

b) We note the Annex A ? Additional background information of the attached concept note. However, the description is focused on the chimpanzee populations and does not provide a comprehensive analysis of the drivers of biodiversity loss at large, and the key barriers and enablers to address them. Please provide.

Additional comments 10/15/2024

b) Please see previous comment and during PPG please undertake a comprehensive analysis and include at endorsement request a description of the drivers of biodiversity loss at large, and the key barriers and enablers to address them. This should then provide a basis for the refined TOC, proposed solutions and GEBs that this project will deliver.

Additional comments 10/31/2024

The overall rationale for mitigating risks and promoting economic gains as a means of achieving the project objectives and long-term outcomes of chimp conservation remain unclear. This needs to be strengthened. Guidance has been provided in section 3 and section 5 of the review sheet.

Additional comments 11/05/2024

Cleared

Agency's Comments

- a) Thank you.
- b) Additional details were added to strengthen project components.

Additional comments 10/15/2024

Description of drivers, barriers, and enablers added along with refined TOC. Solution and GEBs project will deliver. Noted on the comprehensive analysis for endorsement stage.

Additional comments 10/31/2024

Annex A was strengthened.

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

- a) No. As per comments above please address justification of ecosystem impacts.
- b) Please address
- c) No, please provide. This would include GEF efforts in standalone projects in Rwanda as well as other partners efforts in the country (which are partially covered in the proposal). Rwanda sustainability linked bond with WBG Credit Enhancement.
- d) No. Please provide their role in the financial structure.

Additional comments 10/15/2024

a) Please address justification of broader ecosystem impacts of this investment.

b) Clear

c) Clear

Agency's Comments

a), b), c), d) The narrative has strengthened accordingly.

Additional comments 10/30/2024

a) **Additional information is included on ecosystem impacts of this investment.**

b),c) Thank you.

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

a) No, a TOC in the style and fashion of Rhino Bond should be provided. We provided additional comments on the TOC under section 3, project overview, please address here in more detail.

b) No. Irrespective of the KPI chosen to trigger outcome payments, the entire range of global environmental benefits to be generated by the project should be captured on GEF core indicators following guidelines and contributions to the implementation of the Kunming-Montreal Global

Biodiversity Framework clearly articulated. Currently, the anticipated GEBs are limited to 105,000 ha of improved PA management effectiveness, which is not commensurate with the GEF Trust Fund funding request and points to an absence of impact in the wider landscape. WRI is also supposed to pay for a restoration outcome, which is not entirely clear (KPI proposed for WRI varies from number of native trees planted to Increased area under tree cover and/or improved forest management in target areas in different parts of the text) and is not reflected in GEF core indicator 3.

Please revise the targets on the core indicators to capture the entire range of impacts expected from the project, including its co-finance and other outcome payers, ensuring that the GEBs are commensurate with the GEF funding request.

Additional comments 10/15/2024

a) Please see previous comment on TOC narrative.

B) Clear.

Additional comments 10/31/2024

1- TOC needs to be better articulated.

Please revise TOC and the narrative to depict the theory of change for this project design that is based on a sound situational analysis, identification of leverage points, articulation of causal pathways and clearly show how planned project interventions will address the drivers of the loss of chimps and chimp habitat and contribute to the project objective and targets set for the investment. Although some of the causality has been addressed in the narrative, the TOC still falls short in critical areas. Further there seems to be confusion regarding activities/outputs.

The ToC should tie the activities and outcomes to the drivers of biodiversity loss. Component 1 should include land use planning and SLM investment, if that is a driver (though it fits better under Component 3)

Increased biodiversity presence is an outcome, not an activity or output. Similar, straightforward driver-activity to address driver-outcome rationale should be presented for each Component.

There are 2 additional Critical Assumptions added in the TOC but not added in the diagram ? is this intentional? Please address.

In long-term outcomes and project development objectives, 'Benefits Enhanced' shall be better clarified, perhaps the team meant socio-economic benefits in addition to environmental benefits as BD conservation and ecosystem connectivity?

Component 1 is the only component that directly addresses conservation, habitat restoration and ecological integrity for the Chimp conservation target. Component 3 is sustainable landscapes development via collaboration with other projects (it's useful, but not a direct contributor to Chimp or ecological integrity outcomes).

Component 2 suggests that the project will invest in NBS to mitigate community risks to natural hazards and to promote economic gains. This component of the project strategy should articulate how these investments will address the drivers of biodiversity loss noted in the theory of change ? lack of enabling environment, insufficient capacity and business models, lack of NBS financing. Addressing the drivers then substantiates the investment in NBS activities as a means of achieving the Project objectives and Long-term Outcomes.

Component 2 is furthermore unclear in bundling the promotion of business models and NBS enterprises with reducing human-wildlife conflict. Please explain this argument/strategy. Component 2 notes that NBS investments will include provision of improved seedlings, alien plant control and sustainable soil management. The first two of these link directly to habitat improvements and restoration described in component 1. Soil management is not clearly articulated as a strategy for Chimpanzee conservation. If this activity is in parallel, aiming to contribute to mitigating risks and promoting economic gains, please state so.

Component 3 aims to achieve sustainable landscapes between the two PAs. This is a weak component relative to the direct conservation/ecological integrity objectives of the project and at best indirectly related to the Chimp population target. Importantly, component 3 does not address the drivers of biodiversity loss identified in the ToC.

Moreover, it is unclear how it will achieve the short-term outcomes envisioned, other than by effectively coordinating with other projects. Would be useful to articulate what specific short-term outcomes will be achieved

Additional comments 11/05/2024

Cleared

Agency's Comments

- a) Theory of change provided in Project summary and PCN Annex A.
- b) Indicators updated to include co-financed activities.

Additional comments 10/15/2024

- a) TOC narrative added in PCN.
- b) Thank you.

Additional comments 10/31/2024

Thank you for the detailed guidance. TOC and components were updated to incorporate feedback provided.

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 N/A

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 Comments

a) Yes. Overall partners have been identified.

b) Please provide additional details on the partners that will implement conservation activities on the ground. Also please provide clarity on how the financial flows will be managed (at TRE or at country level, or both) and the mechanisms that will unlock disbursements against milestones achieved on the ground (i.e. not all foregone coupon financing will be provided upfront, but in tranches to incentivize correct implementation,

c) Please provide details on this aspect

d) KM component needs to be further strengthened.

Additional comments 10/15/2024

All cleared. Please add source of financing for KM and for M&E including GEF.

Agency's Comments

a) Thank you.

b), c) Additional information was provided on project partners and priority activities in sector for coordination.

d) KM components is strengthened in KM section.

Additional comments 10/15/2024

Source of financing added for KM and M&E. Thank you.

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 Comments

a) The project objective only reflects the proposed KPIs (increase chimpanzee population, beneficiaries and tree cover). The core indicator for this project seems low for the amount financed. Please for broader BD impacts.

b) The core indicator quantified seems low for the amount of investment required.

Additional comments 10/15/2024

Clear.

Additional comments 10/31/2024

Please keep GHG as in 10/30/2024 submission.

Additional comments 11/05/2024

Cleared

Agency's Comments

- a) Project objective was updated.
- b) Indicators were updated to include co-financed activities.

Additional comments 10/15/2024

Thank you.

Additional comments 10/31/2024

The GHG indicator remains as originally submitted.

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

Secretariat's Comments

No. Additional work is required on the financial structure and outcomes/KPIS needed for payment. The proposal presented no detail on the conservation activities that would take place under the foregone coupons to deliver the desired outcomes (i.e. the conservation activities on the ground).

Please include a graph that highlights the different partners involved.

Size of the NGI: limit the amount of the GEF investment to the NPV of the foregone coupons.

Additional comments 10/15/2024

GBFF cannot be included.

Please amend with lower GEF financing amount as stated previously in the review sheet.

Additional comments 10/31/2024 Thank you.

GEF amount excluding fees should be US\$ 9M.

Please delete GCF co-financing.

Additional comments 11/05/2024

Cleared

Agency's Comments

Conservation activities were detailed and Graphic added to highlight partners.

NPV assumes upfront financing is provided to the project at bond issuance (+GBFF).

Additional comments 10/15/2024

GEF amount updated and GBFF is excluded.

Additional comments 10/31/2024

GEF amount of \$9M was included and GCF deleted from co-financing .

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) No, please provide.

b) No, the risk table is blank. Please provide the risk assessment following the GEF requirements.

c) No, please provide.

d) No, please provide.

Additional comments 10/15/2024

Comment from Policy team: Please describe how the Overall risk rating was identified. Although most risks are Moderate and one is low, the overall project risk assessment is Substantial. Please explain why and consider changing some risk ratings to justify this overall assessment

Additional comments 10/31/2024

Fiduciary risk is described as substantial in the Concept Note and moderate in Data Sheet. Please address. Please include explanation in review sheet in the Data sheet that responds to PO review comments.

Additional comments 11/05/2024

Cleared

Agency's Comments

a), b), c) Risks were identified and mitigation measures proposed, and risk table is updated. ESRS is uploaded.

Additional comments 10/15/2024

Additional details provided on risks, especially ESF (social) risk. The substantial social risks for the project, along with fiduciary risks which relate to testing new financial funding model which are expected to be lowered once project is into implementation stage, are the main reasons project has substantial risk rating. This has been added into the portal.

Additional comments 10/31/2024

Fiduciary risk updated in data sheet. Explanation in review sheet included in Data Sheet.

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) The Bond will have a duration of 5 years but it can be transformative if other outcome payers are involved.

b) The innovation was already proven by previous conservation bonds. This next iteration should prove the different aspects outlined in the Guidance Note for outcome based bonds shared by the GEF

c) Provide if applicable.

Additional comments 10/15/2024

b) As explained in section 3-1, amount to be requested is US\$ 4.71M and if component 2 activities are articulated to deliver GEBs under BD 1-1 then a higher amount can be requested.

Additional comments 10/31/2024

Not resolved until design is improved. We will reassess after resubmission.

Agency's Comments

Additional details added on different aspects following Guidance Note were added. Additional outcome payers (WRI, CIF, and GBFF). Project will be a first for IDA, a significant global milestone and model for other lower income countries, and provides insights for newly approved Rwanda national climate and nature finance strategy.

References to national policies were added to show policy coherence.

Additional comments 10/15/2024

Updates made to component 2 and adjusted GEF requested amount.

Additional comments 10/31/2024

Improved to address comments.

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

Agency's Comments Thank you.

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 Comments

Please elaborate on alignment with Rwanda's NBSAP or biodiversity finance plan.

Additional comments 10/15/2024

Noted. Please include alignment with NBSAP in section ?A. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES? of the PIF.

Additional comments 10/31/2024

Cleared.

Agency's Comments

Additional details added to Project summary and PCN Annex C.

Additional comments 10/15/2024

Alignment with NBSAP and GEF8 programming strategies and country/regional priorities were updated in correct section (along with country platform ? IMF RSF, IREME INVEST, etc.).

Additional comments 10/31/2024

Thank you.

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

Please elaborate on contributions to KMGBF targets.

Additional comments 10/15/2024

Cleared. During PPG/at CEO endorsement please directly address HOW this investment contributes to the identified KMGBF targets identified at PIF.

Additional comments 10/31/2024

Cleared

Agency's Comments

KMGBF targets added in project summary.

Additional comments 10/15/2024

Additional details added to highlight how investment contributes to KMGBF targets. #1, 2, 3, 4, 6, 8, 9, 10, 11, 14, 19, 20, 21, 22, and 23. Noted on what is needed for endorsement stage.

Additional comments 10/31/2024

Thank you.

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments

No.

Additional comments 11/05/2024

Cleared

Agency's Comments

Policy requirements section is updated.

Additional comments 10/15/2024

Thank you.

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

Secretariat's Comments

No, please provide

Additional comments 11/05/2024

Cleared

Agency's Comments

List of stakeholders consulted table is added.

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 N/A

Agency's Comments

Focal Area allocation?

Secretariat's CommentsN/A

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's CommentsN/A

Agency's Comments

SCCF A (SIDS)?

Secretariat's CommentsN/A

Agency's Comments

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

Secretariat's CommentsN/A

Agency's Comments

Focal Area Set Aside?

Secretariat's CommentsN/A

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 CommentsN/A

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 Comments

There are inconsistencies between data throughout the PIF and the termsheet. Please review and update.

Additional comments 10/15/2024

Cleared but please delete GBFF.

Additional comments 10/31/2024

GBFF cleared.

Please eliminate GCF.

Additional comments 11/05/2024

Cleared

Agency's Comments

Co-financing table has updated accordingly.

Additional comments 10/15/2024

Thank you. GBFF is removed from the list.

Additional comments 10/31/2024

Thank you, eliminated GCF co-financing.

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 Comments

This Project needs an LoE. Please provide.

Additional comments 10/15/2024

Policy team comments. The template utilized for this project by the OFP removed the footnote that conditions the selection of the executing partner to the following: "Subject to the capacity assessment carried out by the GEF Implementing Agency, as appropriate?". Per the email sent back in March when we were aiming to constitute June 2023 Work Program, Agencies were informed that LoEs "with modifications cannot be accepted and will be returned?". While the removal of the footnote seems to be trivial, it is not: this footnote reduces the chances of having an executing partner that does not meet the fiduciary and procurement standards required to safely execute the project. Please get an email from the OFPs accepting this footnote to be part of the LoE (this is an alternative to request a new LoE).

Additional comments 10/31/2024

LOE with footnote or Email to be submitted. This is pending.

Additional comments 11/05/2024

Cleared- email from the OFP in the Roadmap section agreeing to footnote.

Agency's Comments

LoE has uploaded accordingly.

Additional comments 10/15/2024

Team has requested an email from the OFP accepting the footnote to be part of the LOE (as an alternative to request a new LOE per guidance from Policy team). This should come by Friday, November 1.

Additional comments 10/31/2024

LoE email was uploaded in the document.

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

Secretariat's Comments

Please address

Additional comments 11/05/2024

Cleared- email from the OFP in the Roadmap section agreeing to footnote.

Agency's Comments OFP endorsement letters has been uploaded.

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

Secretariat's Comments

Please address

Additional comments 10/15/2024

Please see comments on LOE section.

Additional comments 11/05/2024

Cleared- email from the OFP in the Roadmap section agreeing to footnote.

Agency's Comments

LoE has uploaded aligning with the amounts.

Additional comments 10/31/2024

The acceptance of footnote email from the OFP is uploaded.

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

N/A we need an LOE.

Additional comments 11/05/2024

Cleared

Agency's Comments

LOE has uploaded.

Additional comments 10/15/2024

Noted. Updated LoE is requested.

Annex C: Project Location

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

Secretariat's Comments

No. Please provide

Additional comments 10/15/2024

Cleared

Agency's Comments

Geo reference and map provided.

Additional comments 10/15/2024

Thank you.

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 Comments

No. Please provide

Additional comments 10/15/2024

Cleared

Agency's Comments

ESRS is uploaded for your review.

Additional comments 10/15/2024

Thank you.

Annex E: Rio Markers

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

Secretariat's Comments

No. Given previous comment climate resilience should be marked as co-benefit.

Additional comments 10/15/2024

This project will have CCA and CCM benefits, please revise selection accordingly.

Additional comments 10/31/2024

Rio Markers for Adaptation cleared- please keep GHG as core indicator and delete Rio Marker for CCM.

Additional comments 11/05/2024

Cleared.

Agency's Comments

The Rio Markers has been updated accordingly.

Additional comments 10/15/2024

CCA and CCM benefit selections marked as Significant Objective (1).

Additional comments 10/31/2024

Rio marker for CCM deleted.

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments

No. The taxonomy sheet is missing.

Additional comments 11/05/2024

Cleared.

Agency's Comments

Taxonomy sheet included.

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

- A) The termsheet is incomplete. Please provide as much detail as possible in the co-financing. For the payout of the bond, if there are tranches please provide a brief description.
- B) Please update the termsheet for a maximum GEF financing of the equivalent of the NPV of foregone coupons.
- C) Intended interim observation dates and final observation dates for success payment should be provided.
- D) If other Outcome Payors require achievement of other KPIs, (tree cover) please explain how the aggregate payment to bondholders will take place.
- E) If available, please include the role of all players (calculation agent, verification agent etc)
- F) Please provide estimate of reflows

Additional comments 10/15/2024

Please update project objective to include goals of corridors, restoration and broader nature-based solutions.

Please update the Amount requested from GEF given the comments provided in the earlier sections.

Please exclude in-kind financing from termsheet.

Please explain how currency risk can affect only the NPV of the foregone coupons and how this could be mitigated.

Please explain why there are 4 interest payment dates (i.e. a minimum coupon payment to bondholders?)

Use of proceeds:

?(through grant agreements with RDB and AP)? please give the meaning of the acronyms.

In the section, Contingent Success Payment you mention: ?See contingent success payment illustrative example

in table below.? And no illustrative example is provided underneath the table. Please provide.

In the Section Bond Investment you have a potential Outcome payer bullet point. Please explain or delete.

There is a footnote 3 that does not have a footnote. Please address

The reflow table mentions the following: ? success payment is expected if average annual growth rate of chimp population over the 5-year period is less than ~XX%) would be returned to the GEF Trust Fund.? Please add the same details of a payout of GEF depending on chimp growth rate into the termsheet for consistency.

Reflow table mentions an Annex A for an indication of potential GEF payments based on chimp growth rates. But we could find Annex A. Please provide.

Additional comments 10/31/2024

Please address termsheet with US\$ 9 M financing of GEF.

Please delete GCF co-financing.

Please update sections that were deleted from the current version and address the following comments:

-In the section, Contingent Success Payment you mention: ?See contingent success payment illustrative example

in table below.? And no illustrative example is provided underneath the table. Please provide.

The reflow table mentions the following: ?success payment is expected if average annual growth rate of chimp population over the 5-year period is less than ~XX%) would be returned to the GEF Trust Fund.?

Reflow table mentions an Annex A for an indication of potential GEF payments based on chimp growth rates. But we could find Annex A. Please provide. Please add the same details of a payout of GEF depending on chimp growth rate into the termsheet for consistency.

Additional comments 11/05/2024

Cleared; a simplified version of the termsheet was agreed for public disclosure.

Agency's Comments

Update has been made according to SEC's comments.

Additional comments 10/15/2024

Updates made to term sheet and reflow table. Note could not find reference to 4 interest payment dates or points on use of proceeds section. See concept note for full project details.

Additional comments 10/31/2024

Termsheet updated accordingly.

9 GEFSEC Decision

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

Secretariat's Comments

Additional comments 11/05/2024

Yes, the PIF which includes Data Sheet and PID document from the WBG has addressed GEF Secretariat comments and is recommended for technical clearance.

Agency's Comments Thank you. The commented points have been updated and addressed accordingly.

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

Secretariat's Comments

Please provide some indicative budget for the Gender Action Plan and related gender-specific activities/outputs, and ensure gender related indicators are integrated into the RF.

Agency's Comments Gender action plan is outlined under the project component 2 and key gender challenges will be assessed during the consultative phase. The detailed gender narrative can be found in the PCN.

Review Dates

	PIF Review	Agency Response
First Review	8/6/2024	
Additional Review (as necessary)	10/1/2024	
Additional Review (as necessary)	10/15/2024	
Additional Review (as necessary)	11/5/2024	
Additional Review (as necessary)		