

Mainstreaming Marine and Coastal Natural Capital Assessment and Accounting into Viet Nam's Development Planning for Blue Economic Growth of Key Sectors

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10906

Countries

Viet Nam

Project Name

Mainstreaming Marine and Coastal Natural Capital Assessment and Accounting into Viet Nam's Development Planning for Blue Economic Growth of Key Sectors

Agencies

UNEP

Date received by PM

1/3/2023

Review completed by PM

3/29/2023

Program Manager

Jurgis Sapijanskas

Focal Area

Biodiversity

Project Type

MSP

PIF CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

JS 3/27/2023 - Cleared, thank you.

JS 3/8/2023 - Thank you for the revisions and responses throughout this review sheet.

1- We note that the Biodiversity Rio Marker has been added, thank you. However, the climate change mitigation and adaptation Rio markers have been set to 2, which does not seem warranted for this project.

1a - Please set the climate change mitigation marker to 1.

1b - Please set the climate change adaptation marker to 0.

JS 1/6/2023 -

1- Please add a rating of 2 (highest rating) for the biodiversity Rio marker given the objectives of this project.

The rest is cleared.

Agency Response
Response: 3/27/2023

Thank you for the additional guidance. The climate change mitigation marker has been set to 1 and the climate change adaptation marker to 0 accordingly.

Response: 07/03/2023

Noted. Added accordingly a rating of 2 for the Rio marker as advised.

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/6/2023 -

1- PMC: the co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 10%, for a co-financing of \$21,830,000 the expected contribution to PMC must be around \$2,183,572 instead of \$202,536 (which is 0.9%). As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, please revise either by increasing the co-financing portion and/or by reducing the GEF portion.

The rest is cleared.

Agency Response
Response: 07/03/2023

Noted. With the reduction of the co-financing budget (to \$12,653,954) we have adjusted the PMC budget to have this in a better proportion to the GEF contribution to PMC. The adjusted co-financing budget for PMC now amounts to \$1,197,058.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

JS 3/27/2023 - Cleared

JS 3/8/2023 -

2- Thank you for the new letter. Please tag in the portal the in-kind co-finance from GOAP as "Recurrent expenditures" instead of "Investment mobilized":

Donor Agency	GOAP	In-kind	Investment mobilized	2,815,658.00
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The rest is cleared, thank you.

JS 1/6/2023 -

1- Co-financing from ISPONRE: The co-financing letter provided in annex 12 is for a co-financing of \$232,536 when table C reports \$382,536. Please correct.

2- Co-financing from GOAP: It seems the \$7.35 million reported encompasses activities going well beyond NCAA in Viet Nam and thus all cannot be considered as co-financing this particular project focused on Viet Nam. If that is the case, please provide a new co-financing letter focused on activities directly relevant to Viet Nam and report in table C the actual amount that will support directly support work in Viet Nam.

3- Co-financing from USAID:

3a- The co-financing letter provided includes funding related to "USAID Mekong Delta Coastal Habitat Conservation" when the focus of the GEF project is Qu?ng Ninh province, far from the Mekong Delta. Please justify why this particular USAID funding is considered as co-financing of this particular project or remove it.

3b- The co-financing letter provided includes funding for 2022-2027 when the project implementation will not start before 2024 and is to end in 2026. Please correct and adjust the co-financing amounts to reflect funding flows that match implementation period of the GEF project.

4- Co-financing from the Quang Ninh province has not materialized when the project is focused on work in this province. Please explain.

5- From the \$6.15 million of investment mobilized anticipated at PIF stage, none has materialized and the project leverages only in-kind recurrent expenditures. Please explain, justify that the project is still viable with such co-financing and clarify prospects to mobilize investments during implementation.

Agency Response

Response: 3/27/2023

1. Noted. The in-kind co-finance tag has been revised to "recurrent expenditure" from GOAP (CEO ER Document, Table C, page 4).

Response: 07/03/2023

1. Thank you for pointing this out. The amounts are adjusted with the amended co-financing letter from ISPONRE. In Annex 12 earlier submitted a second co-financing letter from ISPONRE, committing \$150,000 of in-kind support, was left out by mistake, which explains the amount of \$352,536 reflected.

2. A new co-financing letter from GOAP is now provided with a clearer reflection of those activities that are directly relevant for Vietnam. The co-financing amount therefore has now been reduced to \$3,183,158 of which \$367,000 in cash and \$2,815,658 in kind. The GOAP supports through its various outcome areas the advancement of ocean accounting, support to the piloting in Quang Ninh with a focus on capacity building, training opportunities, regional dialogues linking Communities of Practice in the region and specific support to knowledge products and technical reporting on ocean accounting.

3. A. and B. A new co-financing letter from USAID is now provided with a clearly reduced co-financing amount of \$8,294,396 reflecting the actual project implementation period of 2024 to 2026. Although the geographic scope of the USAID project is indeed on the Mekong Delta, there is however considerable thematic synergy through the various work packages on strengthening management for more effective habitat and species conservation, piloting to protect valuable coastal ecosystems including seagrass beds in island clusters and exploring solutions to conserve and expand mangrove forests to support local biodiversity.

4. The PPG team has been in a continuous dialogue with the Quang Ninh Provincial authorities of the PPC. They have expressed their commitment and interest in the project, as also reflected in their active involvement and input during the PPG mission and additional validation meeting. The requested co-financing letter however has taken a much longer time than the PPG team had anticipated, due to unforeseen administrative delays within Quang Ninh administration. Representatives of Quang Ninh Province have indicated that they are committed to signing a co-financing letter, but the moment of signing is yet unclear. The PPG intends to update the co-financing budget with the amount to be confirmed by Quang Ninh Province as soon as it is shared with the PPG team.

5. The amount of investment mobilized has now been increased to \$367,000, but is still considerably less than the amount reflected in the PIF. The executing agencies still feel confident that they will be able to effectively implement the project with the available resources and staff time and organisation support they are able to mobilize. Additionally, the executing agencies still see good prospect of additional support of private sector actors through their involvement in the sustainable business plan development in Quang Ninh.

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request JS 1/6/2023 - Yes, cleared.

Agency Response
Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request JS 1/6/2023 - Yes, cleared.

Agency Response
Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request
JS 3/8/2023 - Cleared.

JS 1/6/2023

1- Please add under the core indicator table in the portal entry an explanation for the targets on core indicator 4, 5 and 11 (Similar to that of the PIF).

Agency Response

Response: 07/03/2023

This has now been added to the CEO ER document, similarly, as provided in the PIF for CI 6 and 11. CI 4, 5 and 11 have remained the same, where the target for CI6 has been lowered from 1,255,227 tCO₂e to 907,308tCO₂e. The area with direct benefit remained identical with 142,696ha, whereas the area of protected areas, indirectly benefiting has been reduced from 51,678ha to 42,978ha.

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/6/2023

Please correct the following typo in the portal entry: 3 paragraphs related to roots causes are duplicated:

Threats, root causes and barrier analysis

When Viet Nam transformed from a poor to a lower middle-income country, more than 40 million people were lifted out poverty over the past two decades. Whilst Viet Nam's average population density in the coastal zone of 448 persons/km² is 1.6 times higher than the nationwide population density, coastal areas are also characterized by limited land resources combined with fast economic growth, and these two factors has had direct impact on the conversion as well as degradation of natural capital resources in Viet Nam.

Agriculture has driven growth and remains an important economic sector, accounting for 43% of total employment and contributing almost 20% of GDP. A very significant part of agriculture production in Viet Nam – including inland fisheries and coastal aquaculture is situated on its extensive coastal lowlands, which is a mosaic landscape of former river floodplains and estuaries, with those converted to especially irrigated rice (e.g. lower Mekong) and brackish water shrimp farms. Viet Nam is now the world's second largest exporter of rice. This rapid transformation has contributed to environmental degradation – including loss of key natural capital resources including its biodiversity, increased pollution, growing greenhouse gas (GHG) emissions and reduced soil fertility. Population- and economic growth in Viet Nam – including in the coastal zone, is expected to continue, thus increasing the demand for food, energy, and water, and could further hasten the depletion of natural capital. This loss of natural capital has implications for Viet Nam's continued sustainable development and resilience to climate change.

While aiming to create new economic opportunities, this level of economic growth also carries environmental and social costs that have yet to be fully understood, and its potential impact on natural capital in the country has yet to be accounted for.

Root Causes

Root Causes of threats to coastal and marine natural capital resources including biodiversity

When Viet Nam transformed from a poor to a lower middle-income country, more than 40 million people were lifted out poverty over the past two decades. Whilst Viet Nam's average population density in the coastal zone of 448 persons/km² is 1.6 times higher than the nationwide population density, coastal areas are also characterized by limited land resources combined with fast economic growth, and these two factors has had direct impact on the conversion as well as degradation of natural capital resources in Viet Nam.

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While aiming to create new economic opportunities, this level of economic growth also carries environmental and social costs that have yet to be fully understood, and its potential impact on natural capital in the country has yet to be accounted for.

The rest is cleared.

Agency Response

Response: 07/03/2023

Thank you for pointing this out. The mistake has been corrected accordingly.

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/6/2023

1- Please update the baseline, which notably refers to several 2022 activities in the future or present tense and still mentions collaboration with WB ProBlue, when corresponding co-financing has not materialized because "projects will end before expected start of the project (e.g. WB-ProBlue, ADB)". Please see (among others):

Whilst the WB and VASI are in advanced discussion towards ProBlue support to marine spatial planning in Viet Nam (MSP), VASI is now conducting the USD 9 million baseline program on *National Marine Spatial Planning (MSP) and development of Master Plan on Sustainable exploitation and Use of Coastal Resources in the Period of 2021-2030, with Vision to 2045*. The key tasks are (i) to assess and analyze coastal and marine natural assets, their condition, the context of drivers and impacts, and the current state of utilization of the marine space in Viet Nam's coastal areas, islands, archipelagos, seas and skies; (ii) to forecast trends of natural resources and environment fluctuations; climate change impacts; potential for utilization of marine natural resources and the requirement for integrating the environmental protection in the planning of government, and (iii) to conduct spatial zoning of the area included under Vietnamese sovereignty right and jurisdiction. According to schedule the final draft Master Plan **will be submitted to the Government for review and approval in 2022**, and it is expected that the WB ProBlue MSP support would take this further with capacity building and implementation modalities. **The WB ProBlue management team has expressed interest to collaborate with the GEF project towards** applying NCA to their planned MSP work – e.g. in Quang Ninh, given previous work by the WB in the Province.

Under the assignment of MONRE, ISPONRE **is currently developing** the *Scheme on Building a blue economy model towards sustainable marine economy development (2020-2022*; its value approximately \$130,000) to implement the Strategy on Sustainable Development of Viet Nam's Marine Economy until 2030. The key outcome of the Scheme is to develop a draft 'Decision of the Prime Minister on approval of the Scheme on Building a blue economy model towards sustainable marine economy development'.

Agency Response

Response: 07/03/2023

Thank you for pointing this out. These sections on baseline projects have been rephrased to better reflect the fact that some of them have already ended before the NCA project will start, or that foreseen co-financing has not materialized. The capacity building and lessons learnt generated by these projects and initiatives are still reflected as they support the knowledge baseline of the intended project.

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

JS 3/8/2023 - Cleared.

JS 1/6/2023

We note the more comprehensive Theory of change narrative provided in the ProDoc.

1- Please provide a more detailed description of the alternative scenario in the portal entry, to the activity level, as already included in the ProDoc.

2- Training: For the training of output 1.1.2, 1.1.3, 1.1.5, 2.1.1, 2.1.4 please clarify systematically the anticipated trainer, targeted trainees (including approximate scale/number of trainees) and explain plans to institutionalize such trainings. Please also explain how, in concrete terms, training would be expanded to other provinces under activity 3.1.2.3. Capacity building seems to rely predominantly on one-time consultancies and it remains unclear how the "a standard curriculum on NCA" to be developed under 1.1.2.2 "for national institutionalization" will indeed be institutionalized and rolled-out and/or replicated at scale.

3- Activity 3.2.1.4 - Please explain why the development of the gender monitoring methodology and gender auditing analysis of the project at baseline has not already been done as part PPG?

Agency Response

Response: 07/03/2023

1. A more detailed description of the alternative scenario, as already included in the ProDoc, reflecting the foreseen activities under the various outputs, has been added to the CEO ER Doc. (pages 29 to 39).

2. Capacity building and awareness activities on NCA under this project is designed in a systematic manner and as part of a coordinated strategy or campaign. A training needs assessment on the NCA will be carried out before implementing the capacity building and awareness activities. Training activities under Component 1 focus on building the institutional and staff capacity of ISPONRE, VASI, GSO, as well as key national and provincial partner agencies in compliance with the approved NCA methodology (Output 1.1.2.), Spatial data framework and data compiling (Output 1.1.3) and reporting procedures adopted for Green GDP, SDGs, gender inclusion (Output 1.1.5). The class size for each training course is 20-25 participants with a balanced share of women participants. To ensure the sustainability of project, the standard curriculum on NCA for national institutionalization will be developed under the project. The training curriculum once approved will serve as the official basis to train national and provincial staff within different sectors on NCA. The training cost will be covered by state and local budgets.

Component 2 focuses on application of NCA accounts at provincial level. While training activities of Component 1 concentrate on NCA tools and methodology, training activities of component 2 focus on NCA satellite accounts operations. This will focus on: (1) prioritizing

accounts development, system operation skills, enabling the staff to confidently continue development, monitoring and application of natural capital accounts information and analysis into development planning (Output 2.1.1) for provincial staff of Quang Ninh's DSO, DONRE, DARD, DPI, DOSCT and (2) capacity building and training of representatives of the private sector in Quang Ninh on sustainable business planning towards reducing vectors of NC impact, aimed at enhancing effective implementation of the plans/protocols and to identify those interventions with most impact (Output 2.1.2.).

Component 3 focuses on scaling up the results of NCA developed methodology and NCA application in Quang Ninh nationwide. Awareness raising and training of NCA to other provinces of Viet Nam, with an explicit focus on effectiveness and economic benefits of NC and their ecosystem services; and the trade-offs between the different uses, impacts and dependencies of sectors on NC and their ecosystem services derived from alternative business plans, sector development plans and other planning related to NC and NCA. The project will engage with key line agencies such as MoNRE, GSO, VASI and provincial government (e.g. DOIT) to secure extrabudgetary resources under different donor initiatives (i.e. USAID, GOAP) to facilitate replication NCA to other coastal provinces in Viet Nam. The Cop and national platform in combination with the availability of a tailor-made curriculum and trained staff will facilitate the further roll-out of capacity building to other provinces.

3. The support as intended under this activity is meant to provide additional support to the PMU staff in the monitoring of the gender action plan implementation and any changes if and where needed.

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

JS 1/9/2023 - Cleared.

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/9/2023 -

1- The role of co-financing is not explained in the incremental reasoning. Please clarify.

Agency Response

Response: 07/03/2023

Thank you for pointing this out. Although the role of GOAP as a co-financing entity, was explicitly named in the incremental reasoning, additional information is now provided on the role of GOAP and UASID and the particular incremental benefit the project is anticipating through these collaborations in the alternative scenario.

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

JS 1/9/2023 - Cleared.

We note the additional clarification on pp 45-48 of the ProDoc.

Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/9/2023 -

1 sustainability:

1a- In this section "sustainability" is to mean "durability" of project outcomes beyond project closure. Please revise the elaboration to focus on durability, not environmental and social sustainability.

1b- Sustainability/durability is justified by the project's "significant investments in capacity building", but see comments on the alternative scenario related to the institutionalization of the trainings to be developed by the project. Please clarify also in this elaboration how the capacity building investments were designed to have durable outcomes and be institutionalized.

Agency Response

Response: 07/03/2023

1a. The section on sustainability has been rephrased with a focus on longer-lasting impact, durability, and the narrative on social and environmental durability has been removed.

1b. An important contribution to sustainability will be through significant investments in capacity building under Output 1.1.2 (Staff training and institutional capacity building on ocean/coastal natural capital accounting in support blue economic development for national and provincial institutions) and Component 3, for all the national and local stakeholders (government, community, and private sector) who are involved in some way in project delivery. The investment in these individuals is expected to give long-lasting benefits on the ground, well

beyond the end of the project. The development of a tailored NCA curriculum, the training of government staff with this curriculum and the development of the Community of Practice and the national NCA platform are all aimed at building a catalyzing environment in which learning built within the project context will be embedded in structures that will persist after the project implementation period.

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

JS 1/9/2023 - Cleared.

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request

JS 3/27/2023 - Cleared, thank you.

JS 3/8/2023 -

2- Thank you for the response, but please add the corresponding tags on civil society's role in the portal, which are still missing:

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain)

The rest is cleared, thank you.

JS 1/9/2023

1- Please tag (YES/NO) the relevant stakeholder groups in the portal:

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations ⓘ

Indigenous Peoples and Local Communities ⓘ

Private Sector Entities

If none of the above, please explain why:

2- Please respond to the section dedicated to the role of civil society:

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain)

3- We note the report from the inception and validation meeting as well as the list of people consulted during the project preparation phase in annex 17-19. However, none of these annexes report any consultation of private sector entities when the project plans for significant private sector involvement, including securing private sector commitments and use of NCAA. Please clarify the extent of private sector consultation during PPG and justify if there was none or it was limited. Please provide a strategic analysis/mapping of the private sector stakeholders to be targeted by the project and explain in more details plans to ensure successful private sector participation during implementation.

Agency Response

Response: 3/27/2023

The tag for the role of Civil Society has been given to the role 'Member of Advisory Body'. We noted this had already been done in the CEO ER Document, but apparently something went wrong in the uploading to the portal.

Response: 03/07/2023

1. Done as advised.
2. NGO(s) will be part of the Technical Advisory group. Additionally, they have been consulted, as reflected in the minutes of the inception and validation workshop, during the PPG process, to inform them on the project development, gain knowledge of complementary initiatives and relevant technical knowledge or publications.
3. As suggested by the Guidance for preparation of GEF-financed projects, the PPG team followed a consultative approach that included a field mission and conducting interviews. This activity sought to enrich the vision of the context through direct contact with the most representative actors in the implementation of the project, including private sector in Quang Ninh. Representatives from Ha Long Bay, Association of Culture, Sport and Tourism, Fisheries Association were interviewed during the field mission to Quang Ninh (See Annex 18. Mission itinerary/Stakeholders consulted during PPG inception phase on October 6, 2022). Interviewees acknowledged that the project is highly relevant for Viet Nam, and Quang Ninh province as it reflects national priorities and a pioneering nature to support national and local capacities on NCA implementation. Interviews confirmed that the project design achieves a balanced project, which encompasses national and local interventions, building awareness, technical and institutional capacities, but also practical experience implementing NCA, especially at firm level. Under Component 2, Output 2.1.2, the project intends to support private sector entities in development of at least 4 Sustainable Business Plans/strategies related to especially the tourism and fishery sectors; and identification of sustainable business opportunities, investments and improved operations towards reducing vectors of NC impact. These sustainable business plans, or protocols, will take into consideration the value of natural capital, and through a consultative process for planning purposes in collaboration with provincial authorities and local stakeholders, to reduce or avoid impact from sector or corporate operations or investments in e.g. tourism or fisheries.

Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request

JS 3/27/2023 - Cleared

JS 3/8/2023 -

2- This comment has not been addressed. The project states that it will contribute to closing gender gaps in access to and control over natural resources. Please explain how it will do so in concrete terms or remove the tag.

The rest is cleared.

JS 1/9/2023

1- At least the first paragraph of this section has not been updated since PIF stage. Please revise:

Gender and social issues will be fully integrated in this project as they are important drivers and incentives for achieving global environmental benefits. Women as well as men will directly be involved in the project preparation and all subsequent phases of the project. Special attention will be paid to gender issues in planning processes at national and provincial level, and in the capacity-building activities. Specifically, a gender gap analysis which identifies gender inequalities in access to and control over natural resources, women's participation and decision-making; and socio-economic benefits or services for women will be conducted during the project preparation phase in order to incorporate gender perspectives in project interventions and provide an impartial platform to address gender concerns. Additionally, specific log frame indicators and targets will be set related to gender equality or inclusiveness, as well as explicit budget allocations to enable meaningful M&E through collection of gender-disaggregated data. Representatives from women's unions, non-governmental organizations, and other groups advocating on behalf of women will be invited to participate in stakeholder consultation meetings.

2- The project states that it will contribute to closing gender gaps in access to and control over natural resources. Please explain how in concrete terms.

3- Please also clarify why the tags that were present at PIF stage on "Improving women's participation and decision making" and "Generating socio-economic benefits or services or women" have been removed at CEO approval stage:

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? ⓘ

Yes

Closing gender gaps in access to and control over natural resources; Yes

Improving women's participation and decision making ⓘ

Generating socio-economic benefits or services or women ⓘ

Agency Response

Response: 3/27/2023

Noted with thanks. Upon further discussion within the PPG team and considering the foreseen limited contribution to actual closing the gender gap in access to and control over natural resources through project interventions, we have removed the tag ?contribute to closing gender gap in access to and control over natural resources? (CEO ER Document, page 58).

Response: 03/07/2023

1. Thank you for pointing this out. The section has been rephrased to reflect that these action were actually carried out during the PPG phase.

2. and 3. Indeed, In the PIF they were all three tagged, which the PPG team found too ambitious, considering the nature of the project and the types of activities, more indirectly have impact on access and economic impact for women. But we agree that the tag **"Improving women's participation and decision making"** should have been included, as it is clearly shown in the Table 9. Proposed gender action plan for project implementation of the

ProDoc that women will be actively involved in working groups and committees for policy planning and implementation. For "**Generating socio-economic benefits or services or women**" given the nature of the project and the types of activities, we feel that the work carried out by the project will continue to have environmental benefits to the sustainable use of local resources. However, the activities developed in the pilot sites may have a greater impact on groups of women engaged in tourism and fisheries sectors. This because the project will allow them to improve and strengthen knowledge of management and sustainable use of resources since they will learn about sustainable business planning, investments and improved operations towards reducing vectors of NC impact.

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/9/2023 - Please comment #2 in the comment box dedicated to stakeholders.

Agency Response

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/9/2023

1- Please update the risk table as the project has already been formulated:

Raising of unrealistic/false expectations among policy makers; champions; key decision makers; technocrats about natural capital accounts and subsequent difficulties related to integration of these tools into decision making processes	Medium	During the project formulation and inception project outcome and outputs will be carefully formulated together with key stakeholders based on a need assessment. Institutional capacity building has been identified as key output of the project to ensure that policy makers can understand NCA. Policy advocacy will be conducted to transfer key messages to policy makers and support NCA mainstreaming into planning processes.
Current institutions have inadequate technical	Medium	Under Component 3, the project will establish a national community of practice groups

2- Climate risk: We note the additional information provided on climate risks in Viet Nam and in the the targeted province as part of the barrier analysis (pp 21-22 of the ProDoc), but this generic information was already provided in the PIF , which promised that "data on climate change impacts and scenarios [would] be collected during the PPG, for further analysis on climate risks and mitigation measures needed." Please provide this further analysis and clarify how the project plans to integrate climate change in the NCA institutional, data and monitoring systems it will set up and in its pilot NCA application in Quang Ninh Province.

Agency Response

Response: 07/03/2023

1. Paragraph has been rephrased in the risk table.
2. Added section in Risk Table 3.5 in ProDoc, with more explicit information on potential CC impact and need to make use of NC accounts to record, monitor and analyse trends and impacts on ecosystems and ecosystem services. Also added additional background information on climate projections and impacts in coastal areas such as Quang Ninh (pages 21-22 ProDoc).

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request
JS 1/10/2023 - Cleared.

Agency Response

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request
JS 1/10/2023 - Cleared.

Agency Response
Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request
JS 1/10/2023 - Cleared.

We note that the workplan in annex 5 provides a timeline including for KM-related deliverables.

Agency Response
Environmental and Social Safeguard (ESS)

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

Secretariat Comment at CEO Endorsement Request
JS 1/10/2023 - Cleared.

We note the project's low risk rating and the attached SRIF.

Agency Response
Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request
JS 3/8/2023 - Cleared.

JS 1/10/2023 -

1- The indicative threshold for M&E budget is 5% of the GEF-funded part of project financing for projects up to USD 5 million, that is 61,997\$ for this project. The proposed M&E budget is more than double that amount, in part because it contains several elements

that should not be covered by the M&E budget. Please see the Guidelines on Project and Program Cycle Policy, p 18 (https://www.thegef.org/sites/default/files/documents/GEF_Guidelines_Project_Program_Cycle_Policy_20200731.pdf) and correct.

Please notably note Audit should be covered by the PMC and not the M&E budget, Publication of Lessons Learnt pertains more to KM budget than M&E budget per se.

While revising, please make sure the M&E budget reported in the M&E section is consistent with the budget presented in the Annex E.

2 - We note the project results framework but failed to locate a full-fledged monitoring plan describing in detail each project indicator, how it would be measured in practice, including data source/collection methods and responsibility, baseline and targets at MTR and project closure.

2a -Please provide an adequate monitoring plan.

2b- In particular, please clarify how the number of hectares under improved practice will be measured in practice. Assessment of the achievement of targets on core indicator 4 and 5 should indeed be underpinned by indicators tailored to the project context.

2c- Please see comment on impact on PAs in the comment box related to responses to GEF Secretariat review comments.

Agency Response

Response: 07/03/2023

Following the guidance provided the budget for the costed M&E Plan has been revised and the overall costs to GEF have now been reduced to \$68,131. Guidance by UNEP evaluation office has led us to take out the MTR that was initially part of the M&E activities foreseen. The updated costed M&E plan is reflected in Annex 7.

2.a Based on the SRF a separate monitoring plan is added to the costed M&E Plan of Annex 7 with indication of indicators, baselines, EoP targets and means of verification, together with the related risks and assumptions. This should enable a targeted monitoring of the progress, by the PMU staff, the project is able to make for the three distinct Components.

2b: The target as defined for improved landscapes, under Core Indicator 4 and 5, has been a point of discussion for the PPG team since they started the project development. The team has contacted the staff involved in the PIF development to better understand the landscape area targeted and how this area had been delineated spatially. The target to improve the specific landscape conditions is intended to be reached through amongst others the identification of sustainable business opportunities, investments and improved operations towards reducing vectors of NC impact. The NC accounts to be piloted in Quang Ning Province are intended to be able to document and monitor ongoing trends (spatially and over time), making use of the

spatial database (GIS-based) and its various satellite accounts. The NC accounts to be established are therefore seen as the monitoring tool to measure the total area of landscape that has been improved through the application and use of the analysis provided by the NC accounts to the development of the social-economic development plan.

2c: Noted and agreed. See related answer below.

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

IS 3/27/2023 - Cleared.

JS 3/8/2023 -

1- Thank you, but the revisions have introduced some copy/paste errors, with the entire section being included twice, and with an incomplete last sentence:

provincial level. The development of Natural Capital Accounting will give Viet Nam a basis for assessing the sustainability of economic act
the coastal zone, enable better socio-economic development planning and its implications to coastal and nearshore natural capital, show
sustainable development path would look like, and allow decision-makers to design blue economy-based policies, sector

Also, the elaboration is still largely focused on environmental benefits rather than squarely on socio-economic benefits.

Please revise to focus on the socio-economic benefits to be provided by the project, if any. It is entirely acceptable for socio-economic benefits to be limited. There is no need for a long development.

JS 1/10/2023

1- The elaboration in the portal entry is almost exclusively dedicated to environmental benefits and is redundant with other parts of the CEO approval request, when this section is meant to deal with socio-economic benefits. Please revise.

Agency Response

Response: 3/27/2023

Noted with thanks. The section on socio-economic benefit has been reduced and rephrased to focus only on expected positive impact on socio-economic conditions, including the now completed sentence (refer to P.83 of the CEO ER Document).

Response: 03/07/2023

1. Thank you for pointing out this missing element in describing benefits. A section on socio-economic benefits has been added and how these benefits support the achievement of global environmental benefits. Please refer to pages 82-83 of the CEO ER Document.).

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

JS 3/29/2023 - Cleared.

JS 3/27/2023 - .

1e- this comment has not been addressed in the version of the budget shown in the portal. please add one column to the budget table to identify the executing partner responsible for each budget line.

The rest is cleared.

JS 3/8/2023 -

1a- The budget table does not seem to have been updated in the portal entry, since the M&E budget remains at \$119,613 in the portal when the ProDoc shows it to be \$68,131. Please update the portal entry.

	For activities under output 3.1.2 (translation and printing)			902.00				
	For activities under output 3.2.1 (translation and printing)				2,285.00			
125	Other Operating Costs						11,093.00	11,093.00
	Grand Total	549,742.00	452,844.00	117,737.00	119,613.00	1,239,936.00	123,993.00	1,363,929.00

1d -It is well noted Other Operating costs refers to ?Contract Services (audit), Operating & Other Costs (phone, fax) and Travel?. Please, however, itemize these activities in the budget table of the portal entry.

1e. Even if the executing partner responsible for each activity is the same (ISPONRE), please add one column to the budget table to identify the executing partner responsible for each budget line.

The rest is cleared.

JS 1/10/2023

1- Budget

1a- Please see comment on M&E budget above.

1b- Please clarify in the budget to which staff correspond the \$93,600 of "Salary and benefits / Staff costs". Is this line to cover both the project coordinator and the Administration and Finance Officer?

1c. Office supplies have been charged to the components when they should be charged to the PMC. Please correct and notably consider moving all that is related to translation and printing services linked to knowledge products under specific outputs in another category than "offices supplies", as these are not office supplies.

1d. Please explain what are "Other operating costs" as this is not an eligible expense category.

1e. Please add one column that identifies the executing partner responsible for each budget line.

Agency Response

Response: 3/28/2023

1e: As advised, the executing partner responsible for the respective activities has been added in a separate column in the Annex E: project budget table in the portal.

Response: 3/27/2023

1a: The budget table has been updated and cleaned. An apparent problem during uploading has now been corrected and the correct M&E budget now reflected.

1d: The indicated budget categories for operating and costs, travel and contract services have been updated and itemized in the budget table as suggested.

1e: The executing partner responsible for the related activity (indeed ISPONRE) has been added in the budget table in a separate column as suggested.

Response: 03/07/2023

1a: See above, the M&E budget has been adjusted and reduced, see the costed M&E plan (Annex 7).

1b: This reflects a salary for Project manager (36 months x\$1,500/month = \$54,000) and Administration and Finance Officer(36months x\$1,100/month = \$39,600). Total = \$93,6000

1C: Thank you for this comment. These are not office supplies. The budget line is now Supplies, Commodities & Materials (Code 130). This cost covers translation and printing services, statistical and GIS software, maps and remote sensing imagery linked to specific outputs as indicated in the Annex 1.

1D Other operating costs refer to Contract Services (audit), Operating & Other Costs (phone, fax) and Travel. There are budgeted under PMC.

1E In principle, during implementation funds will flow to MONRE- ISPONRE. ISPONRE will sign sub-contract with different organization including GSO, VASI etc. Main accountability will therefore be with ISPONRE.

Project Results Framework

Secretariat Comment at CEO Endorsement Request

JS 3/8/2023 - Cleared.

JS 1/10/2023

1- Please add each GEF core indicator in the results framework as a separate outcome indicator.

2- Please align the results framework with the rest of the document, which reports a targeted landscape of " 91,038 ha (including buffer zones and corridors of PAs), as well as indirectly a total area of 42,978 ha of the 3 protected areas".

An area of about 142,000ha under improved landscape management (91,038ha with direct benefit through reduced NC impact and 51,658ha indirectly benefited in PAs)

Agency Response

Response: 07/03/2023

Thank you for pointing out this inconsistency: Adjusted in the PRF: all 4 Core Indicators have been now included into the PRF and the targeted landscape area has now been aligned with the rest of the document as requested. Please refer to Annex 4 with the updated PRF, pages 84 to 88 of the CEO ER Document.

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

JS 4/11/2023 - All cleared.

JS 4/10/2023- Thank you for addressing these comments. However, while introducing Core indicator 4 as a separate indicator capturing only direct impacts in the Results Framework, a typo was introduced. The Results Framework, like the rest of the document should show a target of 90,128 ha on core indicator 4 but it shows 91,038 ha instead. It seems the 910 ha of marine habitat duly reported under core indicator 5 were not removed (91,038=90,128+910). Please correct the typo in Annex E/Results Framework so that it shows 90,128 ha:

<p>Core Indicator 4: Area under improved landscape management with direct benefit through reduced NC impact area</p>	<p>Blue Economy sustainable growth is hampered by exclusion of a proper valuation of NC and ongoing impact vectors such as pollution, degradation, habitat loss and loss of ecosystem services</p>	<p>ts, plastics and other pollution, critical habitat loss and degradation, and loss of connectivity for key ecosystem services)</p> <p>Target 3: A total of 91,038 ha with direct benefit through reduced NC impact vectors, including on nutrients, plastics and other pollution, critical habitat loss and degradation, and loss of connectivity for key ecosystem services.</p>	<p>CSO willing to collaborate on improving the planning, design and operations of tourism and fisheries, or other sectors of NC concern</p> <p>Corporate business case and partnership on NC protocol is strong enough to adopt practices in tourism and fisheries sectors</p>
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JS 3/9/2023 -Thank you for the revisions.

1a -However, please separate in two different indicators in the results framework:

(i) what corresponds to GEF core indicator 4, which is dedicated to direct project impact to benefit biodiversity outside of PAs;

(ii) indirect impacts on 42,978 ha of PAs measured through reduced

Lumping direct and indirect impacts, PA and non PA together would not help assessing project results and properly learn lessons from its implementation.

1b - Please also revise the responses in Annex B, activities 2.1.3.2 and 3.2.1.7 and references to METT in the M&E plan, as we understand the project will no longer measure METT scores:

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Annex B: Response to Project Reviews (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion, and responses to comments from the Convention Secretariat and STAP at PIF).

GEF Secretariat Review Sheet d.d 5 May 2022, approval of PIF and guidance		
Comments	Responses	Document reference
<p>In relation to 2 and 5, during PPG, please further:</p> <ul style="list-style-type: none"> - identify how the project can improve the enabling environment for NCA in general, beyond the well justified marine and coastal focus of the project. - explore the possibilities for the project to improve management effectiveness of the PAs present in the landscape (as measured by the METT) and report the corresponding project impact on core indicator 1. 	<p>UNEP response 5 May 2022: No problem, we will do so during the PPG</p>	<p>In the ProDoc the broader enabling environment is sketched through the foreseen development of the National NCA roadmap, covering all Vietnamese ecosystems and related entities and the establishment of the Community of Practice on NCA, bringing together all national practitioners and intended to serve as broad enabling platform for NCA.</p> <p>The application of METT of PAs in the landscape, as described in the ProDoc there are actually 3 PAs, is seen as a proxy opportunity to follow and monitor the indirect impact the project is foreseen to make on PA management effectiveness, e.g. through mobilization of additional funding for the PAs and/or reduction of negative vectors as pollution or other negative impacts. It is suggested to compile a METT for Ba Tu Long PA (NP) at inception phase, which has been discussed with the NP management team in Quang Ninh.</p>

2.1.3.2 Support optimizing spatial planning for restoration and protection as well as for improved management and monitoring of coastal and marine NC resources. Based on the information provided by the establishment and analysis of the ecosystem account, condition account, ecosystem services account and pollutant account, the project under this activity aims to inform the PA's management teams and provincial authorities on temporal and spatial changes that could inform the management teams on specific actions to mitigate or reduce specific impact vectors and to channel targeted financial support to identified areas of negative change or impact in PAs and related buffer zones and ecological corridors. Whilst not anticipating the direct involvement of (M)PA management teams or work inside PAs, this may lead to the enhanced management effectiveness through new or additional financing for the costs of PA management, either through earmarking of line budgets or mobilizing interest for investment by other projects and or corporate entities. Although it is not foreseen to monitor impact on all PAs, it is suggested under this activity to establish a **METT**[37] for one of the PAs as a proxy for indirect impact on PAs.

JS 1/10/2023

1- Impact on PAs: Given the project did not evolve towards a more direct impact on protected area management effectiveness (which is acceptable) and the indirect effect of the project on protected areas is supposed to be through mobilization of additional funding for the PAs and/or reduction of negative vectors as pollution or other negative impacts, please consider measuring specifically PA funding and trends in pressures on PA biodiversity rather than the METT. The METT may respond to many other elements unrelated to the project and will not provide much information on the impact of the project.

Agency Response
Response: 4/11/2023

Thanks for pointing out the typo. As advised, the target has been corrected to 90,128 ha in the results framework and the rest of documents as well.

Outcome Level Indicators [↵]	Baseline [↵]	Targets and Monitoring Milestones [↵]	Means of Verifi [↵]
↵ Core Indicator 4: Area under improved landscape management with direct benefit through reduced NC impact area ↵ ↵ ↵ ↵ ↵ ↵ ↵ ↵	↵ Blue Economy sustainable growth is hampered by exclusion of a proper valuation of NC and ongoing impact vectors such as pollution, degradation, habitat loss and loss of ecosystem services [↵] ↵ ↵ ↵ ↵ ↵ ↵ ↵	(M)PAs (towards reducing NC impact vectors, including nutrients, plastics and other pollution, critical habitat loss and degradation, and loss of connectivity for key ecosystem services) [↵] ↵ Target 3: A total of 90,128 ha with direct benefit through reduced NC impact vectors, including on nutrients, plastics and other pollution, critical habitat loss and degradation, and loss of connectivity for key ecosystem services. ↵ ↵	↵ ↵ ↵ ↵ ↵ ↵ ↵ ↵ ↵

Response: 3/27/2023

1a i) and ii) Noted and agreed. In the Results Framework (ANNEX 4) the direct impact and indirect impact have now been more clearly been differentiated, with Core Indicator 4 reflecting the direct impact on biodiversity outside of PAs and another indicator reflecting the Area under improved landscape management with indirect benefit in PAs. We agree that this distinction between direct and indirect impact with separate indicators makes it easier to monitor actual impact.

1b The references to the use of METT, as previously reflected in activities 2.1.3.2 (page 59 of the ProDoc) and 3.2.1.7 (page 62 of the ProDoc) and the M&E plan (Annex 7) and Annex B of the ProDoc, have been revised. The comments in Annex B have been revised to: Following further discussion, it has been decided not to make use of the METT as a proxy to monitor project impact on enhancement of management effectiveness of the three PAs in the project area. The impact of the project interventions is seen as indirect through reduction of negative impact vectors, enhanced planning and potential mobilization of additional funding, but the interaction with the PA management teams will be relatively limited.

Response: 03/07/2023

Thank you for this good suggestion. In our team discussion we have been struggling with indeed the question if a METT would be an appropriate monitoring tool to be able to capture actual (indirect) impact on the PA. Focus on traceable mobilization of additional funding would be a more targeted approach, combined with any quantifiable reduction in reduction of negative vectors impacting the Pas and their biodiversity. Adjusted accordingly in the SRF.

Council comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Other Agencies comments

Secretariat Comment at CEO Endorsement Request

Agency Response
CSOs comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

Agency Response
Project maps and coordinates

Secretariat Comment at CEO Endorsement Request Cleared.

Agency Response
Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request
Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

JS 4/11/2023 - Yes, the project is recommended for CEO approval.

JS 4/10/2023 - Not at this stage. Please address the only remaining comment (Under the "GEF Secretariat comments" comment box, related to Annex A/Results Framework) and resubmit.

JS 3/27/2023 - Not at this stage. Please address the remaining comment (Annex E/budget) and resubmit.

JS 3/9/2023 - Not at this stage. Please address the few comments remaining and resubmit.

JS 1/17/2023 - Not at this stage. Please address comments in this review sheet and resubmit.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	1/17/2023	
Additional Review (as necessary)	3/13/2023	
Additional Review (as necessary)	3/27/2023	
Additional Review (as necessary)	3/29/2023	

**Secretariat Comment at
CEO Endorsement**

**Response to
Secretariat comments**

Additional Review (as necessary)	4/10/2023
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CEO Recommendation

Brief reasoning for CEO Recommendations