STAP SCREENING TEMPLATE

GEF ID	**11533**
Project title	**Integrated management of multiple use landscapes/seascapes to promote biodiversity conservation, ecosystem restoration, improve land and marine productivity and economic benefits to local communities**
Date of screen	**31st Nov 2024**
STAP Panel Member	**Mark Stafford Smith**
STAP Secretariat	**Guadalupe Duron**

1. Summary of STAP's views of the project

STAP welcomes Montenegro's project "Integrated management of multiple-use landscapes/seascapes to promote biodiversity conservation, ecosystem restoration, improve land and marine productivity and economic benefits to local communities." The proposal identifies several threats impacting biodiversity, ecosystems, and land productivity and proposes holistic approaches for managing biodiversity across land and seascapes while strengthening governance. STAP supports these solutions which are to be implemented across three different sites and applauds the incorporation of future narratives and a decent theory of change in this proposal.

Nonetheless, STAP strongly urges Montenegro and UNDP to design the project based on key challenges that are being observed and are likely to undermine biodiversity, land productivity, and economic benefits to the communities. For example, the impacts of climate change should form an integral part of the project logic, as climate risks (being observed now) will undermine achieving the project objective. Equally important will be strengthening the initial, future narratives described in the proposal so that climate change and its interactions with other key drivers, such as economic uncertainties, feature more prominently. To this end, STAP highly encourages the project developers to design the project with the same enthusiasm conveyed in the proposal. STAP also provides further advice on how to differentiate between challenges that should form part of the project design from risks that should be listed in the risk table.

Note to STAP screeners: a summary of STAP's view of the project (not of the project itself), covering both strengths and weaknesses.

STAP's assessment*

- □ Concur - STAP acknowledges that the concept has scientific and technical merit
- □ X Minor - STAP has identified some scientific and technical points to be addressed in project design
- □ Major - STAP has identified significant concerns to be addressed in project design

Please contact the STAP Secretariat if you would like to discuss.

2. Project rationale, and project description – are they sound?

See annex on STAP's screening guidelines.

The project rationale describes the importance of biodiversity, terrestrial and marine, to Montenegro and how it is being threatened by climate change, invasive species, land use change, urbanization, and pollution. The background also usefully details how previous efforts to improve biodiversity fell short, mainly because they were perceived as too sectoral and lacking support across governance levels. These details helped shape the current proposal into a more holistic focus that applies biodiversity management by integrated land and seascapes, with a stronger focus on governance and policy coherence.

The rationale then usefully describes the criteria used to select three targeted landscapes. These sites are described in detail, including the multiple threats to biodiversity - in terrestrial, marine, and freshwater environments. The threats include industrialization, pollution and waste, and land use change, resulting in

degraded soils and deforestation – and wildfires and invasive alien species, possibly amplified by climate change. (A minor correction - the description of the Northern landscape target site mentions cross-border pollution from a hydropower plant attributed to Albania, yet Albania lies to the south of Montenegro; should this be Bosnia-Herzegovina?)

Climate change impacts are minimally described as a threat, which is surprising given that increased temperatures and fluctuations in precipitations are mentioned as a severe threat to Montenegro's biodiversity (see background section). Greater attention to climate change impacts will be necessary in the project design. Otherwise, the project outcomes in biodiversity conservation, ecosystem restoration, and improved land management, and resulting economic benefits to communities, may not endure in the long-term.

The baseline is well described and linked to the project's additionality. STAP is also pleased to see a list of projects forming this baseline. The project team is highly encouraged to describe how this project will build on each baseline project, for example, identifying lessons learned and how it will embrace them. Articulating these issues further will help strengthen the additionality of this project, and suggest how to ensure on-going coordination with other initiatives.

The project description is built on a good initial theory of change, and its logic is well articulated. In the next section, STAP raises several recommendations to strengthen the theory of change and the resulting project logic. STAP also provides further suggestions on strengthening the initial future narratives described in the proposal, which STAP applauds as they look at policy and governance, financial uncertainties, and climate change as key drivers. However, STAP would consider these factors not external to the project's success. STAP believes these issues should be accounted for in the project design while forming part of future narratives that help identify robust options to achieve resilience through the project.

It is good to see serious attention to how scaling with occur (e.g. p.34). Attention to gender is embedded through the proposal well.

Note: provide a general appraisal, asking whether relevant screening guideline questions have been addressed adequately – not all the questions will be relevant to all proposals; no need to comment on every question, only those needing more attention, noting any done very well, but ensure that all are considered. Comments should be helpful, evaluative, and qualitative, rather than yes/no.

3. Specific points to be addressed, and suggestions

Below, STAP provides recommendations to strengthen the project design:

1. STAP applauds the inclusion of the future narratives (p.22-3), but notes that the intent of these may not be fully understood – the future narratives should outline some futures that may eventuate, covering the range of key uncertainties in drivers – the intent is not to identify a preferred future from these, since the drivers outlined are chosen to be largely out of the control of the project. Then potential responses and interventions should be assessed against these futures to ensure that the chosen approach is robust to the future uncertainty in the narratives – that is, will work regardless of whether policy reform happens more slowly or more rapidly, etc. These narratives slightly mix up factors (like the general rate of policy reform) with ones under the potential control of the project (like policy reform in specific areas addressed by the project). The 2 'solutions' options outlined at p.10 are the sort of alternatives that should then be considered in the light of each narrative futures, where the option chosen should be the one most likely to be robust (which in this case probably would be the 2nd option). Please refer to STAP's guidance on future narratives.
2. As a result, STAP recommends making a few adjustments to the future narratives. These are:
    a. Elevate the importance of climate risks (listed as an external driver), as Montenegro is already being affected by the impacts of climate change. To this end, rely on climate data, observed and projections (to 2050). The UNDP's Human Climate Horizons provides this data, and shows

Montenegro will be impacted by sea level rise within the next decade and even more by 2050. Thus, consider the rise in sea level as it is not currently accounted for in the proposal and will be important for site 2. Annual average temperatures for the next decade will increase by 1+° C by 2050. The occurrence of extreme events will almost certainly also rise.

b. Distinguish the policy and financial trends that are (like the level of global climate change) outside the influence of the project from those which are actually part of the project design. Only include the former in the narratives, with the latter appearing in the intervention options. Pressures on the national budget, for example, may be largely outside the control of the project and therefore considered here.

c. Analyze the interactions of key driver trends (e.g., financial uncertainties and climate change appear to be the most important drivers) and identify robust interventions that help maintain the durability of the outcomes. As currently written, the interactions do not seem to have been analyzed, which will be important to consider when robust interventions are identified.

3. Some of these issues are also relevant to the theory of change. For the theory of change, STAP recommends identifying assumptions that underpin achieving each key outcome. For example, an inherent assumption (component 2) is that ecosystem-based restoration, or nature-based solutions, will improve biodiversity, land productivity, and livelihoods. However, climate change may undermine these outcomes by affecting soils, forest health, or coastal and marine health. Therefore, STAP recommends designing the project by factoring in this assumption and the impacts of climate change, and then ensuring that whether this assumption plays out successfully is monitored, to allow rapid adjustment of the project if not. The same process should be applied to all the components. The risk table should list those risks that remain despite a good project design. Refer to STAP's note on "Clarifying risks in GEF projects, with a focus on innovation.
4. Besides embedding climate change impacts throughout the (theory of change) project logic when the project is being designed - STAP also recommends factoring in the social structures (e.g. cultural and gender norms and values) that underpin outcomes from components 1, 2, and 3. These components will focus on defining and applying regulatory frameworks; strengthening governance; carrying out approaches to improve biodiversity, land, and incomes; engaging the private sector and scaling finance for biodiversity; and, monitoring. These interventions and outcomes will depend on the social structures important to the socioecological system. As previously stated, if risks remain associated with social aspects, such as strong cultural resistance to the adoption of ecosystem restoration, then these risks should be identified in the risk table.
5. One particular example relates to the Barriers (pp.16-18) – it would be good if the discussion of the theory of change reflected on whether all the actions there in are not only necessary but also ***sufficient*** to reduce the impact of these barriers. If pressures for illegal or even legalized resource extraction continue – including pressures that may be caused indirectly by the effects of climate-driven disasters on national budgets, etc – will the interventions be sufficient to help protect the GEB nature positive outcomes from leakage (e.g. shifting deforestation activities to another part of the country), and from policy incoherence nationally? In the elaboration of the components pp.27-28, there are many actions that may build bottom-up community pressure on government to manage these issues well, but these depend on communities seeing the value of the intervention reflected in their own livelihoods; the assumption that this will occur should be made explicit and then monitored (ie not only that there ARE impacts and benefits [p.31, bottom] but that the community RECOGNIZES these and supports them – hence monitor social perceptions behind these assumed links), as should the assumption that this community pressure will be enough to overcome the barriers.
6. In this regard, the M&E system (output 5.1) should be more explicitly designed to test the assumptions in the theory of change, and allow early learning if the project needs modification.
7. Point 5 above may imply that it is vital to include community and diverse NGO voices in the project Steering Committee (or maybe an aligned advisory group) in order that government participants hear those voices easily. Table 2, p.36-9 identifies the range of stakeholders well, but highlights how important it is for the project to facilitate understanding (and even lobbying) from the bottom up.
8. Related to this, in the risk table, the Political & governance risk relates to these issues – most of the response provided here should in fact be in the project design, as above. The remaining risk here is

that what is done by design turns out not to be enough – mitigation measures should be articulated for this, which may well be to monitor both community sentiment (is it actually positive?) and its effect on government (does it actually help maintain sufficient commitment in government in the face of other forces?) – and at least then have the opportunity to adapt the project early if these effects do not emerge. The residual risk with this mitigation may then still be moderate.

9. STAP is pleased the proposal will seek to establish OECMs. The following two IUCN resources may be of value to the project developers: Site-level tool for identifying other effective area-based conservation measures (OECMs) : first edition and Recognising territories and areas conserved by Indigenous peoples and local communities (ICCAs) overlapped by protected areas
10. STAP recommends switching the sequencing between components 2 and 3—at least in their application. Component 3 will rely on data and tools to help establish baselines associated with soils and land productivity, water, and biodiversity. This data will valuably inform to what extent land, biodiversity, and ecosystems can be restored. This data can also usefully inform a land potential assessment.

Note: number key points clearly and provide useful information or suggestions, including key literature where relevant. Completed screens should be no more than two or three pages in length.

*categories under review, subject to future revision

ANNEX: STAP'S SCREENING GUIDELINES

1. How well does the proposal explain the problem and issues to be addressed in the context of the **system** within which the problem sits and its drivers (e.g. population growth, economic development, climate change, sociocultural and political factors, and technological changes), including how the various components of the system interact?

2. Does the project indicate how **uncertain futures** could unfold (e.g. using simple **narratives)**, based on an understanding of the trends and interactions between the key elements of the system and its drivers?

3. Does the project describe the **baseline** problem and how it may evolve in the future in the absence of the project; and then identify the outcomes that the project seeks to achieve, how these outcomes will change the baseline, and what the key **barriers** and **enablers** are to achieving those outcomes?

4. Are the project's **objectives** well formulated and justified in relation to this system context? Is there a convincing explanation as to **why this particular project** has been selected in preference to other options, in the light of how the future may unfold?

5. How well does the **theory of change** provide an "explicit account of how and why the proposed interventions would achieve their intended outcomes and goal, based on outlining a set of key causal pathways arising from the activities and outputs of the interventions and the assumptions underlying these causal connections".

    - Does the project logic show how the project would ensure that expected outcomes are **enduring** and resilient to possible future changes identified in question 2 above, and to the effects of any conflicting policies (see question 9 below).
    - Is the theory of change grounded on a solid scientific foundation, and is it aligned with current scientific knowledge?
    - Does it explicitly consider how any necessary **institutional and behavioral** changes are to be achieved?
    - Does the theory of change diagram convincingly show the overall project logic, including causal pathways and outcomes?

6. Are the project **components** (interventions and activities) identified in the theory of change each described in sufficient detail to discern the main thrust and basis (including scientific) of the proposed solutions, how they address the problem, their justification as a robust solution, and the critical assumptions and risks to achieving them?

7. How likely is the project to generate global environmental benefits which would not have accrued without the GEF project (**additionality**)?

8. Does the project convincingly identify the relevant **stakeholders**, and their anticipated roles and responsibilities? is there an adequate explanation of how stakeholders will contribute to the development and implementation of the project, and how they will benefit from the project to ensure enduring global environmental benefits, e.g. through co-benefits?

9. Does the description adequately explain:

    - how the project will build on prior investments and complement current investments, both GEF and non-GEF,
    - how the project incorporates **lessons learned** from previous projects in the country and region, and more widely from projects addressing similar issues elsewhere; and
    - how country policies that are contradictory to the intended outcomes of the project (identified in section C) will be addressed (**policy coherence**)?

10. How adequate is the project's approach to generating, managing and exchanging **knowledge**, and how will lessons learned be captured for adaptive management and for the benefit of future projects?

11. **Innovation and transformation:**
    - If the project is intended to be **innovative:** to what degree is it innovative, how will this ambition be achieved, how will barriers and enablers be addressed, and how might scaling be achieved?
    - If the project is intended to be **transformative:** how well do the project's objectives contribute to transformative change, and are they sufficient to contribute to enduring, transformational change at a sufficient scale to deliver a step improvement in one or more GEBs? Is the proposed logic to achieve the goal credible, addressing necessary changes in institutions, social or cultural norms? Are barriers and enablers to scaling be addressed? And how will enduring scaling be achieved?

12. Have **risks** to the project design and implementation been identified appropriately in the risk table in section B, and have suitable mitigation measures been incorporated? (NB: risks to the durability of project outcomes from future changes in drivers should have been reflected in the theory of change and in project design, not in this table.)