

Biodiversity conservation, sustainable land management and sustainable tourism development in North Macedonia

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10676

Countries

North Macedonia

Project Name

Biodiversity conservation, sustainable land management and sustainable tourism development in North Macedonia

Agencies

UNEP

Date received by PM

7/25/2022

Review completed by PM

10/7/2022

Program Manager

Ulrich Apel

Focal Area

Multi Focal Area

Project Type

FSP

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

07/28/2022: Yes.

Cleared

Agency Response

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

07/28/2022: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request n/a

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

07/28/2022: Not fully

UNEP co-financing should be listed as "GEF agency" in Table C.

10/07/2022: Addressed.

Cleared

Agency Response

UNEP co-financing is listed as "GEF Agency" in Table C of the CEO Endorsement package.

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

07/28/2022: 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

07/28/2022: 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

07/28/2022:No.

- There are changes and apparently a formatting issue (broken columns) in the core indicator table. The totals for CI 3 do not add up. Please check and try to fix by re-entering the indicator targets.

- Please also include WDPA ID and METT scores as appropriate.

10/07/2022: Addressed & clarification provided.

Cleared

Agency Response

- The entries are same so we couldn't spot any errors on CI3 on our end.
- National Park Shar Mountains is not yet registered in WDPA (the registration is to be initiated with MOEPP in due course).
- We entered the METT scores at Baseline as 28. In addition, we provided METT score baseline and targets in the Results Framework (Appendix 4 of the ProDoc). Baseline METT score: 28; Assumed mid-term MET target: not less than 40; Assumed end-project MET target: not less than 60.
- The core indicator 11 was accidentally entered for the whole population of the village. We corrected the target as it was planned at the PIF stage: At least 18,400 (9,400 women and 9,000 men)

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

07/28/2022: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

07/28/2022: Yes.

Cleared

Agency Response

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

07/28/2022: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

07/28/2022: Yes.

Cleared

Agency Response

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

Secretariat Comment at CEO Endorsement Request

07/28/2022: Yes.

Cleared

Agency Response

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

07/28/2022: Yes.

Cleared

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

07/28/2022: Yes.

Cleared

Agency Response

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

07/28/2022: Yes.

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

n/a

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

07/28/2022: Yes.

Cleared

Agency Response
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

07/28/2022: Yes.

Cleared

10/07/2022: ADDITIONAL COMMENT:

Please specify women as beneficiaries in the Project Component table, Output 1.3.2: Sustainable livelihoods of local communities improved through on and off farm diversification, value-adding, marketing, and skill development support.

11/07/2022: Addressed.

Cleared

Agency Response

01/11/2022

?The gender-responsive approach? has been added to output 1.3.2 throughout CEO Endorsement and ProDoc. Also, Page 97 of the ProDoc specifies the support to local communities, especially women.

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

07/28/2022: Yes.

Cleared

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

07/28/2022: Yes.

Cleared

Agency Response

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

07/28/2022: No.

The execution support request is not acceptable in this form for the following reasons:

- The execution request is substantial. It goes beyond the meaning of 'support' by handing almost all execution functions to UNEP.
- GEFSEC only approves execution support requests if there is a credible exit strategy that shows that the execution support will build capacity in the country to execute GEF projects in the future. This is clearly not the case and will need to be build into the project approach. The country should show a willingness to execute projects in GEF-8 and refine its internal processes accordingly.
- The budget implications of the request are unclear. It is not clear to the reviewer how funds flow and what the responsibility "MOEPP in cooperation with UNEP" means.
- If UNEP is providing execution support, UNEP regional office in Vienna needs to be listed in part I as executing partner.

10/07/2022: Addressed. Program Manager also discussed the request directly with the OFP. Program Manager approves the exception request and seeks manager (MGR) clearance.

Cleared

Agency Response

The Ministry of Environment and Physical Planning (MOEPP) is a governmental institution, which provides political and institutional supervision and acts as the National Executing Entity/Responsible Partner. The overall responsibility for the project execution and implementation by MOEPP implies the timely and verifiable attainment of project objectives and outcomes. The MOEPP will provide support to, and inputs for, the management and implementation of all project activities. Execution generally includes the management and administration of project activities, in addition to managing the delivery of project outputs. There is full project ownership by the MOEPP and all execution decisions are made by the Ministry in cooperation with UNEP.

Although the execution role of MOEPP has improved over past and ongoing projects, it is still facing limited administrative and technical capacities, with cumbersome procurement and contracting procedures. For these reasons, coordination and support in

execution is still requested from UNEP Europe Office, particularly in coordination and support of the project cycle management services while working closely with MOEPP.

To gradually overcome the abovementioned limitations, and based on a thorough analysis to identify the major challenges for direct execution by MOEPP, the project will design and implement special "execution training programs". The subject of the training will be the CBD, UNCCD and UNFCCC Focal points of the Ministry of Environment and Physical Planning, as well as a representative from the finance unit within the Ministry. The training sessions will be organized once or twice per year, with a duration of several working days at UNEP or in the country. Further details will be determined during the project inception phase.

Consequently, UNEP Europe Office is listed as an executing partner i.e. supporting entity in execution (Part I of the CEO Endorsement).

In terms of budget implications, the project anticipates the position of "National Project Manager" to be charged from UNEP PMCs, together with the administrative, finance and project execution support.

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

07/28/2022: Yes.

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

07/28/2022: Yes.

Cleared

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

07/28/2022: Yes.

Cleared

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

07/28/2022: Yes.

Cleared

Agency Response

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

07/28/2022: Yes.

Cleared

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

07/28/2022: Yes.

ADDITIONAL COMMENT on Annex E (budget table):

There is a difference on component 1 and component 2 between Table B and the budget provided in Annex E (i.e. for component 1 \$2,705,500 vs \$2,701,000). Please request the agency to review and correct where necessary.

11/07/2022: Addressed.

Cleared

Agency Response

01/11/2022

Tables compared and corrected.

Project Results Framework

Secretariat Comment at CEO Endorsement Request

07/28/2022: Yes.

Please make sure that indicator targets in the logframe are consistent with targets in the core indicator table.

10/07/2022: Addressed.

Cleared

Agency Response

We went over the log frame and the GEF core indicators and aligned them with each other.

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

07/28/2022: Have been responded to.

10/07/2022: ADDITIONAL COMMENT:

Responses to Project Reviewer's table is off the margins ? whenever posted, the autogenerated format will also be cut off. Please amend.

11/07/2022: Addressed.

Cleared

Agency Response

01/11/2022

We readjusted the table format of the responses section.

STAP comments

Secretariat Comment at CEO Endorsement Request

07/28/2022: Have been responded to.

Cleared

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

Has been provided in Annex C.

ADDITIONAL COMMENT:

On the utilization of PPG: please (i) explain the difference between PPG Coordinator and International Consultant; and (ii) provide details on what Local partner subcontracts entailed.

11/07/2022: Addressed.

Cleared

Agency Response

01/11/2022

We provided the following information in annex C?

(i) The national PPG coordinator was responsible for the overall coordination of the PPG work, monitoring of progress and contribution in the development of the project package, coordination and consultations with the Ministry and other relevant stakeholders.

The international consultant was responsible to support the development of the project package, especially the project log frame, in line with the requirements of GEF and the country's needs and priorities.

(ii) The local partner was responsible for data collection and interpretation, analysis and technical expertise to support the development of the project proposal, organization of stakeholders' consultation meetings, organization of inception and validation workshops, consolidation of the project proposal package.

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request Have been provided

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

n/a

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 n/a

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 n/a

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

07/28/2022: No. Please address comments made in this review.

10/07/2022: No. Please address remaining comments ("ADDITIONAL COMMENTS").

11/07/2022: Yes. Program Manager recommends CEO endorsement

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	7/28/2022	
Additional Review (as necessary)	10/7/2022	
Additional Review (as necessary)	11/7/2022	

**Secretariat Comment at
CEO Endorsement**

**Response to
Secretariat
comments**

**Additional Review
(as necessary)**

**Additional Review
(as necessary)**

CEO Recommendation

Brief reasoning for CEO Recommendations

The objective of the project is to support national and local efforts for achieving LDN and biodiversity targets in North Macedonia through the application of an integrated landscape approach in the Shar Mountains. The project will plan and implement an integrated set of activities related to forestry, pasture, water resources, agriculture, sustainable livelihoods, community awareness and capacity building aimed at avoiding, reducing or reversing land degradation, loss of biodiversity and ecosystem functions, including capacity building for natural capital accounting and for integrated LDN/BD monitoring and reporting. Replication and scaling-out will be ensured through targeted policy recommendations. The project will generate the following global environmental benefits: (i) 62,700 ha of terrestrial protected areas under improved management for conservation and sustainable use; (ii) 11,500 ha of land under restoration, (iii) 7,000 ha of land under improved practices, and (iv) 177,000 tCO₂e of carbon sequestered. 18,400 women and men will directly benefit from this investment.