

# Management of Indonesian and Timor-Leste Transboundary Watersheds (MITLTW)

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10679

**Countries**

Regional (Indonesia, Timor Leste)

**Project Name**

Management of Indonesian and Timor-Leste Transboundary Watersheds  
(MITLTW)

**Agencies**

CI

**Date received by PM**

12/13/2022

**Review completed by PM**

3/10/2023

**Program Manager**

Andrew Hume

**Focal Area**

International Waters

**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

1/23/23 (ahume): Yes. However, in Part 1: Project Information / Country, please add the two countries where it currently only lists Regional.

Please also note the Expected Implementation Start date has already past. Please amend to a future date keeping to 60 months the elapsed time from start to completion date.

3/8/23 (ahume):

1) Addressed. Note however, in the Portal under Part 1: Project Information / Country, this information was not updated and still showed only "Regional". We updated the Portal for the Agency to include the two countries.

2) Addressed.

#### Agency Response

CI-GEF 2/27/2023:

Countries are listed and dates changed to start date: 06/2023 and end date 05/2028. (the mid-term evaluation date updated to 12/2025)

**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 1/23/23 (ahume): Yes, the project design closely builds on what was approved at PIF.

Agency Response CI-GEF 2/27/2023: No response needed

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

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): 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

1/23/23 (ahume): No. As noted in PIF review, the cofinancing is expected to be considerable and include additional project partners. While the total has increased slightly (from a ratio of 1:2.46 to 1:3.04), it is still low. Further, it is all in-kind, including CI cofinancing changing from grant at PIF. The list of cofinancing partners also does not include other key project partners identified in the project, such as CSOs and universities, nor the associated baseline projects (World Bank/SAPIP and CSDA). Please address these issues.

3/8/23 (ahume):

1) Addressed. Identified cofinancing is \$15,214,648.

Agency Response

CI-GEF 2/27/2023:

The PIF had \$4,475,000 as cofinancing, the ProDoc has a total of \$15,214,648 ? all of which is coming from the Executing Agencies.

The cofinancing anticipated by CI as grant had not been secured at the time of submission, but one grant has now been confirmed, and will be included as co-financing. The Manaaki Fund (New Zealand Ministry of Foreign Affairs and Trade) signed an agreement with CI in Jan. 2023 for US\$ 1 million (NZ\$1,648,113) to support climate resilient livelihood development and improved MPA management on the coastal area of the transboundary watershed [Documentation for cofinancing pending.]

Two other grants (KIWA and SOMACORE) in the baseline list will be approved soon for Timor-Leste (equalling US\$2 million total); These grants will be added to the cofinancing once the agreements have been signed. [Note, none of these donors will allow the purchase of vehicles.]

Additional cofinancing will be sought during implementation.

CI-GEF 05/01/2023:

CI has added an additional \$1,000,000 in in-kind co-financing and the Ministry of Environment and Forestry, Indonesia have committed an additional \$10,000,000 in in-kind co-financing. The letters have been added to the portal and are reflected in the updated Prodoc, pg 149. Co-financing tables/tabs have also been updated accordingly. New co-financing total is \$26,214,648.

#### **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 1/23/23 (ahume): Yes.

Agency Response CI-GEF 2/27/2023: No response needed

#### **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

1/23/23 (ahume): No. Please provide additional detail for the PPG activities listed in the table.

3/8/23 (ahume):

1) Addressed. Additional activities have been listed in the PPG table in Annex C.

## Agency Response

CI-GEF 2/27/2023:

Additional activities listed in the cost rows in **ANNEX C: Status of Utilization of Project Preparation Grant (PPG)** in the portal

### 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

1/23/23 (ahume): No. While the core indicators are largely unchanged since PIF, please provide explanations on the methodology used under Table E in the CEO Endorsement.

Further, it is also unclear why Core Indicator 4 (Area of landscapes under improved practices, excluding protected areas) is not identified? Since the project mentions many times throughout the ProDoc the number of hectares of the basins, it is unclear why it is not then monitoring progress towards this.

3/8/23 (ahume):

1) Addressed. Updated Core Indicator methodology has been included.

## Agency Response

CI-GEF 2/27/2023:

In the uploaded ProDoc, please see after Table 9 for text on methodology on page 54; paragraphs 135 and 136. In the portal, please see the paragraph on methodology under the Core Indicators section.

Indicator 4 was not included because the project is focused on transboundary shared management and not necessarily improved practices. During the PIF development the GEF provided guidance to only include Core Indicator 7. The landscape figure is the entire watershed, which includes a number of Protected Areas and thus that figure would be inaccurate in Indicator 4.

Numbers have been fixed to match throughout.

## 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

1/23/23 (ahume): Yes.

Agency Response CI-GEF 2/27/2023: No response needed.

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

#### Secretariat Comment at CEO Endorsement Request

1/23/23 (ahume): Yes, the baseline scenario is well documented, including the formulation of the JFWG between the two countries.

Agency Response CI-GEF 2/27/2023: No response needed.

**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

1/23/23 (ahume): Partly. The proposed TDA-SAP process to build on the JFWG baseline is sound and adequate. However, it is unclear from the outputs in Component 2 how the SAP will be endorsed. It is suggested/assumed SAP endorsement will happen, but none of the outputs mention it or demonstrate how. Please address this accordingly.

3/8/23 (ahume): Addressed

#### Agency Response

CI-GEF 2/27/2023:

SAP endorsement is Outcome 2.2. and the outputs 2.2.1-2.2.3 note the actions to take place to obtain that endorsement.

Output 2.2.1: Definition of the necessary political process in each country for final endorsement of the SAP.

Output 2.2.2.: SAP and SAP sub-plans mainstreamed within each country's line agencies, finalized for review within each country according to processes defined in Output 2.2.1.

Output 2.2.3: SAP and SAP sub-plans endorsed at the Ministerial level.

Please refer to the footnote that was added to Paragraph 70 of the uploaded ProDoc to indicate this process.

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

Secretariat Comment at CEO Endorsement Request

1/23/23 (ahume): Yes. The project is well aligned with the IW Focal Area.

Agency Response CI-GEF 2/27/2023: No response needed.

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

Secretariat Comment at CEO Endorsement Request

1/23/23 (ahume): Partly. The baseline presented identifies projects/activities that are not included in the list of project cofinancing. The cofinancing is a short list and a low amount, reflecting the need for a stronger approach for the overall incremental cost reasoning (not just the presentation in the specific ICR section). Please improve on the actual project baseline activities and associated project cofinancing.

3/8/23 (ahume): Addressed

Agency Response

CI-GEF 2/27/2023:

Several of the baseline projects will be completed soon. Others have or will be moved to cofinancing in the near future (once agreements have been signed with the donors). See above for additional changes to co-financing.

**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

1/23/23 (ahume): Yes.

Agency Response CI-GEF 2/27/2023: No response needed.

**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

1/23/23 (ahume): Yes.

Agency Response CI-GEF 2/27/2023: No response needed.

**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

1/23/23 (ahume): The maps are blurry and hard to read. Please add higher resolution maps if possible.

3/8/23 (ahume):

1) No new maps have been updated in the Portal but the map in the ProDoc is much clearer. No additional action needed.

Agency Response

CI-GEF 2/27/2023:

We believe the maps may have been degraded when submitting through the portal. We will attempt to submit the maps separately so that they remain clear.

**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

1/23/23 (ahume): 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

1/23/23 (ahume): It is well noted that the project has provided detailed information on its stakeholder analysis and consultation during project preparation. However, the project has not provided adequate information in its stakeholder engagement plan. The project has included a preliminary and general stakeholder engagement plan and a template for its stakeholder engagement plan. At the stage of CEO endorsement, the project should be able to provide more details on the specific stakeholders that will be engaged, including information on the



means of engagement, information dissemination, roles and responsibilities, resource requirements, and timing of engagement during project implementation. It is also noted that no additional stakeholders are providing cofinancing to the project. Please address these issues.

3/8/23 (ahume): Addressed

## Agency Response

CI-GEF 2/27/2023:

In Section 2 Stakeholders in the portal and in Section V: Stakeholder Engagement in the Implementation Phase (starting on page 44 of the Appendixes or page 191 of the total pages of the uploaded ProDoc) of the Stakeholder Engagement Plan goes into detail about the plan to involve all stakeholders, including a chart on page 193 that details how the stakeholder groups will be engaged, the location and frequency and the resources required. The first table in ?Section III: Stakeholder Analysis? provides a list of stakeholders, their interest in the project and their influence and role in the project (page 20 in appendixes or page 169 of the total pages).

The introductory paragraph on page 44 of the Stakeholder Engagement Plan (page 191 of the entire document of the uploaded ProDoc) and Section 2 Stakeholders in the portal has been modified to be clearer that the plan will be modified regularly to adapt to change, but there is a Stakeholder Engagement Plan for implementation on the pages that follow.

While other stakeholders, such as the Consortium for Sustainable Dryland Agriculture (CSDA), will most likely provide in-kind support in the form of staff time to the project, the amount is not significant enough to quantify.

The project will engage the private sector, particularly to invest in the SAP implementation plan, but that funding has yet to be secured and most likely will not be considered cofinancing as it is sought to support the project beyond the GEF grant. The information on private sector engagement has been added to the Stakeholder Engagement Plan.

## 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

1/23/23 (ahume): A gender analysis was conducted and a gender mainstreaming plan was developed. Please address the following:

1. Indicator 11 People benefiting from GEF-financed investments indicated the beneficiaries as follows: 48.6% Women; 51.4 men [Figures were based on the population in the areas of the project; these are indirect beneficiaries]. These percentages do not match the direct beneficiary indicators in the project components (i.e., activities where women are direct beneficiaries) where women are only between 25% - 40% of the beneficiaries. Please ask the Agency to review the figures in Indicator 11 which refers to direct beneficiaries of project interventions.

2. The project document notes that it is tracking: ?Number of men and women who received benefits (e.g., employment, income generating activities, training, access to natural resources, land tenure or resource rights, equipment, leadership roles).? If this is the case, then the project is addressing the gender-responsive measure: *Closing gender gaps in access to and control over resources*. Please ask Agency to respond "Yes" to this question in the portal [Section 3 on Gender equality and women?s empowerment].

3/8/23 (ahume):

- 1) A response from the Agency has been provided to explain the differences in percentages.
- 2) Addressed.

### Agency Response

CI-GEF 2/27/2023:

1. The direct beneficiaries do not match the population breakdown for gender because in many cases the pool of women in government, in leadership, etc. is not large enough to be represented equally (this disparity is noted in the Gender Mainstreaming Plan under the ?Roles of men and women in the household and community? section). The project will work directly on increasing those figures, but for now, the indicators must be lower to be realistic. It is the project design team?s hope that the Gender Mainstreaming Plan has adequately captured means of increasing women?s involvement and the project will over-deliver on the gender-based indicators.

2. The Agency will answer Yes in the portal

### 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

1/23/23 (ahume): Private sector engagement is mentioned, but only in general terms. Please identify the specific sectors that were engaged during PPG as well as any additional sectors or groups to be engaged during implementation.

3/8/23 (ahume): Addressed.

#### Agency Response

CI-GEF 2/27/2023:

Agricultural Coops and a water bottling company were engaged during the May/June 2022 sessions, but they did not sign in, which is why they were left off the chart. They have now been added to the Stakeholder list (pages 34-35 of annexes), the Stakeholder Engagement during PPG/PPF Phase list (Section 2 Stakeholders text box 2 in the portal, page 41 of the uploaded ProDoc) and the Stakeholder Engagement Plan for Implementation (Section 2 Stakeholders text box 1 in the portal, page 50 of the uploaded ProDoc).

#### 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

1/23/23 (ahume): A risk table is provided. Please correct the mitigation for the financial stability risk. GEF funding should not be the exclusive funding source for the project. As noted already by the low level of project cofinancing, this statement is worrisome for project buy-in and is not a strong mitigation for financial stability. Please adjust accordingly.

3/8/23 (ahume): Addressed.

#### Agency Response

CI-GEF 2/27/2023:

The mitigation now reads that the cofinancing reporting will be regularly reviewed to ensure activities are covered. The prior text was a mistake, and meant to note that the cofinancing is necessary (thus, why it is listed as a risk) to fulfill the full expectations of this project.

#### 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**

1/23/23 (ahume): A justification for CI Timor-Leste to execute part of the project has been provided. Before a decision can be made on this request, both OFPs need to support the proposed arrangement. Only a letter from Timor-Leste OFP has been provided. Please provide a letter from Indonesia OFP supporting the proposed arrangement.

Please also revise the project documents to make the institutional arrangement for the project more clear. On one hand, the two governments are presented as the EAs in the CER, but then CI Timor-Leste is presented as doing execution for Timor-Leste and is receiving funds from CI as the IA. If CI Timor-Leste is being proposed to execute, then the project needs to clearly state this in simple terms. This should include proper identification of CI Timor-Leste in the respective sessions for Part 1: Project Information / Executing Partner.

Further, in the CEO Endorsement and the justification there are references of CI-TL supporting the JFWG until it is operational and ready to undertake the regional/transboundary coordination. It is unclear if this will be achieved during project implementation or as a result of the project. Please provide explicit targets that show how the JFWG will be assessed during project implementation and how it will be evaluated and milestones needed to take on the role of transboundary coordination, ending the regional coordination role and support by CI Timor-Leste. At the very least, this level of information should be provided so it can be included for MTR and TE.

Lastly, it appears that CI Timor-Leste would sit both on the PSC as well as receive funds, suggesting a potential conflict of interest. Please clarify how this will be avoided if CI-Timor-Leste were to take on EA support.

3/8/23 (ahume):

1) Not addressed. A letter of support for CI-Timor-Leste to execute parts of the project is also required from the Government of Indonesia. This is not a OFP Endorsement letter. This should be the same (or similar) to the letter provided by the Government of Timor-Leste requesting CI-Timor-Leste to execute parts of the project. No such letter from the Government of Indonesia can be found uploaded to the Portal.

2) Addressed.

3) Addressed.

4) Not addressed. The response does not address the issue of avoiding potential conflicts of interest. Please explain how this will be mitigated.

5/3/23 (ahume):

All remaining above comments have been addressed.

## Agency Response

CI-GEF 2/27/2023:

1. A letter from Government of Indonesia (GoI) was submitted with the CEO Endorsement package. In this letter the GoI confirmed they accept the content of the ProDoc including the Execution Arrangements. Letter attached again for reference.
2. In Section 6 Institutional Arrangement in the portal and in page 12, paragraph 20 and on page 85, paragraph 190 of the uploaded ProDoc, a sentence was added to indicate CI Timor-Leste's role supporting the MAF (as requested by the government of Timor-Leste).
3. In Part II Section 1a in the portal and page 47, paragraph 117 (also added to Appendix III) of the uploaded ProDoc, the key indicator to determine if the JFWG is ready to lead is a clear and agreed upon (by both governments) ToR. The ToR should show that the JFWG has a clear understanding of the management and community needs on both sides of the border and that they are prepared to work with the task forces on SAP implementation.
4. This has been a standard practice (for several CI GEF projects) to include the executing partner in the PSC, but if there is a conflict of interest the CI Timor-Leste can be an observer of the PSC [noted in paragraph 202].

CI-GEF 05/01/2023:

The letter has been uploaded in the portal.

As mentioned before this has been a standard practice for several CI-GEF projects where the EA support partner is a part of the PSC. To mitigate the potential conflict-of-interest CI Timor-Leste, CI proposes that CI-Timor-Leste can participate as observer of the PSC and take on a non-voting role. The reason we suggest the observer role is to provide support and answer any technical questions that may arise.

## 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

1/23/23 (ahume): Partly. A table is provided that explains how watersheds are addressed in national priorities, but these do not appear to be relevant to national convention commitments. Nor does the column on "project consistency" explain how any of the project activities are aligned. Please also provide descriptions, if any, of how transboundary watershed management is identified within national strategies.

3/8/23 (ahume): Addressed.

## Agency Response

CI-GEF 2/27/2023:

Text has been added to Table 6 in this section in the portal (Table 11, page 63 of the uploaded ProDoc) to include national convention commitments and to further explain the alignment between the national priorities and the project.

### **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**

1/23/23 (ahume): Treatment of KM is disorganized and KM approach is not adequately elaborated. There is no clear explanation of how the different KM activities fit together and who is actually responsible for undertaking them and when. It is not clear how and when the project will participate in IW:Learn although it is indicated that 1% of GEF grant will be used for this purpose. There is mention of a KM strategy; but it has not been provided. There is no mention of a ?communications strategy or plan?. The project document does not seem to include a KM budget or a timeline for KM or communications activities.

The agency needs to revise the KM section to better explain the project?s KM Approach, how the planned KM elements (sprinkled throughout the document and mentioned in different project components) fit together, who is responsible for undertaking what KM activity when, etc. The agency also needs to present a budget and timeline for the implementation of the KM elements. If there is a KM strategy for the project, it should be included in the revised submission.

3/8/23 (ahume): Addressed.

#### **Agency Response**

CI-GEF 2/27/2023:

A knowledge management plan will be produced during the first year of implementation, including budget and timeline. A chart has been added to the Section 8. Knowledge Management (p. 69; paragraph 174 of the uploaded ProDoc) to show the outputs with knowledge management deliverables and the costs associated. These costs are also indicated in the budget.

The project has a dedicated Knowledge Management and Communications Officer who will be responsible for ensuring the planned KM elements are undertaken. The KM and Communications Officer will also be responsible for developing the 2 experience notes and 1 results note, which will provide context for the various knowledge products being developed by the project team. The timeline for these products is included in the overall project timeline.

### **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

1/23/23 (ahume): An ESS has been completed and resulted in a Indigenous Peoples Plan.

Agency Response

CI-GEF 2/27/2023: No response needed.

#### **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

1/23/23 (ahume): A M&E budget has been provided, but the M&E plan is proposed to be developed as part of project inception/implementation.

Agency Response

CI-GEF 2/27/2023:

There is an M&E Plan in Section 6 of the ProDoc. The Plan will be reviewed and improved during the inception workshop.

#### **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

1/23/23 (ahume): The project claims to result in socio-economic benefits for 458,221 beneficiaries which is a highly specific number. As noted in the comment on Core Indicators above, please provide an explanation on how this was calculated. The justification for how this scales up to achievement of GEF GEBs is weak. Please provide a stronger justification .

3/8/23 (ahume): Addressed.

## Agency Response

CI-GEF 2/27/2023:

The indirect beneficiaries figure is the total population in the two basins, based on the premise that improved cooperative management and maintained/enhanced ecosystem services will benefit the entirety of these populations (see paragraph 138; page 54 (see paragraph 138; page 54 of the uploaded ProDoc).

Additional text was added to Section 1b under Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF) in the portal and paragraphs 131 and 132 page 52 of the uploaded ProDoc.

## Annexes

**Are all the required annexes attached and adequately responded to?**

## Secretariat Comment at CEO Endorsement Request

1/23/23 (ahume): All annexes are included. Please address the following:

A) See RF Comments below.

B) Note that the Response to Project Reviews table in the portal repeats itself.

C) See PPG Comments above.

D) Please include higher resolution maps

E) On Budget, please take note of following:

1. The project appears to be hiring at least 54 personal throughout the life of the project. This seems excessive. Please explain why some of these positions cannot be consolidated. Further, please explain how all the personal will be managed. With an already challenging institutional arrangement being propose, having to recruit and manage so many personal represents a big risk for project execution.

2. PMC staff (managers, coordinators, admin and finance staff) cannot be charged to the technical components but only to PMC.

3. Purchasing of vehicles and motorbikes with GEF funding is discouraged. Please provide a justification for this request. It is encouraged to consider this comes from cofinancing.

4. Please elaborate on what are the "Office Operating Cost" under Other Direct Cost category.



5. Office supplies, office operating costs and liability insurance under Other Direct Costs should be charged to PMC but not to project components.

3/8/23 (ahume): Budget:

1) Not fully addressed. The agency justifies that "There are only 9 staff for Indonesia and 12 staff for Timor-Leste", which makes 21 staff and 34 consultants. While the need for 21 personnel is briefly explained, no explanation is provided for the 34 consultants. Please use a table to explain in a one or two sentences the role of each of the 34 consultants to demonstrate why they cannot be merged into fewer positions to reduce transactions/promote cost saving measures.

2) The Agency has provided a justification for staff supported by technical components and PMC, including TORs.

3) The justification for purchasing motorbikes is sound.

4) The Agency has provided a justification for "Office Operating Cost"

5) The Agency has provided a justification for the identified costs as Other Direct Costs and not PMC.

5/3/23 (ahume):

All remaining above comments have been addressed.

## Agency Response

CI-GEF 2/27/2023:

1. There are only 9 staff for Indonesia and 12 staff for Timor-Leste. The Indonesian government will hire project-specific staff (non-government staff) to manage the project. CI-Timor Leste will support the government of Timor-Leste by hiring the staff for the Timor-Leste work. Four of these staff (two in each country) are designated as regional PMU staff. In the budget development process, careful consideration was given to the number of staff and organizational structure necessary to most efficiently carry-out the work and consolidated where we could. We believe 21 personnel is appropriate for a transboundary project with two EAs and a large geographical area.

2. The positions while generally identified as providing only project management services, also contribute to the technical components and in some cases will exclusively be contributing to the technical outcomes. Per the GEF policy, when staff are providing technical support to components and PMC, terms of reference should be added, which we have done in Appendix XIII. The Financial staff in the PMU is necessary for financial management and

internal controls of GEF funding flowing directly to the PMU and will build capacities to ensure that technical deliveries meet the GEF minimum fiduciary standards.

3. We acknowledge that ideally vehicles would be financed by the co-financed portion, however unfortunately this type of transboundary project does not have the co-financing resources to support the purchase of vehicles. Per the vehicle justification letter found in Appendix XI section B of the ProDoc, the exception is requested based on the significant cost savings of GEF project funds when compared with the cost of renting the cars and motorbikes necessary to achieve the project's outcomes, considering the geographical region that it spans.

4. These include all costs from the office that will have to be established in Belu regency near the Timor-Leste border over the life of the project as the government does not have presence in this location, which is imperative to deliver on the technical outcomes of this project.

5. Office supplies, office operating costs and liability insurance are shared across PMC and utilized to primarily deliver on technical outputs of the project. We believe this is consistent with best practices in resource allocation based on personnel level of effort and direct use in the various technical aspects of the project.

CI-GEF 05/01/2023:

We have consolidated consultancies into 15 lines to promote efficiency and cost-saving where possible. In some cases, we have not consolidated because we want to ensure they hire someone with the highest level of expertise. Under implementation the EAs will develop annual procurement plans that optimize efficiency and further consolidate when appropriate. The budget is now updated to show the details of the work that will be done.

#### **Project Results Framework**

#### **Secretariat Comment at CEO Endorsement Request**

1/23/23 (ahume): The RF indicators do not appear to roll up to GEF Core Indicators. There is also no description of methodology for measuring each indicator in the RF. For example, how will the project assess progress to hectare coverage or direct support to beneficiaries?

3/8/23 (ahume): Addressed.

#### **Agency Response**

CI-GEF 2/27/2023:

The direct support to beneficiaries will be all men and women who participate in project activities. It is currently anticipated that at least 300 community members in Timor-Leste (35% women) and 150 community members in Indonesia (25% women) will be directly involved in the Task Forces and also the actions in Component 3. And 50 government employees (national, regional, local) who will be involved in trainings and the JFWG. Those figures have been added to the RF.

The SAP will apply to the two basins, Talau-Loes and Mota Masin, which will cover 269,725 ha as noted in Outcome 2.1. and 2.2. The ha figure has been added to the indicators in the RF.

Information on how the indicators roll up to the Core indicators has been added to paragraphs 137 and 138.

The Project has a Monitoring and Evaluation component (Component 4). Additional details on measuring ha and direct beneficiaries have been included in the description of that component (paragraph 116).

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): The project has provided responses to GEF Sec comments from PIF.

Agency Response CI-GEF 2/27/2023: No response needed.

**Council comments**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): The project has provided responses to Council (Germany and US) comments.

Agency Response CI-GEF 2/27/2023: No response needed.

**STAP comments**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): The project has provided responses to STAP comments.

Agency Response CI-GEF 2/27/2023: No response needed.

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): No comments provided.

Agency Response CI-GEF 2/27/2023: No response needed.

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): No comments provided.

Agency Response CI-GEF 2/27/2023: No response needed.

**CSOs comments**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): No comments provided.

Agency Response CI-GEF 2/27/2023: No response needed.

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request 1/23/23 (ahume): All PPG funding has been committed. Please see additional PPG comments above.

Agency Response CI-GEF 2/27/2023: No response needed.

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

1/23/23 (ahume): The maps are blurry and hard to read. Please add higher resolution maps if possible.

3/8/23 (ahume): Addressed.

Agency Response

CI-GEF 2/27/2023:

We believe the maps may have been degraded when submitting through the portal. We will attempt to submit the maps separately so that they remain clear.

**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

1/23/23 (ahume): 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 1/23/23 (ahume): 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 1/23/23 (ahume): N/A

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request  
1/23/23 (ahume): No. Please address the above issues and resubmit.

3/14/23 (ahume): No. Please address the remaining comments and resubmit.

5/3/23 (ahume): Yes, the project is being recommended for CEO Endorsement.

**Review Dates**

	<b>Secretariat Comment at CEO Endorsement</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>1/31/2023</b>	
<b>Additional Review (as necessary)</b>	<b>3/14/2023</b>	
<b>Additional Review (as necessary)</b>	<b>5/3/2023</b>	
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**