

Seventh Operational Phase of the GEF Small Grants Programme in Indonesia

Review PIF and Make a recommendation

Basic project information

GEF ID

10510

Countries

Indonesia

Project Name

Seventh Operational Phase of the GEF Small Grants Programme in Indonesia

Agencies

UNDP

Date received by PM

3/17/2020

Review completed by PM

Program Manager

Hannah Fairbank

Focal Area

Multi Focal Area

Project Type

FSP

PIF

Part I – Project Information

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

- 1.) Please describe specifically how this project aligns with the BD focal area/GEF-7 biodiversity strategy.
- 2.) Please note that ecosystem restoration, water resources management and ecosystem services are all strong natural resources management activities but are not eligible under the GEF-7 biodiversity strategy. Given most of the resources for this SGP grant are BD, the activities need to be proportionally eligible (e.g. more heavily weighted toward activities that will produce globally significant biodiversity conservation results). Please adjust.

3.) The project lists CCM 1-1 in table A, however, the project also refer to energy efficiency investments, which would fall under 1-3. The alignment of the project to the climate change focal area elements depends on the exact scope of the project's activities, which at this stage are not very specific. Please clarify and adjust as necessary.

April 17, 2020 HF:

1.) Thank you for the response on the approach to BD conservation. Please revise section D on Alignment with FA/IP strategies to include a direct explanation for how the SGP investment is aligned with the BD focal area elements identified for the project. As it currently stands, the section of the PIF only addresses alignment with BD FAs as:

establishing partnerships and promoting business development. The Indonesia SGP UCP in GEF-7 is also aligned with the Biodiversity Focal Area Strategy as it engages communities in landscape/seascape strategies that "mainstream biodiversity across sectors as well as landscapes and seascapes" and addresses the "direct drivers to protect habitats and species". The SGP Country Programme will work with community organizations to enhance on-the-ground Implementation of SLM.

2.) Well noted. The adjustment in the Indicator 4 targets capture the shift in emphasis suggested. Please keep this comment in mind during the PPG and grant project design moves forward under GEF-7. Comment cleared.

3.) On the CCM alignment: based on this response/explanation it seems that the best fit would be CCM 1-4 (Promote innovation and technology transfer for sustainable energy breakthroughs for cleantech innovation). This objective is more "technology neutral" and focuses on supporting entrepreneurship and innovative solutions. Please adjust/revise PIF accordingly.

April 21, 2020:

1.) Comment cleared.

3.) Comment cleared.

Agency Response

April 20, 2020

1.) Please see revised text highlighted in green on page 27 of the PIF.

2.) Noted with thanks.

3.) Please see Table A as well as revised text highlighted in green on page 27 of the PIF.

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1.) The approach of this project is to support rural communities to directly conserve and enhance biodiversity, while also producing ancillary benefits for sustainable land management and climate change mitigation and adaptation. It is important to note that the benefits from this project will inevitably be mixed, given the holistic nature and interconnectedness of rural landscapes and livelihoods. While the project will include community-managed restoration, water resources management and management to enhance ecosystem services of key parts of each landscape, it will not exclusively focus on these activities but rather also include support to initiatives to enhance and protect important species, habitats and ecosystem functions.

2.) This SGP Country Programme addresses challenges to biodiversity loss, land degradation and climate change through strengthened community structures and institutions that lead to enhanced landscape governance for resilience and global environmental benefits. The selected landscapes are in the buffer zones of globally significant protected areas.

3.) See page 26 which reflects the following: The project is primarily aligned with CCM 1-1, though it is possible that individual SGP-supported initiatives may overlap or benefit programming objective CCM 1-2. Although the activities identified thus far are primarily oriented towards “fostering technology deployment, dissemination, and transfer through entrepreneurship and with a special emphasis on SMEs and private sector partnerships”, community projects may harness mitigation options to address climate change implications in land degradation and biodiversity conservation focal areas. This will be confirmed and developed during project preparation.

The project will pilot “emerging innovative solutions, including technologies, management practices, supportive policies and strategies, and financial tools which foster private sector engagement for technology and innovation.” The SGP Country Programme will provide policy makers with on-the-ground evidence from renewable energy and energy efficiency applications that can be used to “promote innovation and technology transfer for sustainable energy breakthroughs.” Lessons from experience with renewable energy and energy efficiency applications will be disseminated to private sector companies as well with the aim of establishing partnerships and promoting business development.

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

1.) Please review and revise each of the components and outcome statements and descriptions to simplify the language to remove jargon. Please use simple language that clearly describes the intended area of work and expected outcomes in concrete terms. Unfortunately, the current language makes it very difficult for the reviewers

to decipher what types of activities and outcomes are envisioned. We understand that this is the PIF stage, and given that this is SGP the grants and organizations are yet to be defined/selected but an increased level of clarity (of language and focus) is both possible and necessary at this stage to better understand the components and intended outcomes. Here are several examples of the types of descriptions that need to be reworked (please note these are only a couple of illustrative examples rather than an inclusive list):

- "The solution to the problem is for community organisations and civil society support groups in rural landscapes [...] to develop and implement adaptive landscape/seascape management strategies that build social, economic and ecological resilience based on the production of global environmental and local sustainable development benefits, including health and well-being."

- "Outcome 1.2: *By strengthening the reciprocal relationship between socio-ecological production landscapes and seascapes and their stakeholder communities, the project will ensure that communities have a continuing voice in the management of their landscapes and seascapes, while strengthening the sustainability and effectiveness of adaptive management of socio-ecological production landscapes and seascapes.*"

2.) Under what governing body or jurisdiction will the four "landscape management strategies" that are described in the PIF sit? Whose responsibility will it be to implement these? Where will the resources come from to support them? Are they part of the existing Indonesian governance structure at the local level?

3.)The umbrella "host organization" referenced in Component 1 is said to be an NGO, but could it be a local government entity or a previously established community-based group? Why/why not?

April 17, 2020 HF:

1.) Comment cleared. Thank you for revisions. In general, it is helpful/appreciated to highlight changes/revisions to text, noting that two examples phrases don't seem to have been touched.

2.) Comment cleared. Please ensure explanations in Agency response are included in PIF text.

3.) Comment cleared. Please ensure explanations in Agency response are included in PIF text.

Agency Response

April 20, 2020

Noted with thanks. The PIF has been reviewed to ensure responses are included in the PIF text. See pages 25

16 April 2020

1. The PIF has been revised and edited for clarity throughout, as much as possible. Please note that this similar terminology and level of complexity can be found in the previous SGP Upgraded Country Program PIFs approved by GEFSec and/or GEF Council over the past year: Brazil, Costa Rica, Ecuador, Egypt, India, Kenya, Malaysia, and Philippines, and PIFs for SGP in Mexico and Peru have been technically reviewed by GEFSec over the past six weeks.

2. Community-based institutional governance structures and networks will play an essential role in achieving resilience goals and ensuring effective, participatory decision-making. For this reason, the project will create multi-stakeholder governance platforms and strengthen existing ones to support participatory landscape planning and adaptive management in the three coastal and marine landscapes and one forested landscape. Multi-stakeholder platforms will bring together community organizations, local government, national agencies and Ministries, NGOs, the private sector, university/research institutes and other relevant actors. While participation on these governance platforms is entirely voluntary, the project anticipates that stakeholders will find it in their interest to participate and collaborate, whether to achieve better local government program results, private sector profits, increased opportunities for coordinated research, or augmented income and food security. These interests provide the incentives to participate in landscape planning and management, as well as collaborate within community initiatives that are aligned with landscape plans and strategies. SGP – along with community organizations, local village funds, and NGOs - provides financing to community initiatives as well as to the umbrella organizations responsible for facilitating the stakeholder platforms. Existing local governance structures may wish to strengthen the way they facilitate stakeholder participation – proposals for amendments to these formal local governance processes will be discussed and supported, as viable. More information on the experience of SGP Indonesia with landscape governance in socio-ecological production landscapes and seascapes can be found [here](#).

3. Ideally, umbrella organizations are previously established community-based groups because their functions are: i) conduct the socialization of adaptive landscape/ seascape strategies to local stakeholders, (ii) align the landscape/seascape strategy with local government policies, (iii) assist local organizations to develop proposals for submission to the SGP Indonesia Country Program team, (iv) take the lead in establishment of multi-stakeholder platforms, (v) mentor the grantees during project implementation, (vi) liaise with local government and (vii) create channels for communicating progress and impact of the GEF-funded projects through eco-fairs, newsletters and policy dialogues. Local Government cannot act as Host Organization because SGP provides grants of up to \$50,000 directly to local communities including indigenous people, community-based organizations and other non-governmental groups for projects in Biodiversity, Climate Change Mitigation and Adaptation, and Land Degradation. Local governments are ineligible for grants of any kind under established GEF SGP policy

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion March 31, 2020 HF: Yes.

Agency Response

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion March 31, 2020 HF: Yes.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion March 31, 2020 HF: Yes

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion March 31, 2020 HF: Yes

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion NA

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion NA

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion NA

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion NA

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion March 31, 2020 HF: Yes.

Agency Response

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

- 1.) Please ensure the entirety of the area/site to be conserved/impacted by BD conservation interventions is included in the indicator 4.1 hectare target estimate.
- 2.) Please note that indicator 4.3 is an LD indicator, as is all of Indicator 3--so those targets should be supported by LD resources. Given project estimates of cost/hectare for restoration vs biodiversity conservation action please adjust the targets to better align with resources available.
- 3.) \$110 BD dollar per hectare (20,000 hectares for \$2.2 million is extremely high dollar/hectare ratio for BD conservation regardless of the context). Please explain and adjust.
- 4.) How will specific biodiversity results be monitored under this project? Much of what is described is general NRM/ecosystem service work, whereas we are looking for GEBs for globally significant biodiversity. Please describe what globally significant biodiversity will be conserved and how this will be measured.
- 5.) Indicator 6 is not properly filled out (it is missing an anticipated start year and duration of accounting). Please add missing details. Furthermore, we are surprised by the low targets for renewable energy capacity expected to be installed by the end of the project (60 kW hydro and 50 kW solar PV). This level of capacity would be expected for one project of each type. Is that the case? Please clarify how these target capacities and the target direct mitigation benefit was estimated.

April 17, 2020 HF:

- 1.) Comment cleared.
- 2.) Comment cleared.
- 3.) Comment cleared. Please ground truth during PPG and include description of the basis for and how targets were set for all sub-indicators.
- 4.) Comment cleared.
- 5.) On the GEBs, although Indicator 6 is populated, but unfortunately, it looks like it has gone too far in the other direction for Sub-Indicator 6.4 Increase in RE capacity. May there be some confusion with the units? These targets seem off by at least a factor of 100 (or maybe 1000): 300 MW of micro-hydro, 107 MW of solar PV, and 16.1 MW of biomass capacity. I believe these may be off by at least a factor of 100 (maybe 1000). Please correct/explain.

April 21, 2020:

5.) Comment cleared.

Agency Response

April 20, 2020

Yes, thank you. The targets are indeed incorrectly calculated. Indicator 6.4 has been corrected to reflect the following information.

Indicator 6.4	Increase in installed renewable energy capacity per technology					
N/A		Technology	Capacity (MW)			
			Expected		Achieved	
			PIF stage	Endorsement	MTR	TE
		Micro-hydro	0.30			
		Solar Photovoltaic	0.107			
		Biomass	0.016			

The Calculation:

1. Micro - hydro = 0.3 MW

10 (Ten) Unit Micro hydro capacity 30 KW

10 Unit x 30 KW = 300 KW =0.3 MW

|

2. Solar PV = 0.107 MW

1,070 (One Thousand Seventy) Unit PV Solar capacity 100 WP / unit

1,070 Unit x 100 WP = 107,000 Watt = 107 KW = 0.107 MW

|

3. Biomass = 0.02 MW

28 (Twenty Eight) units of Biomass/Biogas Power Plant Installation 0.59KW/unit

28 unit x 590 watt = 16,520 watt = 16.52 KW = 0.016 MW

Please note that the GEF Portal is rounding up numbers in the relevant table so these figures may not be reflected. For reference, we have attached Annex B.

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1. Indicator 4.1 has been revised accordingly.

2. Indicator 4.3 has been revised accordingly.

3. The cost per hectare for BD work has been adjusted to USD 70 by adjusting upward the target number of hectares. This will be confirmed/revised during project preparation.

4. Please see page 21 of the PIF reflecting the following: During OP6, SGP Indonesia used the open source Kobo tool box as a platform for reporting activities and the monthly progress of its partners. Inputs can be made to this web platform either on-line or off-line. Every month, an analysis unit that manages activity reports carries out data cleaning and summarizes the main activities of each region to facilitate monitoring and learning by partners. In OP7, SGP Indonesia will continue use this platform for measure GEB.

The information entry in Kobotoolbox is qualitative and quantitative. Thus, the SGP team, assisted by the analysis unit, can monitor the achievements of partners and important issues that arise in partner activities. Quantitatively, the platform can easily generate data on the number of people by gender, location of activities, form and number of interventions, carried out by partners.

The data will be a means to identify primary patterns of performance of the innovations adopted by communities and identification of lessons learned. These can then be replicated in OP7 or scaled up.

Activities to conserve globally significant biodiversity in terms of both habitat and species will be monitored based on specific indicators and targets developed in landscape level strategies as well as for each initiative. Globally significant biodiversity exists within habitats and landscapes managed by often very poor communities for, among other things, food production and income. Ensuring that landscapes and habitats are managed in ways that improve productivity as well as conserve the structure and functions required for species survival, is a primary goal of the SGP landscape approach. The specific initiatives proposed by communities to manage their resources for productivity and GEB will be identified as part of landscape strategy formulation.

The effect of SGP activities on BD will be measured with the support of academic, governmental and NGO partners, who will be invited to participate in multi-stakeholder landscape platforms. Indicators at landscape level will include numbers of important species, hectares of important habitat, number of hectares brought

under sustainable management to enhance ecosystem services, number of hectares incorporated into biological corridors with management plans, and potentially others. A full monitoring plan will be formulated during project preparation. Individual community initiatives will have specific indicators for BD conservation, where relevant.

5. Indicator 6 has been revised accordingly to reflect more accurate targets for RE capacity – these will be confirmed/revised during project preparation.

Project/Program taxonomy

7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion March 31, 2020 HF: Yes.

Agency Response

Part II – Project Justification

1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

1.) Please elaborate in the narrative the root causes of biodiversity loss that need to be addressed in Sabu and Bulukumba Regencies (if conservation activities are expected there).

2.) We did not find sufficient information on the root causes and barriers towards the drivers of GHG emissions in the chosen landscapes and/or barriers towards the adoption of sustainable energy. Please clarify.

April 17, 2020 HF:

1.) Comment cleared.

2.) Comment cleared.

Agency Response

16 April 2020

1. The PIF has been revised on page 6 and 8 with further elaboration of the root causes of biodiversity loss in Sabu and Bulukumba Regencies.

2. The PIF has been revised on page 7 with more information on barriers and root causes regarding adoption of sustainable energy.

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

1.) There is not enough information on the baseline scenario or relevant baseline projects that are related to climate change mitigation and/or the proposed climate change mitigation activities on which this project will build on. Please clarify.

April 17, 2020 HF:

1.) Comment cleared. At CEO endorsement please address how this project(s) will be designed to address/build-on baseline scenario and baseline projects. Noting that it seems some GEF investments at these sites are missing (including an early SGP investment in Nantu-Boliyohuto protected area). Also information to better understand the current context/situation in target sites from this perspective should be included. Finally, please include the guidelines and criteria that will be in place to determine the types of solutions that will be supported to ensure they are indeed sustainable and have community ownership.

Agency Response

16 April 2020

Detailed baseline assessments will be developed during project preparation, however, the interventions under climate change mitigation will build on a number of ongoing and planned initiatives. Please see Annex D for an extensive list of potential baseline projects.

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

1.) Globally significant GEBs seem to be missing in the description of: **C) The proposed alternative scenario, GEF focal area strategies, with a brief description of expected outcomes and components of the project.** Please further elaborate what globally significant biodiversity will be conserved through this investment. What are the expected GEBs for biodiversity for the project sites (beyond general outcomes statements)?

2.) Outcome 1.4. While we understand that additional details will be defined during project preparation, there is not enough information to assess this outcome. What is the baseline situation relating to access to energy, source of energy, energy efficiency of different equipment/appliances, access to low-carbon technologies, etc.? How will low-carbon technology options be selected? What are the specific gaps and barriers this outcome aims to address by the use of small grants to generate climate change benefits?

April 17, 2020 HF:

1.) Thank you for Annex E.

a.) Please describe how global significance was defined in the identification and selection of these sites.

b.) Is Nantu Boliyohutu NP actually a KBA (as stated in table)? It does not look like it based on the KBA database. Please explain or revise.

2.) Comment cleared. Please see preceding comment in #2.) above regarding requested info at CER stage.

April 21, 2020:

All comments cleared.

Agency Response

April 20, 2020

Please see additional text on page 6 of the PIF.

a.) Global significance was defined in the identification and selection of these landscape/seascapes based on whether:

• They contain high biodiversity and/or species richness but at the same time experience high biodiversity loss or progressively increasing threats (biodiversity hotspot, etc.);

• Indigenous peoples and/or marginalized local communities live in the area and use land, water and biodiversity resources;

- They are increasingly vulnerable to climate change

- Cooking and lighting deficiencies translate to potential for renewable energy or energy efficiency approaches;

- They are experiencing processes of land degradation (forest degradation, soil degradation, unsustainable harvesting of biodiversity in production land/seascapes, etc.)

b.) Please find “Nantu” in the KBA database at:

<http://www.keybiodiversityareas.org/site/results?reg=2&cty=100&snm=>

16 April 2020

1. Please see Annex E of the revised PIF for more detail regarding globally significant BD GEBs to be potentially addressed by this project.

2. See page 23 for text reflecting the following: The baseline in terms of community access to energy, energy efficiency applications, access to low-carbon technologies, etc., is, for all intents and purposes, negligible given the remote locations of these communities in the buffer zones of protected areas and the priority of government programs to reach easier-to-access communities. Technologies and applications will be selected in dialogue with community organizations – participatory diagnostic of energy needs and gaps, identification of potential technologies and applications, identification of specific barriers to adoption of technologies, etc., (e.g. weak maintenance capacities, difficulties in encountering spare parts, etc.), costing of installation or adoption of technologies, including training, establishment of maintenance funds, etc. More specific gaps and barriers to achieve this outcome will be defined during project preparation.

Integrated low-carbon rural systems have not yet been developed in Indonesia. Scattered sectoral initiatives exist to address water management, land use planning, renewable energy generation and application and other issues, but they are not aimed at the development of synergistic systemic impacts in a specific district/neighbourhood or at community level. These initiatives are primarily implemented by government institutions as part of official plans and programmes, and communities are generally seen solely as relatively passive beneficiaries and not as organized actors, who are capable of proposing, designing, implementing or adapting initiatives and technologies of their own in support of government policies.

Most of the interventions proposed by SGP Indonesia will have automatic mitigation benefits and result in GHG emissions reduction (e.g. improved stoves, mini and micro hydro projects, improved land and Sustainable Forest Management (SFM) practices, etc.). The proposed interventions – to be confirmed during project preparation - are aligned and integrated with the development plans of Indonesia’s National Climate Change Action Plan set by the central government.

GEF SGP Indonesia Portfolio of Community-Based integrated low-emission systems since 1997, with more than 50 projects:

Type	Unit	CO2 MT (unit/year)	CO2 MT (more than 10 years accumulation)
Microhydro Power Plant	30	37.113	11,133
Biodigestors	5,000	0.26	13,000
Solar panel ensemble	1,750	2.7864	48,762
Energy Efficient Stoves	9,000	0.823	74,070
Total			146,965

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

- 1.) Please describe how the project is aligned with the BD focal area elements selected.
- 2.) What species and types of activities are envisioned for the crop genetic resource activities fit into the BD strategy activity on PGR?
- 3.) Is the project aligned with CCM 1-1 solely or a combination of other CCM focal area strategy elements?
- 4.) This project is not included in the Indonesia FOLUR Impact Program, but please describe how it relates/complements the identified Indonesia FOLUR impact child project specifically.

April 17, 2020 HF:

- 1.) Please see follow-up on #1 regarding alignment with BD FA.
- 2.) Thank you for additional information. Please note that ex-situ activities aimed at crop/PGR management/conservation are not eligible under the GEF-7 BD strategy-we must focus on in-situ conservation approaches. Please fund with project co-financing or remove.
- 3.) Please see previous comment on alignment. As stated, confirmation/development during PPG will be needed.

4.) Noted. Please include plans for cooperation with FOLUR in country in PPG discussions and CER. Comment cleared.

April 21, 2020:

All comments cleared.

Agency Response

April 20, 2020

1. Please see revised text highlighted in green on page 27 of the PIF

2. The PIF has been reviewed to ensure that ex-situ crop conservation activities are not included. The PIF refers only to on-farm and in situ conservation, and no activities related to ex situ conservation are incorporated.

3. Please see revised text highlighted in green on page 27 of the PIF

16 April 2020

1. Please see response under the first comment, above.

2. The PIF has been revised on page 26 to describe species and activities.

3. See page 26 which reflects the following: The project is primarily aligned with CCM 1-1, though it is possible that individual SGP-supported initiatives may overlap or benefit programming objective CCM 1-2. Although the activities identified thus far are primarily oriented towards “fostering technology deployment, dissemination, and transfer through entrepreneurship and with a special emphasis on SMEs and private sector partnerships”, community projects may harness mitigation options to address climate change implications in land degradation and biodiversity conservation focal areas. This will be confirmed and developed during project preparation.

The project will pilot “emerging innovative solutions, including technologies, management practices, supportive policies and strategies, and financial tools which foster private sector engagement for technology and innovation.” The SGP Country Programme will provide policy makers with on-the-ground evidence from renewable energy and energy efficiency applications that can be used to “promote innovation and technology transfer for sustainable energy breakthroughs.” Lessons from experience with renewable energy and energy efficiency applications will be disseminated to private sector companies as well with the aim of establishing partnerships and promoting business development.

4. The strategy for the Indonesia Upgrading Country Programme in GEF-7 is fully aligned with the strategy and spirit of the GEF Impact Programme on Food Systems, Land Use and Restoration in that its core approach promotes “a sustainably integrated landscape that simultaneously meets a full range of local needs, including water availability, nutritious and profitable crops for families and local markets, and enhanced human health; while also contributing to national economic development and policy commitments (for example, the Aichi targets for biodiversity conservation, and selected SDGs.); and delivering globally to the maintenance of biodiversity, climate change mitigation and adaptation, and provision of food, fibre, and commercial commodities to international supply chains.” While there is currently no overlap between the FOLUR child project and SGP landscapes, discussions will be held with the UNDP CO during project preparation to determine potential collaborative arrangements. At a minimum there is likely to be fluid exchanges of lessons and knowledge products, as well as shared events such as farmer training.

5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

- 1.) The incremental reasoning for the climate change and biodiversity resources is not clear. Please explain.
- 2.) A better understanding of the baseline scenario, existing gaps, and the scope of outcome 1.4 is needed and should support the incremental cost reasoning for the project.

April 17, 2020 HF:

- 1.) Comment cleared. Please see how this was addressed elsewhere in review sheet.
- 2.) Comment cleared.

Agency Response

16 April 2020

1. Please see revised text under Section E Incremental/additional cost reasoning.
2. Please see response to comment # 3.2, above.

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

Please see previous comments on indicator targets.

April 17, 2020 HF:

This comment cleared.

Agency Response

16 April 2020

Please see previous responses on indicator targets

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020:

1.) Reference to SGP Philippines which is assumed to be a cut/paste error. Please correct and customize the description of the SGP Indonesia approach to innovation, sustainability and potential for scaling up.

2.) The PIF reads: "The project will also take prior years' experience and identify and implement a number of potential scaling-up opportunities during this project's lifetime." Such as? Please provide examples (including how scaling-up will be approached given these are new SGP sites and a scaled-up approach to begin with).

April 17, 2020 HF:

1.) Comment cleared.

2.) Comment cleared.

Agency Response

16 April 2020

1. See revised PIF.

2. Please see revised text under Potential for Scaling Up in the PIF. Agroecological cropping systems, such as agroforestry, are very likely to be scaled up during OP7 if the demand is confirmed during project preparation. Community experience with agroecology during OP6 and previous phases of SGP has generated a wealth of smallholder expertise that is communicated to other farmers through the Farmer Field School methodology. Farmer-to-farmer training is a highly effective method of transferring knowledge and lessons across landscapes and communities.

SGP Indonesia has gained considerable experience over the past years on development of social enterprises as a way to establish the economic incentives to adopt and maintain practices and systems that are biodiversity friendly and maintain or enhance ecosystem function e.g. shade-grown coffee (see <https://terasmitra.com> for the SGP supported enterprise). A primary goal of SGP in OP7 – to be confirmed during project preparation -will be to integrate social enterprises into landscape and community level initiatives wherever possible, linking production of specific biodiversity friendly products to value chain development and access to markets. By joining similar initiatives together, the social enterprises can achieve economies of scale as well as overcome barriers influencing quality, volume, timeliness and other factors.

SGP has identified NGOs and private sector partners who are willing and able to collaborate with communities to develop social enterprises. For example, in Nantu Boliyohuto National Park (Gorontalo) there is potential for production of essential oils, however, the communities do not have the business or production skills to produce sufficient volumes at the required standards. The social enterprise is a fundamental part of upscaling any biodiversity friendly production initiative.

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF: Yes.

March 31, 2020 HF: II. PROJECT MAP/COORDINATES COMMENTS FOR MALFUNCTIONING BOX ABOVE:

- 1.) Please provide a map of Indonesia with project sites indicated.
- 2.) Site-level maps are blurry. Is there a way to submit maps into the Portal so the resolution makes them readable?

April 17, 2020 HF:

- 1.) Comment cleared. Please include at CER. For future PIF submissions it would be really helpful to have a basic national map with site locations (in addition to site locality maps) to provide context for the site locations and proximity would enhance PIF review.
- 2.) Comment cleared. Much better, thank you.

Agency Response

April 20, 2020

Noted with thanks. A national map indicating the project's land/seascapes has been included in Annex A of the PIF

16 April 2020

1. A map of Indonesia with the project sites indicated will be prepared during the PPG phase.
2. New site-level maps have been attached to the PIF.

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF: Yes.

Agency Response

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

March 30, 2020 HF: Yes.

Agency Response

Risks

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

1.) Please clarify/elaborate the first risk in the table-unclear.

2.) Please add climate change risk to the table and accompanying mitigation measures.

April 17, 2020 HF:

Both comments cleared.

Agency Response

16 April 2020

Please see revised risk table on page 41 of the PIF (Risk section). The full risk screening (pre-SESP) at PIF stage is also attached.

Coordination

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

It looks like the projects identified aren't necessarily co-located in the sites of the proposed GEF-7 Indonesia SGP which is fine to include as there are technical complementarities. Please also indicate to what extent there are ongoing (recent) GEF investments in the target geographies and how the SGP portfolio will build on, work with, contribute to these projects.

April 17, 2020 HF:

Comment cleared. Please consider during PPG and CER stage.

Agency Response

April 20, 2020

Noted with thanks

16 April 2020

The PIF has been revised by incorporating the following project:

UNDP/GEF – Integrated Sound Management of Mercury in Indonesia’s Artisanal and Small-scale Gold Mining (ISMIA)- location: Gorontalo

The objective of the project is to reduce/eliminate the use of mercury in the Indonesian ASGM mining sector through provision of technical assistance, technology transfer, establishment of public private partnerships and facilitating access to financing for the purchase of mercury-free processing equipment. Artisanal miners may wish to propose initiatives consonant with the objectives and outcomes of the Gorontalo landscape strategy. These could include capacity development for non-mining alternative income generation e.g., agroforestry production, as well as resource management to reduce sedimentation, deforestation and pollution in the affected watersheds. During project preparation the viability of closer coordination with or participation by the AGSM will be assessed.

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country’s national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF: Yes.

Agency Response

Knowledge Management

Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF:

1.) KM: how will the experience and knowledge generated in previous SGP investments contribute to improving the GEF-7 SGP outcomes/impacts particularly given these are all new geographies for SGP?

2.) 2.2 What is the KM platform? What kind? For whom? How access? To what end?

April 17, 2020 HF:

Both comments cleared.

Agency Response

16 April 2020

The following has been incorporated into the PIF under section 8 Knowledge Management.

All the outcomes and outputs listed in this proposal are based on previous SGP experience and investment. Knowledge and expertise developed from previous investments will contribute to the capacity development of community organizations in OP7, for example, those community organizations who have used Farmer Field School methodologies successfully will be linked to new communities participating in OP7. M&E reports, case studies, and other publications are available on the SGP website <https://sgp-indonesia.org> to be accessed by partner NGOs and those CBOs with access to the internet. The project will create a knowledge management platform to facilitate links among communities, promote information sharing, and provide access to knowledge resources that are relevant to their individual projects. The knowledge obtained from project experiences and lessons learned will be socialized through SGP's well-established national network of stakeholders and SGP's global platform, and it will be used in upscaling successful initiatives. The specifications regarding the KM platform, its clientele, access and other aspects will be identified and designed during project preparation.

Part III – Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF: Yes.

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2020 HF: Not at this time. Please address comments in review sheet.

April 17, 2020 HF: Not at this time. Please address comments in review sheet.

April 21, 2020 HF: Yes, this project is technically recommended by the PM.

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

April 21, 2020:

- 1.) Please ground truth and refine hectare targets during PPG and include description of the basis for and how targets were set for all sub-indicators.
- 2.) At CEO endorsement please address how this project(s) will be designed to address/build-on baseline scenario and baseline projects. Noting that it seems some GEF investments at these sites are missing (including an early SGP investment in Nantu-Boliyohuto protected area). Also information to better understand the current context/situation in target sites from this perspective should be included. Finally, please include the guidelines and criteria that will be in place to determine the types of solutions that will be supported to ensure they are indeed sustainable and have community ownership.
- 3.) Please engage GEF investments in the target geographies and FOLUR to ensure SGP portfolio will build on, work with, contribute to these projects.
- 4.) Please provide an updated target for GHG benefits and RE capacity installed, along with calculations. Please also consider providing an estimate for Indicator 6.1 carbon sequestered or emissions avoided in AFOLU. Please note that the estimation provided under the section Global Environmental Benefits does not take into account the difference between having the project and not having it (i.e. the project cannot claim all the potential carbon sequestration in the targeted area).
- 5.) Please provide additional information on the specific baseline situation for the four targeted areas regarding their existing access to energy, energy use, and relevant baseline projects whether from the government or other organizations.
- 6.) Please provide additional information on the proposed alternative scenario and incremental reasoning that reflects the detailed baseline assessment and elaborates on the proposed climate change mitigation interventions considering available technologies (including replacement parts and compatibility with available appliances/equipment) with a particular focus on ownership, sustainability, and potential for scaling up.
- 7.) Please provide information on how the project aligns with Indonesia's new NDC.

Review Dates

	PIF Review	Agency Response
First Review		
Additional Review (as necessary)		

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

The Seventh Phase of the GEF Small Grants Program in Indonesia, to be financed through this project, aims to enable communities and organizations in ***Sabu Raijua Regency*** (part of the Savu Sea National Park in East Nusa Tenggara); ***Nantu Boliyohuto Forest*** (Gorontalo and Boalemo Regencies); and ***Bulukumba Regency*** (South Sulawesi); and ***Kendal and Wonosobo Regencies*** (Central Java) of Indonesia to take collective action through a participatory landscape planning and management approach aimed at enhancing socio-ecological resilience producing local and global environmental benefits. SGP Indonesia will support specific community-based actions in each landscape by financing small-scale projects implemented by local community organizations and coordinating them within the priority landscapes to achieve landscape-scale impacts. These three landscapes and one seascape have been selected in consultation with government and civil society partners with reference to consolidation of experiences and lessons learned from the on-going and previously supported community initiatives of GEF 6 for forthcoming replication, upscaling and mainstreaming. The project has the following components: 1.) Resilient landscapes for sustainable development and global environmental protection; and 2.) Landscape Governance and adaptive management for upscaling and replication.

The three landscapes and one seascape selected in GEF -7 face the same challenge of biodiversity loss and degradation of ecosystem services due to the weaknesses in organizational capacities of communities and community organizations to collectively build and maintain resilience of these socio-ecological landscapes. Local resource dependent rural and coastal poor communities are at the receiving end of the negative and devastating effects of habitat destruction and biodiversity loss. Nevertheless, much of the solution may also be found within these communities. Collective action by communities and civil society organizations may be geared

towards addressing (1) unsustainable livelihood practices, (2) low community participation in conservation and development policies, and (3) poor natural resource management that fails to consider community contributions to conservation and development.

The project will have a strong focus on developing *innovative* business models and market-based mechanisms for sustainable use of natural resources as well as enhanced livelihoods for marginalized communities in vulnerable and lesser developed areas of the target landscapes. SGP Indonesia will work closely with its partners to ensure that promising innovations, successful pilots, and best practices are replicated and scaled up through joint or coordinated planning, financing, and implementation. A multi-stakeholder partnership strategy will be developed during the planning phase to meet these principles.

To ensure *sustainability* of community-based landscape and seascape management initiatives, the SGP Indonesia Country Program will actively develop and maintain broad-based relationships/partnerships that promote collaboration. For example, to ensure non-timber forest product (NTFP) market access, SGP will not only focus on local markets but also leverage the opportunity to establish market linkages with other private sector companies that are interested in integrating local products into their supply chain.

Scaling up of successful initiatives is an essential output of this project. Scaling up has been done successfully during previous projects and programs of the SGP Indonesia Country Program. The principle of scaling up is that the communities adopt, or replicate lessons learned of successful experiences into their own initiatives.

Project financing: \$3.9 million GEF financing and \$4,480,783 co-financing. The project results include: 36,000 ha under improved management, GHG emissions mitigated: 11,471 MT and 5,000 beneficiaries.