

# Evaluation of Natural Capital to Support Land Use Planning, Improved management effectiveness of Terrestrial Protected Areas, deployment of SLM practices and Creation of Eco-Villages in Central Madagascar

Review PIF and Make a recommendation

## Basic project information

**GEF ID**

10389

**Countries**

Madagascar

**Project Name**

Evaluation of Natural Capital to Support Land Use Planning, Improved management effectiveness of Terrestrial Protected Areas, deployment of SLM practices and Creation of Eco-Villages in Central Madagascar

**Agencies**

UNEP

**Date received by PM**

10/11/2019

**Review completed by PM**

10/30/2020

**Program Manager**

Jean-Marc Sinnassamy

**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

10-30-19

There is alignment of the project with BD-1-3 Mainstream biodiversity across sectors as well as landscapes and seascapes through Natural Capital Assessment and Accounting

It seems there is a misunderstanding about the use of the LD 1.4 objective (Reduce pressures on natural resources from competing land uses and increase resilience in the wider landscape). The LD 1.4 objective supports integrated landscape approaches to address the physical, biological and socio-economic aspects of the processes of land degradation. Generating multiple global environment benefits in the context of agriculture, food security, and livelihoods is a condition. Without indicators related to SLM or restoration, it is difficult to buy the proposed approach. Please, revise or remove LD resources.

4-4-20

It is not clear how GEF's BD resources (\$4.0 million) will be used. Please list the activities where these funds will be used. In relation to this, there is reference to Protected Areas but no investments suggested for their conservation and/or sustainable use. Why? Please see comments and suggestion in the next window.

4-12-20

Investments in the (b) Contribution to the conservation of the integrity of Itremo New Protected Area (27,331 ha) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 2,000 ha , are not the same as investments for the improvement of the Effective Management of the PA.

**October 16, 2020**

Please, justify the choices and make the information coherent in the different sections. In the table A, you selected BD1.3 (mainstreaming through NCA), BD.2.7 (PA), and LD1.4 (integrated approach). In the text, section 4 about the alignment to GEF objectives, you also included LD2.5 on LDN. The selection of the LD.2.5

objective may have been an opportunity to focus part of the project on LDN and landscape restoration, but at this stage, there is no other references to the LDN targets, the priority areas, the institutional and technical environment, and no related outcomes and outputs in the result framework.

**October 25, 2020**

Addressed

Agency Response

30.03.2020

The comment is well noted with thanks.

Consultation with GEF secretariat LD Programme Manager for Africa has been conducted and adequate guidance received. The LD part of the project is now amended and now it is clearly indicated that LD resources will contribute to Land Use Plan, LUP Governance structure and livelihood. SLM indicators now included in the project framework. Ref. Project Framework Components 2 and 3.

**09-04-20**

The investment to be made including to conserve the targeted PA which justifies Biodiversity resources are now more elaborated in the PIF.

Ref: see 5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing

**15-10-2020**

The project background, the baseline analysis are now including situation of the PA and the baseline activities based on which two outputs are now included to address the funding gaps to ensure the PA management effectiveness. These outputs are related to “Two PAs are effectively managed to conserve Habitat of Mantella cowani in Central Highlands”(Output 2.1.2) and “Support provided to Ecovillages for community – centered conservation in CH through the identified 5 Principles of post 2020 Global Biodiversity Framework” (output 2.1.3). Furthermore, the output 3.1.3 “A network of 16 Ecovillages in Central Highlands is used

and monitored as local investment model for reducing deforestation, conserving Mantella cowani habitat, improving landscape productivity and sustaining livelihoods” is related to PA effective Management

**23-10-2020**

The reference to LD2.5 is now removed in the section 5 - Alignment with GEF focal area and/or Impact Program strategies.

**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

10-30-19

GENERAL

There is a general problem of formulation and articulation of objectives, outcomes, and outputs. Please, refer to the “OECD Glossary of Key Terms in Evaluation and Results Based Management”. The outputs for instance should reflect very operational results of the activities, if possible, with quantities, well reflecting the value for money of proposed activities.

COMPONENT 1

Revise the formulation of the following outputs: 1.1.1, 1.1.2, 1.1.3, 1.1.4. It is not clear why there are three outputs on technical support, and no investment into in carrying out an exercise on Natural Capital Accounting to use as the bases of the technical assistance. Or is the evaluation of the Natural Capital the one mentioned in Component 2? If so, please reorganize to ensure a logical order or interventions.

Mainstreaming natural capital into land-use planning and development decision requires a strong political and technical commitment with implications in terms of data, tools, and governance (see <https://naturalcapitalproject.stanford.edu/> for instance). Please confirm that this is the case for Madagascar.

COMPONENT 2

This component is a mix bag of activities including development of plans, NCA valuation reports, the creation of EcoVillages and green supply chains. Please focus and narrow down the set of activities (and outputs) that in sum, can deliver the proposed outcome.

COMPONENT 3

This component aims at supporting the development of Ecovillages. However, the concept of Ecovillages is not well defined and there is no evidence supporting that this is a viable path for Madagascar. Please elaborate on the concept which is central to the project.

Land-based climate change mitigation measures are not eligible under the GEF7 CCM strategy in individual projects out of the Impact Programs. This project is developed with BD and LD resources, and it is even more difficult to see how the outputs 3.1.1 (alternative energy-efficient products), 3.1.2 (partnerships on renewable energy), and 3.1.3 (hydropower, renewable) can be financed. You need to explain the role of the \$26.5 million of cofinancing and demonstrate the added value for global environment benefits for LD and biodiversity.

4-4-20

#### COMPONENT 1

The deliverables of this component are Two (2) regional NCA valuations reports highlighting sectoral components and a national NCA database designed and created. While GEF' \$800,000 appear to be enough for the 2 regional NCA valuations (or 3 regions?), they are clearly insufficient to do the design and creation of the national NCA database. It is not clear what financial resources will be used for the National NCA when the co-financing from FFEM and EU are locked down in hydroelectric energy, and the AFD's investments are lock down in finance sustainable land management activities.

What fraction of the \$9.1M on co-financing is in Cash to do the national NCA? Unless the funds for the National NCA are not in cash, the GEF requests removing this part of the component.

See numbers and relevant text below.

Donor Agency	AFD, European Union, FFEM	Grant	Investment mobilized	31,251,728
Donor Agency	European Union-FFEM-HIER	In-kind	Recurrent expenditures	7,913,115

#### From PIF:

*The investment mobilized by the FFEM will be grants and will be used in the ecovillage project to finance the exploitation of hydroelectric energy in the region of Amoron'i mania. The enabling condition to generate the Hydropower is the guarantee of adequate water flow within the watershed. The GEF investment will*

*support SLM activities as part of watershed management. The water collected downstream will be used for agriculture and generate electricity through the infrastructures to be established with the FFEM funds.*

*EU investments in the RHYVIERE II project finance the exploitation of hydroelectric power and the protection of surrounding ecosystems in the SOFIA region. Its achievements will be capitalized in the ecovillage project with a view to scaling it up*

*AFD's investments finance sustainable land management activities within the framework of a PADAP project in the northern and eastern parts of Madagascar. Its achievements will be capitalized in the ecovillage project with a view to scaling it up*

## COMPONENT 2

The GEF suggests concentrating in the development and implementation of the Integrated Land Use Plans (output 2.1.3) for the target geographies in the 2-3 target regions of the Central Highlands. Why output 2.1.1 refers to 500,000 ha and 2.1.3 to 250,000,000?

Change the Financial Type to Investment.

As in Component 1, what is the source of the co-financing of \$6.1M when FFEM and EU are locked down in hydroelectric energy? The co-financing of the PADAP project appears to be lock down in different geographies (the northern and eastern parts of Madagascar). Please clarify

## COMPONENT 3

The GEF wants to thank the information and references provided on Ecovillages. It helps understanding what this project wants to do. Since Outcome 3 is for the *[Pilot] EcoVillages lead to reduced rates of deforestation, improve landscape productivity and enhance livelihoods*, this is basically Output 3.1.3. *At least 16 Ecovillages are created, and their governance structures developed in Central Highlands, taken into consideration the output 3.1.1; the NCA reports, Land Use Plans, SLM and biodiversity conservation priorities* actions. Thus, the GEF suggests reconstructing the component and concentrate on the outputs that will deliver the 16 Eco-Villages in very concrete terms. Please list these outputs. This needs to be a Component of Investment rather than TA if the 16 Eco-Villages were to be delivered.

Please provide a map of the location of the 16 Ecovillages. A map of the 3 Regions with dots to indicate the location of the 16 Ecovillages will suffice.

Output 3.1.2 should be moved to Component 4.

Please elaborate on what Investments will be made in the forests and PAs in the vicinity of the "COFFAV corridor" and "the PA of the Itremo Montain with the Tapia Forest". This is important as the GEF does not see how the project can justify the use of BD \$4.0 million in the proposed outputs presented so far.

4-12-20

#### COMPONENT 1

Thank for removing the national NCA element. Nevertheless, the issue of co-financing for this component, as well as for Component 2 and 3, is problematic because the proposed con-financing from FFEM and EU are locked down in hydroelectric energy, and the AFD's investments are lock down in finance sustainable land management activities.

#### COMPONENT 2

The co-financing for the project is getting very confusion.

In the previous review, the GEF noticed that: *As in Component 1, what is the source of the co-financing of \$6.1M when FFEM and EU are locked down in hydroelectric energy? The co-financing of the PADAP project appears to be lock down in different geographies (the northern and eastern parts of Madagascar). Please clarify.*

In the Agency Response (below) there is reference to PROSOL, AFAFI - South and North, and the Amelioration of Agricultural Productivity w/more than \$15M.

These projects are not listed as co-financing probably because they are not in the target geographies as acknowledged in the response, contributing very little to the current project.

*Even though these projects are operating in different geography there are informal discussion that the outputs of these project will be rendered available for use by the current project. Furthermore, there is indication that possibility exist to extend activities of these projects in Central regions of Madagascar. The PPG will be used to pursue these discussions to agree on the level these projects intervention will concern project areas and that tools and methodologies developed will be rendered available to this GEF project. The cofinancing are estimated at \$ 6million. The exact figures and arrangement will be more elaborated at CEO endorsement including cofinancing letter.*

The GEF kindly request to present the sources of Co-financing that relate to the target geographies and the proposed interventions ONLY.

### COMPONENT 3

The question made in the previous review "Please elaborate on what Investments will be made in the forests and PAs in the vicinity of the "COFFAV corridor" and "the PA of the Itremo Mountain with the Tapia Forest" has not been resolved. This is important as the GEF does not see how the project can justify the use of BD \$4.0 million in the proposed outputs presented so far."

The Investments to be made in the forests and PAs in the vicinity of the "COFFAV corridor" and "the PA of the Itremo Mountain with the Tapia Forest are now described in the section 5) Incremental/additional cost reasoning

When looking into sections 5, there are two items making references to the PAs

Contribution to the conservation of the integrity of Corridor Ambositra Vondrozo (COFAV) New Protected Area (290,000 Ha with 1/10 [more than 23,000 ha] being in the project area) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 5,000 ha

Contribution to the conservation of the integrity of Itremo New Protected Area (27331 ha) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 2,000 ha

As noted in Window No. 1, these points don't not justify the claim for improved management of the PAs.

#### **October 16, 2020**

We have followed the exchanges through the review process. Some comments are still not addressed:

- The project title includes "pilot SLM" but there is no SLM investments and indicators (please, keep in mind that the targets should cover the results obtained by the GEF grant and cofinancing, per GEF7 policies).

- We do not understand the meaning of the objective "To improve ecosystems and people's well-being in the Central Highlands of Madagascar by motivating greater and more targeted natural capital investments to implement Land Use Plans and Ecovillages". The project objective should summarize the pathway for change (proposed in the ToC), and be specific, also to make future evaluations easier. There are far too many sub-elements in this objective to make it specific, measurable, accessible, reachable, and time-bound. Please, revise.

Please, find the following suggestions to make this project more convincing for a GEF financing:

- Revise the definition of Ecovillage and adjust the result framework taking lessons from past or on-going GEF projects on ecovillages to maximize the generation of global environment benefits (GEFID 4080 and 9783 for instance).
- Adjust the result framework after revision of the ToC (diagram), and find solutions to make the different components interdependent. The current framework includes NCA, land-use planning, ecovillages, PA management... But we are not seeing the integration and the added value of this combined approach.
- Confirm the nature of interventions to generate BD and LD benefits (area of PA under management, area under better management for BD, and probably area under SLM, not yet included).
- In the review, you mention that some BD investments aim to support ecotourism: we do not see how the support to ecotourism fits the theory of change and will improve the management effectiveness of protected areas. In addition, the result framework does not reflect - with reasons - ecotourism related activities.

### **October 25, 2020**

1. Please check each of your responses and changes in the review, the portal and the word PIF document. Pay attention that information is consistent or the PIF may not go through the quality control process.

2. We take note that you modified the project title in the portal and the word document. Please, provide a letter of endorsement with the same title in prevision of the control quality. We also recommend taking benefit of this opportunity to correct two typos in the revised title on “terrestrial” and “deployment”.

- In the LoE: “Evaluation of Natural Capital to Support Land Use Planning, piloting Soil Land Management and Creation of Eco-Villages in Central Madagascar”;

- In the portal and the PIF document: Evaluation of Natural Capital to Support Land Use Planning, Improved management effectiveness of *Terrestrial* Protected Areas, *deployment* of SLM practices and Creation of Eco-Villages in Central Madagascar

3. In your first response on SLM investments, you mentioned that the output 2.1.1 is related to LUP and contribute to the GEF7 LD objective 2: it is confusing as the project is not developed under the LD objective 2 (2.5 on LDN). Please, clarify/correct.

4. Still about SLM in the component 2, we would like to remind that Land-Use Planning instruments can support the enabling environment for SLM but are not enough to claim numbers of ha of agricultural lands under better management. You need to include some forms of capacity building (access to knowledge, training, peer exchanges, farm schools etc.) and investments, and monitoring to make SLM a reality on the ground. These activities should be addressed in good intelligence with the cofinancing; the GEF part focusing on additional activities to generate global environment benefits (here 250,000ha under SLM and 300,000 under improved management to benefit biodiversity). Please, confirm in the text.

5. Reformulation of the project objective: We can agree with the proposed formulation in the portal: “To promote the use of NCA as a tool for Land Use Planning to achieve PA management effectiveness, deployment of good SLM practices and operationalization of Ecovillages in Central Highlands of Madagascar.” Please correct the word documents or delete them;
6. Theory of Change: We take note of the change in the text to define the drivers of environmental degradation. However, the revised diagram is impossible to read. Please, use a different way or format to include a readable picture.
7. Result Framework: we take note of the changes, including the fact that ecotourism is no longer considered in the project.
8. GEB: we take note of the explanations related to the generation of GEB, reflected by targets under the core indicators 1.2, 4.1, and 4.3.

**October 29, 2020**

Addressed.

## Agency Response

30.03.2020

### Response to General comments

The entire project framework has been reviewed as per guidance. Now there is a logical flow with component 1 dealing with Natural Capital Assessment and Accounting; Component 2: addressing Land Use Plan and its governance structure and pilot implementation; Component 3: is about the Ecovillages as a model to put in motion actions related to biodiversity conservation, SLM and Livelihood options. Component 4 is now added to clearly address the issues of Knowledge Management, Monitoring and Evaluation which was not very covered in the first draft. Thanks for the review for providing an opportunity to strengthen that.

### Response on Component 1 comments

The outputs have been revised as per the guidance using the logic indicated above.

Ref: Revised project Framework Table B.

For the comment related to the Mainstreaming natural capital into land-use planning and development: UNEP agrees with the comment and has communicated with the national government which confirms the commitment evidenced by the current baselines linked to World Bank experience in the country and the mainstreaming of natural capital accounting in the National Biodiversity Strategy and Action Plan (NBSAP).

Ref: Revised PIF, the first paragraph of the Baseline Section.

### Response on Component 2 comment:

The comment is well noted. The component focuses now on Land Use Planning and Enabling conditions for its development and implementation. The outputs have been now amended and narrowed down to 3.

Ref: Project Framework Table B component 2 outputs and component 2 description in the Alternative section.

Response on Component 3: The information about Ecovillages is now strengthened. Thank to the review for providing the link which was very helpful. Based on the more elaborated information obtained on the concept, the outputs have been amended and put in a more logical way addressing first the understanding and capacity building on the concept; the establishment of enabling regulatory environment for Ecovillages; the establishment of the Ecovillages based on the knowledge and experiences gathered; and implementation of the concept using biodiversity conservation, SLM and Livelihoods as entry points.

Ref: Project Framework Table B; the baseline section and the component description in the section of the GEF alternative.

The climate change mitigation measures have now been removed under GEF financing.

The role of the \$26.5 million of co-financing has now been explained in the baseline section. While the GEF contribution will be supporting biodiversity conservation efforts and SLM activities to protect the watershed and ensure adequate runoff coupled with providing livelihood to local communities including providing adequate water downstream for rice production, the co-financing will be supporting efforts to reduce pressure on biodiversity from the exploitation of firewood by providing alternative sources including bamboo planting and hydropower generation, thereby generating Global Environment Benefits through biodiversity conservation and promotion of good SLM practices.

Ref: Baseline section. Component 3 description in GEF alternative section

## **09-04-20**

Component 1:

The ambition of establishing a National Capital Accounting Data base is now dropped as the anticipated cofinancing is in-kind and we agree with the review that the establishment of such data base requires some investment.

Ref: output 1.1.3 and component 1 outputs description

Component 2:

Agency and partners concur with the review to concentrate in the development and pilot implementation of Integrated Land Use Plans.

The output 2.1.3 which becomes 2.1.1 is now considered to deliver on component 2. The output formulation is amended to include the development of the Land Use Plans previously in 2.1.1

Ref: New output 2.1.1 in table B project framework and component 2 description in GEF alternative section.

The reference to 500,000 ha in previous output 2.1.1 was an error. The 250,000 ha referred to in former output 2.1.3 and now 2.1.1 is the correct figure  
The Financial Type is now changed to Investment.

Ref: Project framework Table B

On cofinancing of component 1:

The project on Protection and Soil Rehabilitation to Ameliorate Food Security (PROSOL) in Boeny Region; the Programme on Financing Agriculture and Inclusive Value Chains in South, South East and North of Madagascar (AFAFI – South and North); the Project on Amelioration of Agricultural Productivity in Vakinakarata of Madagascar and USAID support to SLM are ongoing projects addressing SLM with more than \$15 million. Even though these projects are operating in different geography there are informal discussion that the outputs of these project will be rendered available for use by the current project. Furthermore, there is indication that possibility exist to extend activities of these projects in Central regions of Madagascar. The PPG will be used to pursue these discussions to agree on the level these projects intervention will concern project areas and that tools and methodologies developed will be rendered available to this GEF project. The cofinancing are estimated at \$ 6million. The exact figures and arrangement will be more elaborated at CEO endorsement including cofinancing letter.

Ref: See baseline projects section

Component 3:

The component is now reconstructed with outputs developed toward the creation and operationalisation of the 16 Ecovillages.

Ref: Component 3 outputs in Table B and listed in component 3 description in alternative section.

The component financing type is now amended to Investment. See Table B – Project framework

The map indicating the 2 regions is provided with the Headquarters of the concerned municipalities ( Sahatoana, Vohiposa, Ambatosoa, Camp Robin, Fiadanana, Ivato et Ivony) where the 16 villages will be identified are represented with the dots. Due to current global sanitary situation it was not possible to consult with regional, municipal and villages leaders to agree on the list of villages to be considered for creation of the ecovillages. The description of each ecovillage supported by map will be provided at CEO endorsement after consultation with key partners. To avoid a top-down approach, the choice of the ecovillages will be based on voluntary commitment of local communities.

Output 3.1.2 is now moved to Component 4 and now it is output 4.1.3

The Investments to be made in the forests and PAs in the vicinity of the "COFFAV corridor" and "the PA of the Itremo Mountain with the Tapia Forest are now described in the section 5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing

### **15-10-2020**

Components 1 and 2: The cofinancing has now been reviewed. New direct cofinancing sources identified (Kew – Madagascar and CI Projects in Itremo and Corridor) and previous ones directly contributing to cofinancing of those components are maintained.

The Agency is very well conscious of the cofinancing issue in the country and is committed to come up at CEO endorsement with confirmed cofinancing directly related to the planned interventions.

Component 3: Outputs are now added (2.1.2 and 2.2.1.) and some amended (3.1.3) to clearly indicate the direct investment the project will make in PA effective management (conservation of habitat and supporting ecotourism infrastructure establishment) in 2 important protected areas for both the project area as well as for the country.

### **23-10-2020**

1) On SLM investments, UNEP would like to draw the attention on GEF alternative section:

- Output 2.1.1 related to Land Use Planning which contribute to GEF7 LD Objective 2.

- Component 3 description in GEF alternative section: where SLM is well represented in the criteria for ecovillages identification, activities to be conducted to implement ecovillages model.

2) On the project objective:

The project objective has been reformulated to indicate the pathway the expected change will be achieved.

3) The result framework has now been revised to consider components interlinkage and the lessons learn from other initiatives

Ref: Project Framework Table B and Component description in section 1a.3)

4) The result framework is now adjusted after the revision of the ToC. The linkage between component is strengthen both in the framework and in the ToC Diagram. The change pathway is that the result of NCA (component 1) will enable partners and stakeholders to conduct participative Land Use Plan which will give due consideration to Protected Areas Management and Community centred conservation (component 2). The Land Use implementation will be piloted by the project using the Ecovillages model which capitalised on the lessons from other countries and project (Component 3). Component 4 is crosscutting as it will build from the result of component 1, 2 and 3 to generate and generate knowledge.

Ref: ToC diagram, the Project Framework Table B and Component description in section 1a.3)

5) The nature of intervention to generate BD and LD benefits are now separated according to FA GEB.

Ref: 1 a.6) Global environmental benefits (GEFTF)

6) ) One of the sector which experience great impact as result of COVID 19 is the tourism sector/industry. No indication of how long the sector will recover since the pandemic disease is still around. Based on this situation, the ecotourism which was planned to be promoted is now abandon as it cannot be a selling point for the project in the current context of COVID 19 situation.

### **29-10-2020**

1. Efforts have been made to ensure consistency between documents both in the Word versions and on the portal.

2. A new LoE with the revised title is signed by the OFP and the typos were corrected. Thanks for helping to ameliorate the documents.

3. We apologize for the confusion created. The intention is to make reference to the Landscape approach aspect of Output 2.1.1 instead of LUP. We need to recall that the project site is in mountainous areas that provide the potential for watershed management including wetlands with the framework of a Landscape approach to conserving ecosystems services where water downstream plays an important role in paddy rice production. Ref: See in blue highlight additional information in component 2 description
4. We agree with the reviewer that Land-Use Planning instruments can support the enabling environment for SLM but are not enough to claim numbers of ha of agricultural lands under better management. Capacity building, investment, and monitoring are necessary. We would like to remind you that, as recommended in previous comments by the review, the project components should be interdependent and support each other. The capacity building, investments, and monitoring needed in component 2 are covered in component 3 by the Ecovillage Approach. The paragraph justifying that is now highlighted in blue in component 3. As recommended, part of the investment will come from GRET cofinancing working on the watershed to enhance water management downstream and which will involve 10 Ecovillages to be created. More investment opportunity, targeted capacity building on SLM, and monitoring will be provided in CEO Endorsement
5. The latest word version in the portal also has the revised project objective.
6. Theory of Change is now provided in a more readable format as recommended

#### **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

10-30-19

Please clarify if the statement on “.....*sustainable and renewable energy issues in Madagascar*”, applies to all co-financing sources or only the Government (Ministry of Environment and Sustainable Development). This clarification is important since energy projects would be difficult to justify for BD and LD investments.

What is the nature of the Investment Mobilized by the co-financing from AFD, EU and FFEM in the amount of \$31.2 million?

4-4-20

Please see comments on co-financing under Components 1,2 and 3 in Window 3. The sources and purpose of the co-financing seem not in alignment with the proposed activities. Suggest referring to the co-financing that is indeed align with the project and that the project can count on for execution.

**October 16, 2020**

The cofinancing from CI/GCF and KEW seem more complementary than the former investments on energy. Please, remind that the targets should reflect the investments form the entire project: GEF + cofinancing. Some targets may change because of this change in cofinancing (SLM?). Please, confirm.

**October 25, 2020**

Addressed.

Agency Response

30.03.2020

Please see the explanation provided above on comments related to component 3.

The nature of the Investment Mobilized by the co-financing from AFD, EU and FFEM in the amount of \$31.2 million is now clarified in the section on Baseline.

**09-04-20**

The explanation on the co-financing is provided in a previous response. During the PPG an in-depth assessment of the baseline will be conducted and confirmed cofinancing supported by cofinancing letters will be provided.

**23-10-2020**

The GEF investment in Itremo and COFAV PAs are coming to feel the financing gaps as result of CI/GCF and KEW in these ecosystems. The GEB to be generated is therefore confirmed that it will be as result GEF and cofinancing investments.

The SLM targets remain the same, however, we agree with the review that KEW and CI/GCF complementary investment may change the targets. This will be address during the PPG and the CEO Endorsement Request will clarify the exact GEB to be generated from both investments

**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

10-30-19

The project amounts in the Portal are not the same as in the LoE.

Programming Directions	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
BD-1-3	GET	4,039,589	27,217,432
LD-1-4	GET	1,613,836	15,847,411
<b>Total Project Cost (\$)</b>		<b>5,653,425</b>	<b>43,064,843</b>

4-2-20

In LoE:

Source of funds	GEF Agencies	Focal area	Amount in USD			
			Project preparation	Project	Fee	Total
GEFTF	UN Environment	Biodiversity	70,000	4,039,589	390,411	4,500,000
GEFTF	UN Environment	Land degradation	30,000	1,613,836	156,164	1,800,000
<b>Total GEF resources</b>			<b>100,000</b>	<b>5,653,425</b>	<b>546,575</b>	<b>6,300,000</b>

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNEP	GET	Madagascar	Biodiversity	BD STAR Allocation	4,039,589	383,761	4,423,350
UNEP	GET	Madagascar	Land Degradation	LD STAR Allocation	1,613,836	153,314	1,767,150
<b>Total GEF Resources(\$)</b>					<b>5,653,425</b>	<b>537,075</b>	<b>6,190,500</b>

Cleared

**October 29, 2020**

Addressed.

Agency Response

30.03.2020

A revised LOE has been obtained and the amount is now corrected in the portal

**29-10-2020**

A revised LoE is attached.

**The STAR allocation?**

Secretariat Comment at PIF/Work Program Inclusion

No objection

Agency Response

**The focal area allocation?**

Secretariat Comment at PIF/Work Program Inclusion

No objection

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  
10-30-19

Yes

Cleared

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

10-30-19

The value of 500,000 ha under 4.2 (Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations) is seems very high. Please, provide an explanation on the certification scheme to be adopted.

There is request for LD resources but no indicators are provided for LD, notably SLM (4.3) and/or restoration (3).

4-4-20

1. Please confirm that a PA with 50,000 ha will be created and indicate location.

**Indicator 1.1 Terrestrial Protected Areas Newly created**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
50,000.00	0.00	0.00	0.00

2. The GEF requests removing the Certification Scheme. The correct path is to get the job done and then look for a certification scheme that suits best the objective of the project. Creation of the project's own certification scheme is a conflict of interest,

3. Please clarify where these 300,000 ha are located:

Conservation of biodiversity on an area of 300,00 ha, including 50,000 ha in Protected Areas and 500,000 ha in the landscape within which 16 ecovillages will be established.

4-12-20

The project is indicating a contribution of 20,000 + 27,331 hectares to Indicator 1.1. It is not clear how can this be if there are no investments of BD resources in the PAs

- Corridor Ambositra Vondrozo (COFAV) New Protected Area (290,000 Ha with 1/10 [more than 23,000 ha] being in the project area) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 5,000 ha
- Itremo New Protected Area (27,331 ha) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 2,000 ha

**October 16, 2020**

See item II.6.

**October 25, 2020**

We take note of the proposed targets of 250,000 ha under 4.1 (improved management for BD) and 300,000 ha under 4.3 (SLM). Please, correct the table F in the word document in which there is a reference to the indicator 4.1.

**October 29, 2020**

There is a glitch in the table F: As agreed after the first review (3/30/20), we agreed the proposed targets under the indicator 4 with 250,000 ha under 4.1 (BD) and 300,000 ha under 4.3 (SLM), both being important justifications to BD and LD resources. You confirmed these values at the last review (10/25/20). However, the value under 4.2 has disappeared from the table F. Please, revise at Control Quality. Especially, because the Theory of Change now includes “scaling up of SLM practices” and the project objective includes “deployment of good SLM practices”.

**Agency Response**

30.03.2020

Thank you for this comment. The 500,000 ha has been reduced to 300,000 ha but during the PPG, an in-depth analysis will be conducted, and a realistic figure will be agreed upon.

The certification scheme is now clarified. The project will support the development of a new certification scheme which will be titled "ECOVILLAGE MADA". This scheme will be established with support partners include UNEP Ecosystem Services Economic Unit; the Global Ecovillage Network and other internationally recognized certification standards that will be identified, and collaboration established during the PPG phase.

Ref: Last Paragraph of Component 3 Description

The indicators for LD are now included.

Ref: Project Framework Table B component 2 outputs indicators

#### **09-04-20**

1. The project will not be creating new PA (in Madagascar the reference to New Protected Area – NPA referred to those PA created after 2010 following the President commitment at IUCN Congress) of 50,000 ha but will contribute in the conservation the integrity of PA of more than 50,000 ha. These will include:
  - Corridor Ambositra Vondrozo (COFAV) New Protected Area (290,000 Ha with 1/10 [more than 23,000 ha] being in the project area) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 5,000 ha
  - Itremo New Protected Area (27,331 ha) through investment in the buffer zone to support community based Sustainable Land and Forest Management activities covering 2,000 ha

Ref: Component 3 description and Section on Environment benefits

2. The idea of a certification scheme is now dropped. The suggestion provided by the reviewer to look for appropriate certification scheme after the work is done, is adopted with thanks. Ref: last sentence of component 3 description in GEF alternative section.
3. The 300,000 ha will come from 250,000 ha of different landscape (agricultural landscape; forest landscape, watershed; degraded areas to be restored) in the 2 regions and 50,000 ha from the PA which the project will support conservation of integrity.

#### **15-10-2020**

As indicated above, now there are new outputs included and one output amended to clearly indicate project investment in PAs for habitat of endemic specie (Mantella cowani) conservation and supporting community centered conservation.

#### **23-10-2020**

We confirm:

- The project will improve the management of two protected areas: 50,331 ha (1.2);
- The project will contribute to better landscape management ( for biodiversity and SLM ) of 250,000 ha of terrestrial landscapes (4.3);
- Also, 100,000 beneficiaries are targeted, including 50% of women

The different numbers are now clarified – See 1 a.6) Global environmental benefits (GEFTF)

The different biodiversity mainstreaming activities will include:

- Natural Capital Assessment in a different sector
- Land Use Plans development in 2 Regions
- Mainstreaming biodiversity conservation through Ecovillage Models (e.g. promotion of cookstoves to reduce deforestation as applied successfully in Senegal Ecovillage)
- Community centered conservation

**29-10-2020**

Table F is now corrected

03-11-2020

Table F corrected and value of 300,000ha under indicator 4.3

**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

10-30-19

The expression “Theory of Change” is mentioned in the taxonomy, but is never used in the PIF. We suggest to include a preliminary theory of change (submitted to change during the PPG) that will help to make understand the vision and the pathway for main outcomes.

4-4-20

Cleared

Agency Response

30.03.2020

A Theory of Change diagram is now included as Annex B of the PIF document. As indicated by the review, this ToC will be reviewed and strengthened during the PPG.

Ref: Annex D - ToC

## **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

10-30-19

While deforestation is known to be a critical environmental problem in Madagascar, it is not clear how relevant it is for the proposed target areas located in the highlands where open pastures dominate the landscape, except on the eastern fringes. The location of the proposed Ecovillages may assist in clarifying this matter.

Please remove the paragraph on fisheries and energy. Not clear what is the relevance of these subjects to the project.

4-2-20

As stated before, please prepare a map with the location of the proposed 16 Ecovillages (a map with dots will suffice). The location of these dots should relate to the target Forests/PAs.

What does "(i) create conditions for the preservation of the Protected Areas" actually mean? What are the actual interventions in these areas going to be?

4-12-20

Thank for the dots on the maps.

The second point, as listed above, has not been resolved.

**October 16, 2020**

- The responses are not fully coherent with information included in the PIF: where the support to ecotourism infrastructures is mentioned - we are not seeing how ecotourism enters the ToC. Please, clarify.

- It seems that behind the wording "centered capacity building for conservation", we find a long list of activities that are not directly connected to the improvement of PA management (IGA). Please, clarify.

**October 25, 2020**

Addressed.

Agency Response

30.03.2020

The location of the ecovillages in the Central Highlands is governed by two environment Global Benefits objectives: (i) create conditions for the preservation of the Protected Areas; and (ii) Promote the Environmental Benefits of SLM interventions through integrated watershed management.

Ref: Component 3 Description in GEF Alternative section

A map with the Headquarters of the concerned communes (Sahatoana, Vohiposa, Ambatosoa, Camp Robin, Fiadanana, Ivato and Ivony) presented in form of dot is now provided.

The "(i) create conditions for the preservation of the Protected Areas" means intervention to conserve the integrity of the PA.

Ref: Please see explanation provided above on the activities to be conducted in the vicinity of PA

### **15-10-2020**

There is now indication on the project investment and targets in the PAs. These are :

- Conservation of endemic species (Mantella cowani) habitat conservation
- Capacity building for community centered conservation

### **23-10-2020**

As indicated previously the ecotourism is no more a focus of this project. It is therefore not included in framework and the ToC.

The rationale behind the inclusion of the referred activities is that we see capacity building for communities as a package including both activities related to PA management and institutional capacity of community based organisation. The inclusion of those non-PA management activities are considered to be incentive for community engagement in the process.

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

Secretariat Comment at PIF/Work Program Inclusion

10-30-19

What are the associated baseline projects on which the GEF investments will build on to deliver GEBs? Please elaborate on the EU and CIRAD AFIBERIA and ARINA projects.

4-4-20

Please reflect to the comments made in relation to the relevance of the co-financing and the proposed activities.

The Baseline Projects are those that will take place in the target geography whether or not the GEF project gets approved. This Baseline Projects are the ones that the GEF will be used to stand on and deliver GEBs.

Because what is being presented is mostly "Background information" rather than the true Baseline Projects as defined above, the GEF strongly recommends to concentrate in delivering the 16 Eco-villages. Most TA must be shifted to Investment.

4-12-20

The response elaborate on Innovation, not the issues listed in the review.

**October 16, 2020**

There is a mix or a confusion between baseline projects and cofinancing projects that do not help to understand the reasoning. Please, revise.

**October 25, 2020**

We understand your concerns about the GEF incremental reasoning and the distinction between baseline financing and cofinancing. These difficulties are highlighted in the document and the guidelines on the incremental reasoning ([http://www.thegef.org/sites/default/files/documents/C.31.12\\_Operational\\_Guidelines\\_for\\_Incremental\\_Costs-2007\\_0.pdf](http://www.thegef.org/sites/default/files/documents/C.31.12_Operational_Guidelines_for_Incremental_Costs-2007_0.pdf) and [http://www.thegef.org/sites/default/files/documents/OPERATIONAL.GUIDELINES.FOR\\_.THE\\_.APPLICATION.OF\\_.THE\\_.INCREMENTAL.COST\\_.PRINCIPLE\\_0\\_0\\_0\\_0.pdf](http://www.thegef.org/sites/default/files/documents/OPERATIONAL.GUIDELINES.FOR_.THE_.APPLICATION.OF_.THE_.INCREMENTAL.COST_.PRINCIPLE_0_0_0_0.pdf)).

From our practice, baseline financing is part of the business-as-usual scenario (or baseline scenario). Cofinancing is defined as the non-GEF project resources that are essential for meeting the GEF project objectives, and directly contribute to the outcomes of the future project. The distinction is not always easy and is the result of a negotiation. We recommend using the common sense to identify the cofinancing sources and the amounts that will pay for GEB.

Addressed.

Agency Response

30.03.2020

The information of the associated baseline projects is now strengthened, and more information is now provided on the EU and CIRAD AFIBERIA and ARINA projects. More information and supporting co-financing letters will be provided at CEO endorsement.

Ref: Baseline Section

**09-04-20**

The innovative nature of the thematic areas the project is addressing and the fact that the project areas is considered one of the less regions where previous and current investment is lacking particularly on sustainable development activities. The GEF investment will support removing these barriers and will confirm its incremental role in addressing treats to Global Environments. However, if given the opportunity, the PPG will be used to conduct indebt analysis of the baseline situation to come up with investments which will really serve baseline for the project.

**15-10-2020**

Baseline projects section is now amended. It now includes the Kew -Madagascar and Foundation investments and the CI – Adaptation Project baseline investment to build resilience of the PA.

**23-10-2020**

We refer to the Council Approved co-financing policy FI/GN/01 Approved on June 26, 2018 in which “Co-Financing means financing that is additional to GEF Project Financing, and that supports the implementation of a GEF-financed project or program and the achievement of its objective(s)” unless otherwise interpreted, we consider baseline projects and cofinancing projects whether ongoing or planned, are bringing additional funding and will support achievement of GEF objectives; and therefore can be considered both cofinancing as per the definition. UNEP Project Manager wishes to engage with the GEF PM for more clarity on the comment with the sole objective of coming back with CEO endorsement document with clear presentation of cofinancing and baseline projects based on common understanding.

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

Secretariat Comment at PIF/Work Program Inclusion

10-30-19

The issues on the components and outcomes were addressed above.

4-2-20

Idem. See Window 2.

4-12-20

Issues remained unresolved under item 2

### **October 16, 2020**

- The diagram showing the Theory of Change is helping, but it seems essentially a summary of the result framework. The diagram is not fully convincing to understand the pathways for change. For instance, three main environmental challenges are mentioned (illegal mining, unsustainable agriculture practices, and pastoral practices), but the identified barriers are not related, and it is not clear how the proposed interventions are going to address these barriers and the challenges.
- The different components seem independent: the connections between NCA, Ecovillage, PA management, communication are not obvious. Please, revise.
- We do not see all the logics from the interventions to the proposed targets (area of PA under better management, BD mainstreaming areas). Areas under SLM seem missing (to respond to two main environmental challenges).

### **October 25, 2020**

- The explanations are welcome and help. We better understand the pathway for change and the justification for the different components/outcomes. However, please, insert a ToC better readable.

### **October 29, 2020**

Addressed.

Agency Response

30.03.2020

The responses are provided at corresponding sections and comments.

**09-04-2020**

Agency response: Addressed in related box above

**15-10-2020**

The issue is now addressed as explain in previous box including item 2

**23-10-2020**

- a) The ToC Diagram has now been amended. However, we agree there is room for improvement. The PPG phase will be used to rework the ToC and come back with a more elaborated diagram which clearly describe the project pathway to the changes expected.
- b) Effort has been done to make the components more connected and interdependent. As summarise in the first paragraph of the section related to the GEF alternative, the Natural Capital Assessment results will be use to embark in the participative land Use Plans which in turn will be implemented through ecovillages models which will have a good provision for PAs effective management and land restauration.
- c) The PAs management effectiveness will be focusing on conservation of habit of threaten species with ecovillage models and community centered conservation approach. The SLM in the production landscape will be part of the package of the activities to be implemented via ecovillage model.

**29-10-2020**

A better readable ToC diagram is now provided.

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

Secretariat Comment at PIF/Work Program Inclusion

10-30-19

The issues on alignment were addressed above.

4-4-20

Idem

4-12-20

Issues remained unresolved under item 2

**October 16, 2020**

Please, justify the choices and make the information coherent in the different sections.

In the table A, you selected BD1.3 (mainstreaming through NCA), BD.2.7 (PA), and LD1.4 (integrated approach). In the text, section 4 about the alignment to GEF objectives, you also included LD2.5 on LDN. The selection of the LD.2.5 objective may have been an opportunity to focus part of the project on LDN and landscape restoration, but at this stage, there is no other references to the LDN targets, the priority areas, the institutional and technical environment, and no related outcomes and outputs in the result framework.

**October 25, 2020**

Addressed.

Agency Response

30.03.2020

The responses are provided at corresponding comments.

**09-04-2020**

As above

**15-10-2020**

The issue is now addressed as explained in previous items

**23-10-2020**

The reference to LD2.5 is now removed in section 5 - Alignment with GEF focal area and/or Impact Program strategies

**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

10-30-19

The incremental reasoning is not clear because the nature of the baseline projects is difficult to visualize. Without clarity on the baseline projects, it is not possible to develop the incremental reasoning.

Cleared

4-4-20

See notes on Baseline Projects above.

4-12-20

The reading of the project strongly suggest that there is no Baseline Projects (as defined above) making very difficult to justify the use of GEF Resources for the development of this project.

**October 16, 2020**

See item II.2.

**October 25, 2020**

Addressed.

Agency Response

30.03.2020

The baseline section has been strengthened. More elaborated baseline information will be provided with supporting co-financing letters at CEO endorsement.

**09-04-2020**

Agency response: Addressed above

**15-10-2020**

The baseline projects section is now more elaborated and the Agency committed to come up at CEO Endorsement with more comprehensive and elaborated baseline analysis and incremental reasoning.

**23-10-2020**

Comment at item II.2 has been addressed above in the related item.

**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

10-30-19

It is difficult to understand how the project can deliver the Biodiversity Global Benefits listed in the project (list of species under GEBs) by means of the proposed interventions.

4-4-20

This remains one of the weakest points in the project. While the concept of Ecovillages is becoming clearer thanks to the description of the term and the references made (that lead to other sources and additional reading), it is still difficult to understand how GEF's \$5.6 million will be used on TA (the hence the

suggestion for Investments) and how the landscape will look like after the completion of the project. In order to clarify this, the GEF suggests preparing a paragraph describing how the landscape will look like after completion of the project. This should be accompanied by very clear and explicit listing of the GEBs.

4-12-20

The issue listed in the previous review remains. Detailed comments included in previous reviews.

### **October 16, 2020**

Please, make the numbers coherent in the tables, the text, and the attached documents (see the PIF in word version), and confirm if our understanding is right:

- - The project will improve the management of two protected areas: 50,331 ha (1.2);
- - The project will contribute to better management for biodiversity of 250,000 ha of terrestrial landscapes (4.1);
- - Also, 100,000 beneficiaries are targeted, including 50% of women.
  
- Different numbers are mentioned in the text and the PIF in word: 500,000 ha, 300,000 ha, etc. Under the component 3, 5.000 ha under SLM/SFM in the Ombrositra-Vondrozo corridor are mentioned, as well as 2,000 ha in the Itremo new protected area. Are these values reflected in the core indicators? We would actually recommend using the core indicator 4.3 on SLM, with probably higher targets thanks to the new identified cofinancing investments.
  
- Please, keep in mind that the targets should reflect the results obtained with GEF resources and cofinancing.

Please, correct.

That said, it is still not clear 1) what kind of BD mainstreaming activities will allow to improve landscape management on 250,000 ha and 2) without having more details on the selection of targeted villages, it is difficult to figure out the connection between the work on the ecovillages and the protected areas.

### **October 25, 2020**

Not fully addressed. Your responses in the review are not fully coherent with the targets in the portal.

Please confirm the following targets, without double counting:

- 1.2: 50,331 ha of Protected Areas under better management effectiveness;
- 4.1: 250,000 ha of terrestrial landscapes under better management to benefit biodiversity;
- 4.3: 300,000 ha of agricultural landscapes under SLM

In the word document, we wonder the interest to highlight 5,000 ha of SLM and SFM in the COFAV landscape, as well as 2,000 ha of SLM and SFM in the Itremo landscape. We suggest focusing on the justification of these targets (how you are going to reach these targets) and remove additional information out of the scope of the question.

### **October 29, 2020**

There is a glitch in the table F: As agreed after the first review (3/30/20), the proposed targets under the indicator 4 were 250,000 ha under 4.1 (BD) and 300,000 ha under 4.3 (SLM), both being important justifications to BD and LD resources. You confirmed these values at the last review (10/25/20). However, the value under 4.3 has disappeared from the table F. Please, revise at Control Quality. Especially, because the Theory of Change now includes “scaling up of SLM practices” and the project objective includes “deployment of good SLM practices”. No reporting under 4.3 is just not an option.

### **Agency Response**

30.03.2020

Section 6 on GEB has been amended to clarify the global environment benefits to be generated from the project.

### **09-04-20**

The table in section 5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing; includes now a column which summarises how the landscape will look like after the project.

The GEBs have been amended to clarify the benefits the project will produced after implementation.

Ref: section 5

### **15-10-2020**

In addition to previous efforts to ameliorate that section, the GEB section is now amended and value for money of GEF Investment is more clarify now with Investment in 2PAs habit conservation and community centered conservation.

### **23-10-2020**

We confirm:

- The project will improve the management of two protected areas: 50,331 ha (1.2);
- The project will contribute to better landscape management ( for biodiversity and SLM ) of 250,000 ha of terrestrial landscapes (4.3);
- Also, 100,000 beneficiaries are targeted, including 50% of women

The different numbers are now clarified – See 1 a.6) Global environmental benefits (GEFTF)

The different biodiversity mainstreaming activities will include:

- Natural Capital Assessment in a different sector
- Land Use Plans development in 2 Regions
- Mainstreaming biodiversity conservation through Ecovillage Models (e.g. promotion of cookstoves to reduce deforestation as applied successfully in Senegal Ecovillage)
- Community center conservation

### **29-10-2020**

The following targets are confirmed:

- 1.2: 50,331 ha of Protected Areas under better management effectiveness;
- 4.1: 250,000 ha of terrestrial landscapes under better management to benefit biodiversity;
- 4.3: 300,000 ha of agricultural landscapes under SLM

The mention of the 5,000 ha and 2,000 ha is now removed as these are included in the above targets.

### **03-11-2020**

Table F now corrected and the value of core indicator 4.3 is now reflected

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

Secretariat Comment at PIF/Work Program Inclusion

10-30-19

The project will greatly benefit from a conceptual and operational definition of the EcoVillages, which are the cornerstone of this project. Suggest using the bits of information related to EcoVillages under component 3 to provide a full definition of the EcoVillages. Please provide reference to the role model being used in this project (i.e. country where the concept has been put in motion).

4-4-20

Cleared

**October 16, 2020**

We are sorry to open this discussion, but it is preferable to discuss at this stage the elements for **sustainability**: In the problems, you identified the difficulties of the government to finance biodiversity conservation and SLM, and in the rationale for sustainability you write that "the sustainability of this project relies on the long-term political and financial commitment of the Government of Madagascar to address land degradation and biodiversity loss in the Central Highlands". We can of course understand the difficulties faced by the GoM to finance some of these aspects on the long term. We suggest you checking the STAP document on sustainability to include some elements that may contribute to sustainability (integration, innovations, clear theory of change, institutional and governmental arrangements, including multi-stakeholders processes, norms and values, Monitoring, evaluation and learning processes...).

**October 25, 2020**

We take note that our suggestions related to integration, stakeholder consultation, and M&E have been included in the text. Much more elaboration will be needed at CEO endorsement.

Addressed at PIF level.

Agency Response

30.03.2020

The information on the concept of Ecovillage is now more elaborated.

Ref: Component 3 description in GEF alternative section.

**15-10-2020**

The Agency and country thank the GEF PM comments and guidance as it has allowed for a rethinking of the project as suggested and the current proposal articulates clearly the GEF investment incrementality in supporting the PAs management effectiveness. In addition to the ecovillage dimension by the project which is welcomed by the GEF but also strongly supported by the country as evidence of the priority given to it during the national dialogue in the presence of the GEF PMs. The Agency strongly support pursuing this project not only to respond to country ownership and driven but also to contribute in generating the GEB in this mega-biodiversity country where biodiversity mainstreaming will pay a large part for the long term conservation.

**23-10-2020**

The project sustainability section has now been amended as per the guidance. During the PPG comprehensive analysis will be conducted and the outcomes factored in the project sustainability measures.

#### **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

10-30-19

Please include the location of the EcoVillages in the map.

4-12-20

Cleared

Agency Response

09-04-2020

Map included as required

**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

10-30-19

In Table 2 (Preliminary list of project stakeholders and their Roles in the Project) please clearly indicate what stakeholders were consulted for the formulation of the PIF with particular emphasis on the Mayors in targeted Municipalities, Village Councillors at targeted pilot EcoVillage sites and CSOs.

4-4-20

Cleared

Agency Response

30.03.2020

The initial consultations with project stakeholders have been conducted as indicated now in Section 2 on Stakeholders

Ref: Section 2 Stakeholders

## **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

10-30-19

There is a short section on gender issues. However, we do not see how the project will contribute to reduce inequalities between males and females and more generally with vulnerable groups.

Please, confirm that the gender action plan will be designed during the PPG, and the results will be mainstreamed in the result framework (beyond disaggregated gender data).

4-4-20

Cleared

Agency Response

30.03.2020

As indicated in section 3 on Gender, during the PPG a Gender analysis will be conducted and the result will be mainstreamed in the Result Framework.

## **Private Sector Engagement**

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

Secretariat Comment at PIF/Work Program Inclusion

10-30-19

There is reference to the Private Sector but no specifics.

4-4-20

Cleared

**October 16, 2020**

Please, note that the section related to the private sector mention potential activities that are not addressed anywhere in the project.

**October 25, 2020**

To be confirmed at CEO endorsement.

Agency Response

30.03.2020

The private sector engagement will be assessed during the PPG and a comprehensive list of private sector partners will be provided including the areas of collaboration. The engagement model is presented in section 4 of the current PIF version.

**23-10-2020**

The activities mentioned in the private sector engagement section are now reflected in component 3 related to Ecovillages model implementation

**29-10-2020**

We take note of the need to confirm the activities planned for the private sector at CEO endorsement

**Risks to Achieving Project Objectives**

**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

10-30-19

Cleared

**October 16, 2020**

Since the first exchanges on this project, we have received additional guidance to ensure that PIFs were well addressing the climate risks. We did not find climate data, climate projections (towards 2030 or 2050, as often in the NDCs and NAPA), the definition of vulnerability, and adequate mitigation measures. Please, complete. Thanks for your understanding.

**October 25, 2020**

Addressed at PIF level. To be elaborated at CEO endorsement.

Agency Response

**23-10-2020**

The climate change information and prediction are now included in section 1 a.1) Global environmental and/or adaptation problems, root causes and barriers that need to be addressed

**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

10-30-19

Please provide a simple diagram depicting the institutional arrangements. Please include all the relevant institutional that will have an operational role.

4-4-20

Cleared

**October 16, 2020**

Please, note that the PADAP (WB, AFD) is cofinanced by the GEF (GEFID 9330).

**October 25, 2020**

Addressed.

Agency Response

30.03.2020

A diagram depicting the institutional arrangements is now provided as Annex E.

**23-10-2020**

Noted with thanks. Correction is made in the baseline section.

**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

10-30-19

Please be specific about the parts of the National Strategies that mentioned proposed investments of this project.

4-4-20

Cleared

**October 29, 2020**

The design of the proposed projects fits the NBSAP 2015-2025. We understand the project is compatible with the LDN targets and policies. However, a better analysis of the NAP under UNCCD and the LDN targets will be needed at CEO endorsement.

Addressed at PIF level.

Agency Response

30.03.2020

The National strategies mentioned in the project are now included in Section 7 on Linkages with National Strategies

**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

10-30-19

Please describe specific activities for KM, as well as M&E.

4-4-20

Cleared

**October 16, 2020**

Please, see the comment on sustainability (II.7). We strongly suggest adjusting the M&E and the learning aspects (KM) in view to reinforce elements for sustainability.

**October 25, 2020**

We take note that our suggestions related to integration, stakeholder consultation, and M&E have been included in the text. Much more elaboration would be needed at CEO endorsement as there is no information specific to Madagascar.

Addressed.

Agency Response

30.03.2020

A new component 4 – Knowledge Management, Monitoring and Evaluation is now added and specific KM and M&E activities are now specified.

Ref: component 4 of the Project Framework and description in section B of the PIF.

**23-10-2020**

paragraph related to sustainability is now included in Section 8 on Knowledge Management

**29-10-2020**

We take note of the need to confirm the activities planned for the private sector at CEO endorsement  
**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 PIF/Work Program Inclusion

**October 16, 2020**

The UNEP Environmental, Social and Economic Review Note (ESERN) was submitted in April 2020, highlighting a risk “moderate”.

**October 29, 2020**

The UNEP ESERN concludes on a "moderate" risk. However, in the section 9 about Environmental and Social Safeguard (ESS) Risks, the mention “Low” was entered. Please, clarify and correct.

Agency Response

**11-03-2020**

Section 9 risk rating has been harmonized with the UNEP ESERN.

**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

10-26-19

Yes.

Cleared

SEE BELOW

Source of funds	GEF Agencies	Focal Area	Amount (in US\$)			
			Project preparation	Project	Fee	Total
GEFTF	UN Environment	Biodiversity	70 000	4 002 500	427 500	4 500 000
GEFTF	UN Environment	Land Degradation	30 000	1 599 000	171 000	1 800 000
<b>Total GEF Resources</b>			<b>100 000</b>	<b>5 601 500</b>	<b>598 500</b>	<b>6 300 000</b>

Sincerely,



CC: National focal point of UNFCCC  
National focal point of UNCCD

CHRISTINE EDMÉE

4-4-20

NOTE: A new LoE was provided.

Cleared

**October 25, 2020**

The project title in the portal and the word document (if any in future submission) should be coherent with the title included in the LoE. Please, provide a revised letter of endorsement reflecting the revised title.

**October 29, 2020**

Addressed.

Agency Response

Response to 29 October 2020 GEF Secretariat's additional comments:

- Items 1, 2, and 3 have been addressed in the portal
- Item 4: Additional information is now provided on COVID 15 which addresses the issues indicated in the guidance provided – See in Green Highlight: Section 5 -Risks
- Item 5: The formatting error has now been fixed.

UNEP and partners to address deeply these issues during PPG and will come back with CEO Endorsement request with more elaborated information on the mentioned items.

**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

10-30-19

No. Please address outstanding issues listed above.

4-4-20

No. Please address outstanding issues listed above. The GEF remains available for consultation and to answer questions of clarification. Thanks.

4-12-20

No. After two reviews, the project has three significant weaknesses that it is not clear how can they be resolved in the short term. 1) The Baseline Projects are very weak, making the case for Incremental Reasoning very hard. 2) The Co-Financing is really not there as most of the co-financing is locked down on activities that have little to do with the themes and geographies of this project; 3) The project is indicating the contribution to the Effective Management of Protected Areas without any investments in the areas themselves. Activities in the Buffer Zones are no substitutes for actual investment in the conservation of BD inside the PAs. 4) The proposed investments of BD \$4.0 million don't justify the use of these resources.

While the idea of the EcoVillages sounds appealing from the point of view of the local communities, the limitations listed above make very difficult to structure a GEF eligible project. Since the outstanding issues cannot be resolve by fixing the text alone ("wordsmithing") the GEF strongly suggests to going back to the drawing board and rethink this project.

#### **October 16, 2020**

Several items have not been fully addressed. Following the main recommendation from the last review, there is a need to deeply revise the basics of the current proposal to build an acceptable theory of change, translate it into a coherent result framework with more integration, and agree on targets that reflect the Global Environment Benefits expected under the selected BD and LD objectives. The project cannot be recommended yet. Please, check the items above.

#### **October 25, 2020**

The PIF cannot be recommended yet. Please, address the pending points in the review.

#### **October 29, 2020**

The PIF is recommended for technical clearance.

#### **November 2nd, 2020**

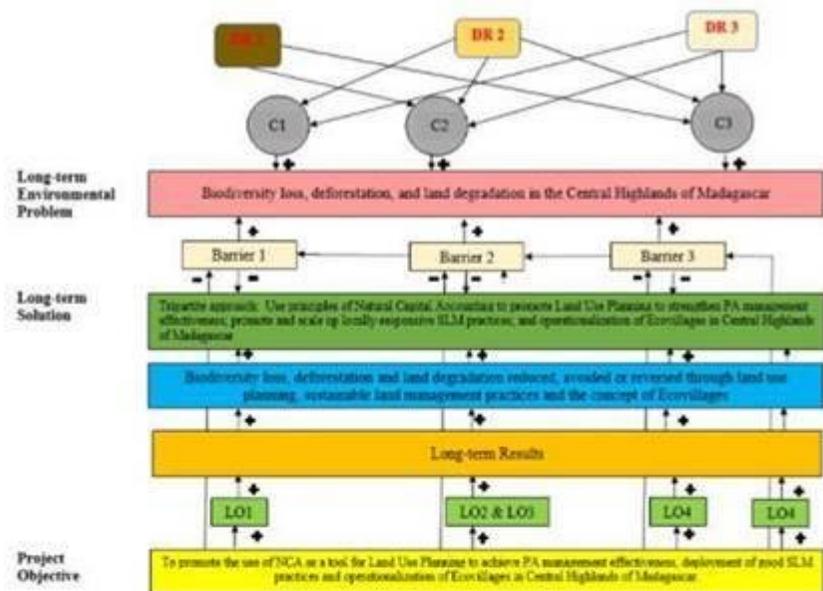
Please address the five following items to allow us to propose the PIF for Work Program inclusion:

1. There is a new letter of endorsement (10/28/2020). Please link the latest version to the PIF in the in Portal under the Part III: Approval/Endorsement By GEF Operational Focal Point(s) and the RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S).
- 2- You agreed at the first review to include 300,000 ha under SLM (to justify the LD resources). Not sure if it is a glitch in the portal, but the indicator 4.3 on SLM was empty at the last submission. Please correct: The project aims to improve the management of 250,000 ha of terrestrial landscapes to benefit Biodiversity (4.1), improve sustainable management of 300,000 ha of agricultural landscapes (4.3), improve the management effectiveness of protected areas on 50,331 ha (1.2). The project will target 150,000 beneficiaries with a gender balance.
- 3- Environmental and Social Safeguards:
  - a. The project is rated “moderate” in the UNEP ESS screening document, while it is rated “low” in the portal, section 9 on ESS. Please, correct;

b. Please, note that UNEP has not correctly labeled the ESS screening document. The annex is uploaded as a project supporting document and not a specific ESS supporting document.

4- You may take benefit of this resubmission to complete the description of the COVID-19 situation, include the number of cases, number of deaths, lockdown measures, and the consequences on project development.

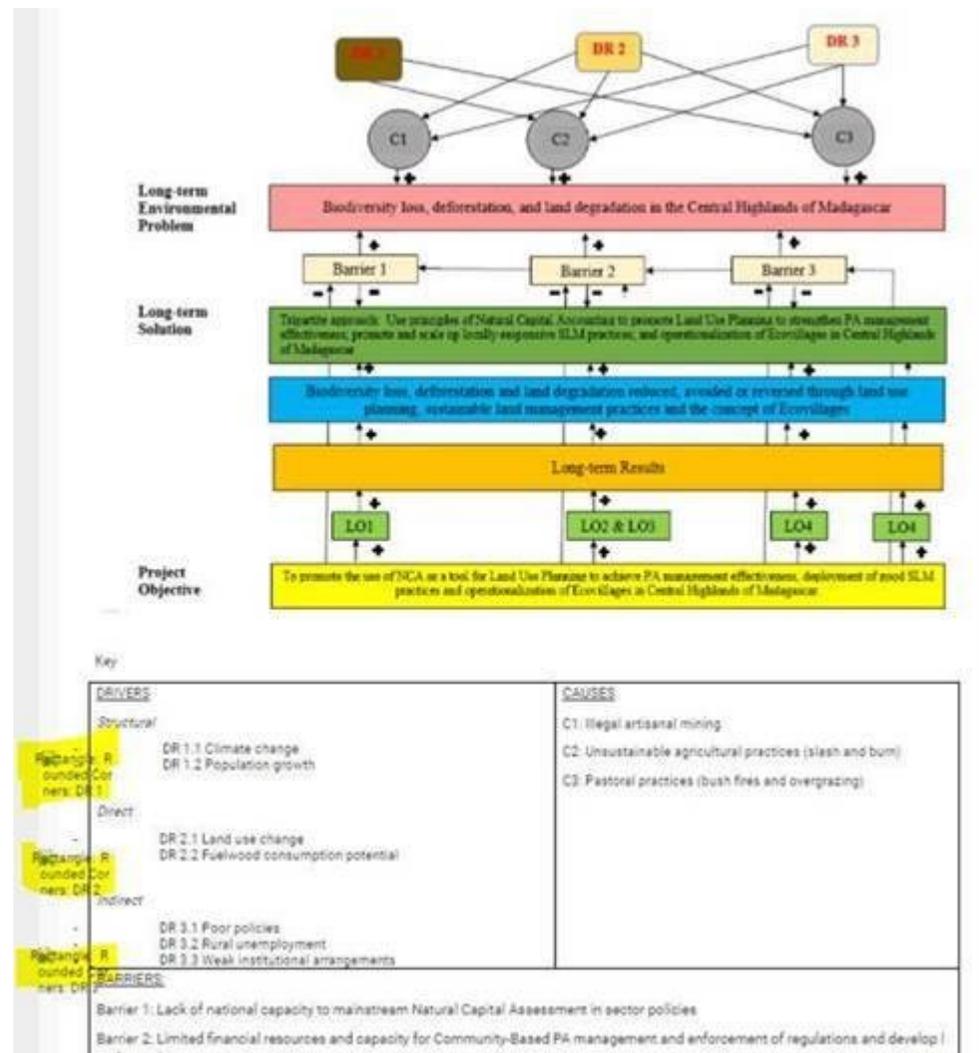
5- It is not a reason to return the project, but there are format errors that are not going to help further reviews from the Council and the STAP. We recommend amending the following diagram to provide a more readable version.



Key

DRIVERS		CAUSES
Structural	DR 1.1 Climate change DR 1.2 Population growth	C1: Illegal artisanal mining C2: Unsustainable agricultural practices (slash and burn) C3: Pastoral practices (bush fires and overgrazing)
Direct	DR 2.1 Land use change DR 2.2 Fuelwood consumption potential	
Indirect	DR 3.1 Poor policies DR 3.2 Rural unemployment DR 3.3 Weak institutional arrangements	
<b>BARRIERS</b>		
Barrier 1: Lack of national capacity to mainstream Natural Capital Assessment in sector policies		
Barrier 2: Limited financial resources and capacity for Community-Based PA management and enforcement of regulations and develop		

Rectangular  
 rounded  
 corners: DR 1  
 -  
 Rectangular  
 rounded  
 corners: DR 2  
 -  
 Rectangular  
 rounded  
 corners: DR 3



November 4th, 2020

All points have been addressed. The PIF is technically cleared and recommended for work program inclusion.

**ADDITIONAL COMMENTS**

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

Secretariat Comment at PIF/Work Program Inclusion

- Confirm the targets;
- Confirm cofinancing;
- Confirm elements for sustainability;
- Propose a comprehensive risk analysis with mitigation measures.
- Develop the role of the private sector.
- Develop a Gender Action Plan.
- Synthetize lessons from past and on-going projects on Ecovillages (Senegal, Guinea).
- Reinforce the reasoning related to the LDN policy in Madagascar (LDN targets, priority areas, protection/SLM/restoration).

**Review Dates**

	<b>PIF Review</b>	<b>Agency Response</b>
<b>First Review</b>	<b>10/30/2019</b>	<b>3/30/2020</b>

	PIF Review	Agency Response
<b>Additional Review (as necessary)</b>	<b>4/4/2020</b>	<b>3/23/2020</b>
<b>Additional Review (as necessary)</b>	<b>4/12/2020</b>	<b>4/10/2020</b>
<b>Additional Review (as necessary)</b>	<b>10/16/2020</b>	<b>10/15/2020</b>
<b>Additional Review (as necessary)</b>	<b>10/25/2020</b>	<b>10/23/2020</b>

#### PIF Recommendation to CEO

#### Brief reasoning for recommendations to CEO for PIF Approval

#### Cover Memo

**Madagascar:** *Evaluation of Natural Capital to Support Land Use Planning, Improved management effectiveness of Terrestrial Protected Areas, deployment of SLM practices and Creation of Eco-Villages in Central Madagascar* (GEF ID 10389); GEF Agency: UNEP; GEF project financing: \$5,653,425; Co-financing: \$24,978,115.

#### Context

Madagascar is a mega-biodiversity country with a high concentration of endemic species.

Madagascar is a low-income country with a national economy depending essentially on natural resource-based sectors including agriculture, mineral extraction, tourism, fishing, and aquaculture. It is one of the least developed countries (LDCs) in the world, with growth hampered by several political and social crises. Madagascar's GDP per capita in 2017 was estimated at US\$ 449.7 with an annual growth rate of 1.4. In 2012, it had a poverty headcount ratio at national poverty lines of 70.7%, i.e. the population lives permanently below the poverty line of US\$ 1 per day.

Agriculture is the mainstay of the rural economy with a high demand for lands, a declining productivity of existing croplands, and one of the largest drivers of unsustainable, and often illegal, forest clearance. The Malagasy population is highly dependent on CO<sub>2</sub>-emitting energies (charcoal, firewood, kerosene), especially in rural areas where wood is used daily by more than 90% of the inhabitants (mainly by women) and accounts for >75% of the country's primary energy consumption.

Pressures on remaining ecosystems, particularly fragile terrestrial habitats have accelerated over the past 50 years and Protected Areas are increasingly becoming islands surrounded by fields, grasslands, and severely degraded natural areas. The practice of burning forests to clear land for dry rice cultivation has denuded most of the landscape, especially in the central highlands (360,000 hectares of forests are lost per year).

The project is being proposed for the Central Highlands (CH) of the country, more specifically in two regions: Amoron'i Mania and Haute Matsiatra. Two Key Biodiversity Areas are targeted with 1) The Itremo Massif National Protected Area (IUCN Category VI PA) covers a total area of 24,788 ha dominated by grassy biomes (70% of the land area) and 2) The Forest Corridor Ambositra-Vondrozo (COFAV) National Protected Area: The part of the PA in project regions (Amoron'i Mania) is estimated at 36,000 ha. The COFAV is the last vestige of low, medium and high-altitude tropical rainforests that once covered most of the south-eastern of Madagascar.

### **Project**

The project approach is based on the use of principles of Natural Capital Accounting to promote Land-Use Planning, strengthen protected area management, scale up locally responsible sustainable land management practices, and operationalize pilot Ecovillages in Central Highlands of Madagascar. The project is designed on four main components in view of 1) Strengthening policy and institutional frameworks for Natural Capital Accounting, 2) Enabling Policy (Land Use Plans) and tools in support of management of natural resources and biodiversity conservation in the Central Highlands, 3) Piloting EcoVillages to reduce rates of deforestation, protect habitat, improve landscape productivity and enhanced livelihoods, and 4) Managing Knowledge, project monitoring, and evaluation.

"An EcoVillage is a rural or urban community that is consciously designed through locally owned, participatory processes in all four dimensions of sustainability (social, culture, ecology and economy) to regenerate their social and natural environments." The ecovillage approach constitutes an option explored by the government of Madagascar to resolve various environmental problems that have existed for years: deforestation due to the strong dependence on forest resources for household energy needs (firewood and charcoal), land degradation following the practice of slash-and-burn crops, air, water and soil pollution following the lack of infrastructure for adequate management of household waste, etc. The Ecovillages approach in Madagascar is based on natural capital assessment. Ecological alternatives are proposed to the populations to reduce pressures on natural resources, restore the quality of ecosystems and at the same time encourage the creation of green jobs.

The project is developed in synergy and cofinancing with several key investments (CI/GCF, KEW Foundation, etc) addressing agricultural productivity in the Central Highlands, support services to farmers on investment skills and agricultural diversification, land tenure security and safeguarding land rights of smallholder farmers, management of natural resources, and establishing a landscape approach to sustainable agriculture.

### **Global Environment Benefits**

The project aims to improve the management of 250,000 ha of terrestrial landscapes to benefit Biodiversity (4.1), improve sustainable management of 300,000 ha of agricultural landscapes (4.3), improve the management effectiveness of protected areas on 50,331 ha (1.2). The project will target 150,000 beneficiaries with a gender balance.

### **Country Priorities**

The project fits the National Biodiversity Strategy and Action Plan (NBSAP 2015-2025) and the LDN targets. The reasoning behind the NAP under UNCCD and Madagascar LDN targets need to be reinforced.

### **GEF Strategies**

The project is designed under the BD objectives 1.3 (Mainstream biodiversity/NCA) and 2.7 (protected area), as well as the LD1.4 objective (Landscape/Integration).

### **Innovation, Sustainability & Scaling up**

The project will promote several innovations in Madagascar, and will connect several approaches together for integration, as Natural Capital Accounting, land-use planning, Protected Area management, Sustainable Land Management, and Ecovillages.

The project will reinforce capacities at different levels for sustainability and will explore institutional arrangements and sustainable financing mechanisms to ensure a long-term political and financial commitment to address land degradation and biodiversity loss in the Central Highlands.

The potential for scaling up the Ecovillage approach in other regions and across a variety of landscapes is high.