

# Catalyzing Optimum Management of Nature Heritage for Sustainability of Ecosystem, Resources and Viability of Endangered Wildlife Species (CONSERVE)

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10236

**Countries**

Indonesia

**Project Name**

Catalyzing Optimum Management of Nature Heritage for Sustainability of  
Ecosystem, Resources and Viability of Endangered Wildlife Species  
(CONSERVE)

**Agencies**

UNDP

**Date received by PM**

10/2/2020

**Review completed by PM**

4/19/2021

**Program Manager**

Hannah Fairbank

**Focal Area**

Biodiversity

**Project Type**

FSP

**PIF**   
**CEO Endorsement**

**Part I ? Project Information**

**Focal area elements**

**1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?**

Secretariat Comment at CEO Endorsement Request

March 31, 2020 HF:

Comment cleared.

November 11, 2020 HF:

Part II #4. "alignment with GEF FA strategy" seems to be missing a wildlife focus other than identifying the entry points. Please revise to better align with the GWP strategy.

Agency Response

**UNDP, 22 Jan 2021:**

The proposed project is aligned to GEF-7 Biodiversity focal area: (i) objective 1 and program 2a (BD-1-2a): *Mainstream biodiversity across sectors as well as landscapes and seascapes through global wildlife program to prevent extinction of known threatened species*; and (ii) Objective 2, Program 7 (BD-2-7) - *Address direct drivers to protect habitats and species by Improving financial sustainability, effective management, and ecosystem coverage of the global protected area estate*. In terms of BD-1-2a (GWP), The project is proposed as a child project under the Global Wildlife Program (GWP). The project intends to stabilize wildlife populations (particularly of key threatened species such as the Sumatran elephant, Sumatran tiger and yellow-crested cockatoo) and enhance habitat resilience through spatial planning and zoning of threatened species landscapes as the first step to ensure that production landscapes that include oil palm plantations, forest concessions and other production systems do not inadvertently impact on these species habitats, particularly on lands outside PA. This will entail working with the production sectors to adjust production practices (including setting aside critical spaces for corridors) to ensure that these are biodiversity-friendly that will have a significant impact on conservation. The project will support provincial policies and practices that are conducive to protection of these threatened species habitats and provide technical support, training and best practices for the implementation of such measures and other mechanisms that could incentivize landowners to change current practices that may be degrading species and habitats. Additionally, the project will support activities to ensure species resilience by attempting to reduce HWC through habitat interventions and improving farmer's capacity to cope and manage conflict. As a measure to reduce wildlife trafficking, anti-poaching SMART RMB patrols will be strengthened and extended to cover landscapes beyond the PAs. It will also promote and strengthen partnerships with local communities to involve them in patrols to minimize poaching and illegal trade and reduce demand for wildlife products by outreach programs and improved DNA forensic capacity at regional level to strengthen prosecutions. The intent is to minimize and/or prevent the loss or extinction of threatened species through on-the-ground conservation efforts, strengthening surveillance, enforcement and prosecutions. It also aims to enhance sustainable natural resources management, livelihood diversification, sustainable agricultural systems and promotion of small-scale enterprises in the project landscape to ensure adequate incomes to local communities and promote food security as means to ensure support for conservation.

In terms of BD.2-7, the project will attempt to address the drivers of habitat loss, by focussing efforts at threatened species protection by promoting biodiversity conservation (and threat reduction) into forestry, private plantation, forest concessionary and other development sectors, which are key sectors negatively impacting biodiversity in the country. As part of this effort, the project will focus on reducing current pressures and threats on threatened species habitats by improving and changing production practices to be more biodiversity-friendly through capacity building, training and incentives to change current practices that degrade biodiversity. Without the GEF project, it is likely that there will be loss of biodiversity and ecosystem services in the production areas. It will enhance the effectiveness of current PAs within the landscapes, so that these become core conservation refuges for the threatened species within the broader landscapes. The project will also establish public-private partnerships with the businesses, thus, unlocking non-public sources of financing for biodiversity conservations. The outcome of the project would be to: (i) threat reduction and improve management of PAs and remaining high value forests within the landscapes, including in plantation and production sectors through improved incentives mechanisms that encourage private sector investments and support for their conservation; (ii) reduce direct loss of critical biodiversity through more sustainable production and environmentally-friendly production practices; and (iii) control and manage illegal

poaching (that can contribute to illegal wildlife trade) through enhanced and strengthened SMART patrols as well as engagement of local communities and private plantations within the landscape to enhance surveillance, monitoring and control of illegal activities

*Please refer to Section 4, Part II of CER (p.22-23) and Section 1c for linkage with GWP (p.28-29)*

#### **Project description summary**

**2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?**

Secretariat Comment at CEO Endorsement Request

May 4, 2021 HF:

Comment cleared. PM has approved of ITS making this change on the back-end.

April 22, 2021 HF:

Please correct/update the "Project Duration" in the Portal entry. It currently states 12 months rather than 73.

November 11, 2020 HF:

Yes.

Agency Response

**UNDP Response, 4 May 2021**

This has been corrected in the portal as 72 months

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response

**Co-financing**

**4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description**

**of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?**

Secretariat Comment at CEO Endorsement Request

May 4, 2021 HF:

Comments cleared.

April 22, 2021 HF:

1.) The Multi-Partner Trust Fund (The Lion's Share) should be labeled as "donor Agency".

2.) The Lion's Share co-finance letter does not specify the type of co-financing. Please revise and resubmit.

November 12, 2020 HF:

Yes.

Agency Response

**UNDP Response, 4 May 2021**

Thank you for the comments.

1) The Multi-Partner Trust Fund (The Lion's Share) is now labeled as "Donor? Agency

2) Revised co-finance letter obtained from MPTFO

Refer CER Table C, p.7

**GEF Resource Availability**

**5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?**

Secretariat Comment at CEO Endorsement Request

November 12, 2020 HF:

Yes.

Agency Response

**Project Preparation Grant**

**6. Is the status and utilization of the PPG reported in Annex C in the document?**

Secretariat Comment at CEO Endorsement Request November 12, 2020 HF:  
Yes.

Agency Response  
Core indicators

**7. Are there changes/adjustments made in the core indicator targets indicated in Table E?  
Do they remain realistic?**

Secretariat Comment at CEO Endorsement Request  
April 19, 2021 HF:  
Comment cleared.

March 31, 2021 HF:  
Thank you for the explanation in shifts in project targets. Please confirm that hectare targets for the full extent of the project investment, which includes all co-financing (including the government co-financing in and outside of PAs that is referred to below), is included in these targets.

November 11, 2020 HF:

1.) There were significant decreases in the Global Environmental Benefits of this project and the corresponding core indicator targets from project concept phase to CEO endorsement request (see below). The child project concept stated: "The project will result in the **improved management of over 8 million ha of landscapes** in Sumatra, Wallace, Papua Regions which provide critical habitat Critically Endangered Species. The project will **strengthen the management of an estimated 3 million ha of PAs** (national park and game hunting park) and **200,000 ha of non-forest conservation areas.**" At the least here has been an aggregate **decrease from 3.46 million hectares down to 821,845 hectares for this project based on the targets.** Please remedy.

•Changes in CI targets: CI-1: from 3.4 million hectares in down to 81,845 hectares; and CI-3: A decrease from 60,000 hectares under to zero. These significant decreases are not offset by the increase in the CI-4 target from 300,000 hectares to 740,000 hectares in CI-4.

Also, noting here that the GEF scorecard reporting on GEF-7 targets is done at concept stage, thus a significant decrease in targets from concept to CER stage is unexpected.

There is an expectation that the GEBs and CI targets that are set at the concept stage are based on a realistic estimate of what could be expected in terms of results from the GEF investment.

## Agency Response

### UNDP, 22 Jan 2021:

1) It is correctly pointed out that the extent of the project's intervention area has been reduced as compared to the concept note, due to necessary adjustment that has to be made during the PPG stage. Despite the seemingly reduced direct GEB in terms of the extent (from 3 million to 821,845 hectares in total), the project design has ensured that the indirect GEB will still be delivered to area well beyond the said 821,845 hectares, by 1) focusing on systemic level intervention; and 2) optimizing parallel activities in other surrounding areas as led and financed by the Ministry of Environment and Forestry (MoEF) which is not covered by this project.

a) By focusing on systemic level intervention, GEF resources will be invested, *inter alia*, in building engagement, partnership, improved management systems and innovation, which otherwise are not well established in the targeted area ? yet they are identified as keys to improving sustainable landscape management. Whilst co-financing from MoEF will be used in parallel to a more site-based intervention directly to interconnected PA sites. GEF support will be used mainly to supporting an improved policy and regulation at different levels through various technical assistance, and improved planning, programming as well as structural management of PAs.

b) Assuming systemic changes are made with the support from the government and also from GEF investment directly at the targeted area, it is anticipated that these improved systems and innovation will be adopted by other areas ? given that MoEF, as the owner of this project, is also authorized for all PAs nationally and has institutions that operate locally. Despite excluding as a formal target area, project activities will still be conducted under coordination and collaboration with other National Parks located in the surrounding targeted PAs at best. Given the relatively large areas of National Parks (for example, the Kerinci Seblat National Park covered more than 1.3 million ha), this will create an extended project impact.

c) Additionally, acknowledging that species protection measures and various illegal activities are interrelated and taking place beyond jurisdiction or geographical boundaries of certain PAs, project design and activities will ensure synchronization with various other MoEF-led parallel activities in the surrounding targeted area. By doing so, it is anticipated that, despite reduction in terms of extent of targeted PAs proposed for GEF support, the direct and indirect GEB is expected to be delivered well beyond the extent of the three proposed PA sites.

The clarification with the adjustment of the site selection, and thus affecting the extent of proposed intervention area, is as explained below:

(i) While the concept note identified 6 potential landscapes, the intent was to select up to a maximum of 4 sites (refer notes under Table F of the project concept, p.5). At the PPG stage, the Ministry of Environment and Forestry (MoEF) in consultation with the OFP decided to select 3 sites from the 6 identified at the concept stage for project intervention based on available GEF grant and co-financing resources.

(ii) Based on the criteria developed at PPG stage (biological value, habitat integrity, level of threats, political support and management and security risk), the 6 sites were evaluated for their suitability on the basis of which 3 sites were selected for project support. The intent was to ensure a reasonable impact rather than spread resources thinly across many sites.

(iii) The selected sites are: Ulu Masen (Aceh Province) and Seblat landscapes (Bengkulu Province) in Sumatra (with a focus on elephant and tiger conservation), and the third site is at Moyo Island in West Nusa Tenggara Province (with focus on the yellow-crested cockatoo).

(iv) The Wasur site in Papua was not eventually selected due to several considerations. First, this site has a relatively high METT score (70%) which makes this site less urgent for project support. Second, further assessment during the PPG stage revealed that this site has lower 'value for money' investment as compared to other sites, which *inter alia* is caused by high accessibility cost and more limited access. The dropping of Wasur site has therefore contributed to the inevitable reduction in the extent of the targeted area.

(v) The Sulawesi site was not considered on account of the more limited value for biodiversity conservation as compared to other sites, while the Riau site in Sumatra was omitted on account of Ulu Masen and Seblat in Sumatra being a more efficient option. In Riau Province, there is ongoing focus on biodiversity conservation, such as the existing Sumatran Tiger Sanctuary. The Kerinci-Seblat National Park was not included to avoid double counting as the national park was already under the support of GEF5 Tiger project.

2) The concerns regarding changes to CI are duly noted. It is acknowledged that the decrease in areas as discussed above are not directly offset by the increase in the proposed non-PAs intervention area. However, in addition to the above explanation, the total direct and indirect GEB remains anticipated to be delivered well beyond the said targeted area, also for the following situations:

a) In Sumatra, the real threat to conservation of key threatened species, in particular for the Sumatran elephant and tiger is the destruction of habitat outside the PAs and any effort to conserve these species would entail a concentration of efforts outside the PA network. For this reason and based on closed consultation with MoEF to further synchronize the project with their current priority, the project design has put emphasis on areas outside PAs through the OECM approach. Hence adjustment was made to focus on areas outside PAs from the project concept value of 200,000 hectares to 740,000 hectares.

b) CI 4 includes biological landscapes (excluding protected areas) under improved management practices in the 3 project sites that would include areas within the palm oil plantation and forest concessions that will be set-aside as wildlife corridors and/or include conservation-friendly measures. Please kindly note that CI-3 is originally not included in the Project concept note. Annex 18 of ProDoc on GEF Core Indicators has been revised accordingly.

c) The emphasis therefore in CONSERVE was to enhance conservation in multiple use landscapes rather than confine activities within PAs, as larger number of threatened species are found outside PAs. Therefore, changes in Core Indicators are accordingly based on the discussions above.

(v) The result of the reduction of the aggregate concept stage target by 2.562 million ha (from 3.46 million hectares) to a new figure of around 0.89 million hectares (which on



the basis of further boundary assessment at PPG worked out to a final total of **821,845** hectares)

(vi) In Sumatra, real threat to the conservation of key threatened species in particular, Sumatran elephant and tiger is the destruction of habitat outside the PAs and any effort to conserve these species must entail concerted efforts outside the PA network. For this reason, the larger emphasis for the CONSERVE project was to focus on areas outside PAs through the OECM approach. As a result, there was an adjustment of the target area of focus outside PAs from the concept phase of 200,000 hectares to 740,000 hectares, while PA coverage was correspondingly reduced, given the reasons cited above. The emphasis, therefore, is to enhance conservation in multiple use landscapes rather than confine activities within PAs, as large number of threatened species have been found outside PAs.

*Please refer Annex H of CER (where references have been made to changes to ?Project sites? and ?CI?) p.94-96. Also refer to Annex 25 of UNDP prodoc (for site selection criteria)*

### **UNDP response, 12 April 2021**

Thank you for the comment. This is to confirm that the core indicator targets cover the full extent of the project investment (including GEF and all co-financing).

The assumption is that the learning and improved systems with innovation (in particular, applying KEE/OECM approaches) will most likely be adopted in other areas as the project progresses. This is also because MOEF, as the key Executing Agency/Implementing Partner of the project has the overall responsibility of overseeing the PA network and is also the proponent of KEE/OECM approach in Indonesia. However, at this juncture, it is not feasible to define a target for adoption outside of the GEF project. At MTR, an assessment will be made of actual scaling up efforts (including hectares) of KEE and related actions with non-GEF resources.

Please refer to notes for CEO ER Table F (p.8) detailing the information on the CI targets.

### **Part II ? Project Justification**

**1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?**

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

All comments cleared.

November 11, 2020 HF:

- 1.) The GEF CER document need to be revised to be a more robust representation of the project throughout all the sections. The CER should be a stand-alone document for review and not depend on the reader cross-referencing the project concept in the PFD.
- 2.) Project design and documentation should make clearer the role that target wildlife species play in this project. Are their habitat needs the heuristic for the definition of the landscape? The focus on OECMs (see other comments on this)-sometimes seems to overshadow the wildlife conservation focus and benefits of the project. Please review and revise.
- 3.) The 'sustainable development target' in the green ovals of the project TOC should be the target that the project is striving to meet. Currently these are worded as the issues to be addressed. We need to see the final intended impact/result at the far-right side of the TOC. Presumably these would be at the three target species and landscape level habitat? And please be specific since it seems that the project is focused on the status of three species and key landscapes needed for their conservation.

#### Agency Response

##### **UNDP, 22 Jan 2021**

Thank you for the comments and the responses are provided below:

- 1) The CER has been revised accordingly
- 2) Well noted on the concerns regarding the use of OECM approach in the project.
  - a) Instead of serving as a separate emphasis or target, the OECM approach adopted in this project is regarded as a landscape approach to progress with wildlife conservation targets namely, species conservation through habitat protection. Species protection is to be achieved by ensuring their habitat is well preserved beyond the already established PAs, through meaningful involvement of local authorities and local stakeholders. This is to be implemented following the national version of OECM approach as governed by the MoEF, called the Essential Ecosystem Area approach (*Kawasan Ekosistem Esensial/KEE*).
  - b) Throughout the document, the text has been revised to correctly emphasize that the focus of the project remains in conserving threatened species and their habitats, one of which is through an OECM approach (which nationally referred to as the KEE), but also includes other key measures, which amongst others are: 1) development and/or implementation of threatened species strategies/actions plans and emergency action plan of elephant conservation; 2) improving provincial regulations; 3)enhancing SMART patrols, 4) improving regional capacity for DNA forensics; 4) Synergy and collaboration with other conservation projects, and coordination with local forest management unit and private sectors.

*Please refer to UNDP prodoc (Sec III from p. 21 and IV from p. 29) and CER (Part II Section3 - the proposed alternative, from p.17).*

3) In terms of *Figure 1: ?Threats, root causes and barriers to the long-term solutions and GEF strategies to address them?*, the legend has been changed for the ?green? ovals to reflect ?Impacts of direct threats? on flagship species/habitats/communities. In *Figure 2 TOC diagram*, has been revised to specifically include the 3 threatened species and their habitats, hence emphasizing project intervention for species conservation.

*Please refer Figure 1 and 2 of UNDP Prodoc (p.20 & 25) and CER (p.13 & 16)*

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

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comment cleared.

November 11, 2020 HF:

1.) Ulu Masen and Kerinchi Seblat sites both have ongoing GEF-6 projects (GWP and Tiger project) among many other international donor-supported projects. Please provide detailed justification for the selection and continued GEF funding of those sites and provide full criteria for site selection under this project.

Agency Response

**UNDP, 18 Jan 2021:**

Thank you for the comment.

Kerinchi Seblat is not included in the CONSERVE project. The Seblat landscape is an area outside of the Kerinchi-Seblat National park. There is no GEF funded investment activities that are supporting Seblat or Moyo sites. The GEF-6 IWT is supporting a national framework for IWT management and interventions are targeted at specific sites, including Gunung Leuser National Park in Ulu Masen. The CONSERVE project will complement the GEF-6 IWT project in that it will operate within the Ulu Masen landscape, but specifically outside of the Gurung Leuser national park targeting improved SMART patrolling and other project activities in areas outside the PA.

The 3 landscape sites were selected following an extensive consultative process that was based on evaluation of each site against a set of agreed criteria to identify the most suitable sites for intervention.

The criteria used are the following:

- a) Extent of coverage of KBAs that are defined as areas that represent a suite of vulnerable, endangered and threatened species and habitats (based on species irreplaceability, habitat connectivity, ecological permanence and having representative bio-indicators). In particular, there was an emphasis on identifying critical areas outside PAs that were essential for conservation of the elected threatened species;
- b) Sites where, there exists clear and present dangers, including land-use changes and land-use conflicts;

- c) Sites where there is demonstration potential in terms of conflict reduction, enabling policy environment, political and social support, socio-cultural considerations and potential for trade-offs; and
- d) Level of political support.

While there are few donors supported projects in Ulu Masen, the CONSERVE project focuses specifically on a KEE approach, mainly outside the PA in production landscapes whereas, donor projects are more narrowly focused on corridors, monitoring, IWT and SMART patrols within PAs. Similarly, in Moyo, existing NGO activities focus on turtle conservation, surveys and awareness rather than on a KEE approach. The CONSERVE project will coordinate with these efforts as described in Table 5 of UNDP Project Document.

*Refer para 45 (p.24) and Annex 25 of UNDP Prodoc and Part II Section 3 of CER (p.17). For complementarity and partnerships with on-going programs, please refer Table 5 of UNDP Prodoc (p.57-60)*

**3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?**

Secretariat Comment at PIF/Work Program Inclusion

March 31, 2021 HF:

All comments cleared.

November 11, 2020 HF:

- 1.) Noting here that the child project concept included at PFD approval stage did not include OECMs as a core approach, or at all. The CER is focused on OECMs as a core approach. Please explain and justify this shift in project design.
- 2.) The project documentation states: ?to fully operationalize the OECM approach outside of the PAs? and the ?OECM approach.? The CER and ProDoc should clearly articulate, early on, what exactly is the OECM approach. And how is this different from any of the other landscape-level conservation, multi-stakeholder dialogue and sustainable development approaches that are ongoing in Indonesia?
- 3.) Please be specific about what type of OECMs either exist in these landscapes, or would be created (?) by this project.
- 4.) Where does the OECM management forum fit within the myriad landscape and multi-stakeholder structures in indonesia? How is it different or better? Why is it needed given the other structures for landscape/integrated planning/development currently in use/available? What about the sustainability of such a forum?
- 5.) Component 1:

- a.) What level will the policy/regulatory work be undertaken? Is component 1 focused on national level? And components 2 and 3 at the demonstration site level? And component 4 national and regional? Please ensure that this is clear in the project documentation (CER, ProDoc including in the TOC).
  - b.) These sub-component/outputs seem really generic like they could be undertaken anywhere, rather than tailored to the situation and needs in Indonesia
  - c.) What is the linkage between components 1, 2 and 3?
- 6.) Component 2: Please include a definition of Resort-Based Management (RBM) in the CER as well as ProDoc.
- 7.) Component 3:
- a.) Please use project co-finance for the entirety of activity 3.3.
  - b.) Linking 3.4 to conservation outcomes. Sustainability of these ventures? How different from the failures of ICDPs at Kerinchi Seblat that were referenced early on in ProDoc (these should also be included in the KM section on lessons learned for the project)?
  - c.) Eco-tourism is mentioned several times as a key source of (alternative) income generation. Please explain how the current crisis in the tourism industry due to the pandemic will be taken into account in project design and implementation of these activities?

#### Agency Response

**UNDP, 22 Jan 2021**

Comments regarding changes in project design are well noted.

1) It is acknowledged that the OECM approach was not directly stated as a specific approach in the child project concept. However, the proposed use of OECM approach remains strongly correlated to the proposed contribution of this project to **GWP component** as mentioned in the concept, particularly the following:

- i) Enhanced management of the target landscapes including PAs and the **surrounding forest under different administration units** (Sub-Component 1.1)
- ii) Strengthened policy, procedures, institutions and partnerships for managing protection of habitats at landscape level within and **outside of PAs** (Sub-Component 1.3)
- iii) Sensitization of **local**, provincial and national government to support mainstreaming of key threatened species conservation and build political will for more attention on managing and **connecting significant key threatened species habitats** (Sub-Component 1.2)

This is to say that, despite not being mentioned specifically in the concept, the basic idea of OECM approach has been well captured and recognized. The growing recognition nationally that the KEE mechanism (as the national translation of OECM approach) has

actually offered the channel to connect wildlife habitat and at the same time allow for meaningful and sustainable involvement of local stakeholders, has led the project design in this direction ? while ensuring that wildlife conservation remains the main target.

The KEE mechanism allows for the above GWP target to be manifested at local level. Additionally, this would add to the innovative side of this proposed project, as other similar projects/initiatives in Sumatra have not adopted this approach specifically. Please also refer to the response number 2 for comment in the earlier part (in ?Part II: Project Justification), which refers to similar concern.

*Please Refer: Section III ?Project Strategy? of UNDP Prodoc (Para 40, p.22) and CER (project objective , p.11-12)*

2) The articulation of OECM approach specifically referred to in this project has now been revised and better reflected within ProDoc and CER. KEE remains **the only mechanism governed by MoEF** that allows for: 1) formalization of landscape management that connects areas of importance outside PA; 2) meaningful involvement and leadership of local authorities and stakeholders, in which local political support is certainly key to the success of conservation effort; 3) ensuring the wildlife corridor needed for species conservations well preserved beyond PAs.

*Refer: Section III Para 40 of UNDP Prodoc (p.22) and CER (project objective, P. 11-12)*

3) The project manifestation for OECM approach will be as follow:

a) In the two Sumatran sites (Ulu Masen and Seblat), initial actions have been taken to promote the KEE approach and the project will upscale and continue these initial actions following KEE guidelines. These initial actions are: establishment of a KEE Management Forum in Seblat; issuance of a Decree for establishment of a KEE for Aceh Province (including Ulu Masen); and initiation of a feasibility study on KEE options for the province - all these actions are very rudimentary.

b) Project recognized that in the Seblat site there is a lack of focus on key species other than elephants and there is a need to expand the elephant wildlife corridor given their critical habitat situation. There is also limited involvement of key stakeholders and a lack of a comprehensive approach to KEE/landscape management in the two sites (Ulu Maaen and Seblat). In this regard, the project will facilitate a more comprehensive approach that focuses on the full range of habitats in these two locations that is necessary to conserve as much of the Sumatran elephant and Sumatran tiger range to ensure the survival of these two specie.

c) Further, it will strengthen the KEE process in accordance with the guidelines, including: (i) complete stakeholder mapping and intensive engagement to gain full commitment; (ii) create awareness and a positive attitude towards collaborative conservation actions; (iii) ensure more active engagement of provincial governments, as well as expand collaboration with local land managers (private landowners); (iv) strengthen the multi-stakeholder platform/forum through provision of technical assistance and capacity building; (iv) engage CSOs to facilitate stakeholder engagement, and stimulate collaborative management among existing land managers (owners) to optimize development and conservation objectives; (v) strengthen capacity of Forest Management Units within the demarcated KEE to promote conservation outcomes in the forest management units; etc.

d) In the third site, the Moyo landscape - no KEE-related action has been undertaken to date, hence the project will initiate KEE following the step-by-step guidelines as mentioned above.

*Please refer: Section III Para 41 of UNDP Prodoc (p.23)*

4) Previous landscape/OECM approaches have been promoted on an *ad-hoc* basis without any formal recognition at the national level. The KEE approach is now a recognized approach by the Government of Indonesia in the management of large biological landscapes. The management forum is a recognized institutional arrangement for management of landscapes that is established through a formal decision of the Governor of the province as the decision-making body for the KEE. The management structure for the KEE is thus not project-specific, but a long-term institutional arrangement for KEE management and oversight. Provincial governments are responsible to ensure the sustainability of the management forum as well as the KEE approach, including allocating funding for KEE management plan implementation. In addition, the project will seek complementary financing to sustain the KEE approach, and institutional structures beyond the life of the project that is discussed in the prodoc.

*Please refer Section III Para 41 (p.22) of UNDP Prodoc and Annex 9*

#### **5. Component 1**

a) The implementation level for each component is now made clearer within the ProDoc, CER and ToC. As noted in Output 1.2, activity 1.2.1 the project will support the **Review of existing provincial policies, legislation and practices** relating to management of PAs, Conservation Areas, Forest Management Units, Private Plantations and other related practices at the provincial level to identify key gaps in promoting socially and biodiversity friendly development with special emphasis on enhancing biodiversity conservation, habitat connectivity and promoting KEE approaches outside the PA networks. Hence, this work will focus at the Provincial levels in the 3 landscapes to test the following and in particular relate to application of KEEs, including - update or new provincial decrees for establishment of Essential Ecosystem Areas (KEEs) and rules and regulations and composition of KEE management Forums; budgetary norms/procedures for financing KEE actions, including provincial and private sector sources of financing; guidelines for integration of threatened species concerns in FMU planning and management; Village Fund use procedures for conservation and sustainable livelihood uses, etc. The intent is to test the effectiveness of these provincial policies, regulations and procedures for scaling up at the national level later on.

Component 2 and 3 entails activities at the demonstration site, and Component 4 is aimed at building awareness and support for conservation of threatened species conservation at the landscape/provincial levels, and documentation of best practices with potential for scaling up regionally and nationally.

b) **Component 4** has now been tailored specifically relating to conservation of threatened species landscapes at the landscape/provincial levels.

c) **On the linkage:** Component 1 will help develop and implement strategies and action plans for conservation of threatened species, define appropriate policies, regulations and capacity at the provincial level for effective implementation of these strategies, that would be complemented by improved site-based enforcement and monitoring of illegal activities (Component 2) and engagement of the private sector (palm oil companies and forest concessions) and local communities to directly contribute to conservation efforts related to the threatened species (Component 3) through the KEE approach, while



Component 4 will enable learning and knowledge that will support feedback and replication.

*Please refer:*

*a) Refer Section IV, Output 1.2 Para 57 (p.34), Activity 1.2.1 of UNDP Prodoc and GEF CER Output 1.2 (p.18)*

*b) Component 4 outputs have been revised to reflect specifically on KM and information management for threatened species in the 3 landscapes sites.*

*c) Refer Section III, Para 44 of UNDP Prodoc (p.24) and CER **the proposed alternative scenario?** (page 18)*

6) Component 2: definition of RBM has been added in the CER and ProDoc accordingly.

*Please refer Component 2 Para 62 and 65 of UNDP Prodoc (p.38 & 39) and Outcome 2 of CER (page 19)*

### 7) Component 3

(a) The intent is to finance activity 3.3 entirely through co-financing.

(b) Output 3.4 builds on the lessons from previous ICDP-related programs (such as the Kerinci-Seblat ICDP) in that it will focus on promotion of improved livelihoods and community managed small business enterprises through partnership with private sector rather than just on physical village infrastructure development, goods and cooperatives (which was promoted through the past Kerinci-Seblat ICDP). The lessons from the previous project were that community engagement was entirely dependent on GEF funds over a short-term period of the project, but that ensuring sustainability is dependent on a much longer-term engagement and availability of resources to enable communities to develop sustainable livelihoods and business enterprises that need time to develop.

Therefore, further Output 3.4 will support efforts to attract non-GEF resources through a promising number of financial instruments that have been evaluated by the BIOFIN project. These can be one or more of the following BIOFIN identified prioritized financial solutions for biodiversity, depending on the assessment of their feasibility, such as green-financing initiatives of Islamic funds for biodiversity and environment (including zakat, waqf, sadaqa and infaq), ecological fiscal transfers (EFT), green sukuk, Corporate Social Responsibility (CSR), crowdfunding and optimization of village funds. [*Zakat: supported by obligatory contribution by wealthy Muslims that is available for the economically insecure communities; Waqf: charitable trust created by legal actions of donors to transfer physical assets or cash to benefit the general public; Sadaqa: Voluntary charity for small infrastructure, water supply, crops and small local business; Infaq: type of charity in Islam that is given without any expectation of reward or return; Green Sukuk: leveraged private finance for green sustainable projects; ETI: fiscal transfers for environmental and ecological initiatives through revenue-sharing arrangements between various levels of government; Crowdfunding: It allows individuals to contribute directly to, and invest in biodiversity-related activities*]

Additionally, unlike previous ICDPs, the KEE approach provides a formal institutional arrangement (KEE management forum) for direct engagement of stakeholders, including local communities and ensuring that they have a voice in decision-making (through the KEE management forum) and potential access to funding from provincial governments for maintenance of KEE investments in the longer-term.



c) The discussion regarding the current pandemic is now reflected in the project document, including implementation of ecotourism activities. Project activities will be designed to enhance capacities of local ecotourism actors in practicing Covid-responsive measures for ecotourism and adjust tourism activities packages accordingly (for example: small group tour, selling local product through an online platform, etc), in accordance with the guidelines from MoEF and other reliable sources. Additionally, innovation for virtual ecotourism will be sought for, by collaborating with qualified NGOs or institutions which have successfully established a robust platform for virtual ecotourism.

*Please refer:*

*(a) Output 3.3 (Para 85, p.48) of UNDP Prodoc and CER Output 3.3 (p.21)*

*(b) Output 3.4 (Para 87, 49) of UNDP Prodoc*

*(c) activity 3.4.5 under Output 3.4 (Para 88, p.50-51) and Covid risk analysis (Risk Section, Para 103-107 and Tables 6(a) and 6(b) of UNDP Prodoc (p.69-73) and CER Section 5 (P. 47-51)*

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

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comments cleared.

November 12, 2020 HF:

There is limited treatment of how the project aligns with the FA strategy and with Impact Programs-in particular FOLUR. Please address.

Agency Response

**UNDP, 22 Jan 2021:**

Thank you for the comments:

i) Section 4 of the CEO-ER has been revised to demonstrate alignment with the FA strategy (BD 1-2a, BD 2-7) and in particular GWP and FOLUR.

The proposed project is aligned to GEF-7 Biodiversity focal area: (i) objective 1 and program 2a (BD-1-2a): *Mainstream biodiversity across sectors as well as landscapes and seascapes through global wildlife program to prevent extinction of known threatened species;* and (ii) Objective 2, Program 7 (BD-2-7) - *Address direct drivers to protect habitats and species by Improving financial sustainability, effective management, and ecosystem coverage of the global protected area estate.*

In terms of BD-1-2a (GWP), the project intends to stabilize wildlife populations (particularly of key threatened species such as the Sumatran elephant, Sumatran tiger and yellow-crested cockatoo) and enhance habitat resilience through spatial planning and zoning of threatened species landscapes as the first step to ensure that production landscapes that include oil palm plantations, forest concessions and other production systems do not inadvertently impact on these species habitats, particularly on lands outside PA. This will entail working with the production sectors to adjust production practices (including setting aside critical spaces for corridors) to ensure that these are

biodiversity-friendly that will have a significant impact on conservation. The project will support provincial policies and practices that are conducive to protection of these threatened species habitats and provide technical support, training and best practices for implementation of such measures and other mechanisms that could incentivize landowners to change current practices that may be degrading species and habitats. Additionally, the project will support activities to ensure species resilience by attempting to reduce HWC through habitat interventions and improving farmer mechanisms to cope and manage conflict. As a measure to reduce wildlife trafficking, anti-poaching SMART RMB patrols will be strengthened and extended to cover landscapes beyond the PAs. It will also promote and strengthen partnerships with local communities to involve them in patrols to minimize poaching and illegal trade and reduce demand for wildlife products by outreach programs and improved DNA forensic capacity at regional level to strengthen prosecutions. The intent is to minimize and/or prevent the loss or extinction of threatened species through on-the-ground conservation efforts, strengthening surveillance, enforcement and prosecutions. It also aims to enhance sustainable natural resources management, livelihood diversification, sustainable agricultural systems and promotion of small-scale enterprises in threatened species habitats that will ensure adequate incomes to local communities and promote food security as means to ensure support for conservation.

In terms of BD.2-7, the project will attempt to address the drivers of habitat loss, by focussing efforts at threatened species protection by promoting the mainstreaming biodiversity conservation (and threat reduction) into forestry, private plantation, forest concessionary and other development sectors, which are key sectors negatively impacting biodiversity in the country. As part of this effort, the project will focus on reducing current pressures and threats on threatened species habitats by improving and changing production practices to be more biodiversity-friendly through capacity building, training and incentives to change current practices that degrade biodiversity. Without the GEF project, it is likely that there will be loss of biodiversity and ecosystem services in the production areas. It will enhance the effectiveness of current PAs within the landscapes, so that these become core conservation refuges for the threatened species within the broader landscapes. The project will also establish public-private partnerships with the businesses, thus, unlocking non-public sources of financing for biodiversity conservations. The outcome of the project would be to: (i) threat reduction and improve management of PAs and remaining high value forests within the landscapes, including in plantation and production sectors through improved incentives mechanisms that encourage private sector investments and support for their conservation; (ii) reduce direct loss of critical biodiversity through more sustainable production and environmentally-friendly production practices; and (iii) control and manage illegal poaching (that can contribute to illegal wildlife trade) through enhanced and strengthened SMART patrols as well as engagement of local communities and private plantations within the landscape to enhance surveillance, monitoring and control of illegal activities. The project is proposed as a child project under the Global Wildlife Program (GWP).

Additionally, in terms of alignment with the FOLUR IP, the project will support better management of production landscapes that are complementary to conservation outcomes, promote sustainable land uses in terms of small holdings and agricultural lands to meet multiple objectives (conservation, sustainable food production and improved incomes). It will focus on improving land use planning within the landscapes that avoid loss of biodiversity, ecosystem services and habitat of threatened species.

*Refer Section 4) of CEO-ER (page 22-23)*

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

## Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comments cleared.

November 11, 2020 HF:

Please describe the GEF increment in a clear, concise manner that includes attention to the value add of this investment from a globally significant BD/wildlife perspective that goes beyond what would happen with a BAU approach to conservation nationally/locally? Currently the incremental reasoning for the project is weak and it isn't clear why GEF funding is justified. Particularly given all of the previous and ongoing investment in several of the project sites. Please address.

### Agency Response

**UNDP, 22 Jan 2021:**

The GEF increment, builds on learning from previous and on-going projects, but goes beyond business-as-usual approach as reflected below:

i) previous projects have mostly focused on the established Protected Areas despite the fact that wildlife corridors expand beyond the boundary of defined PAs. Hence, this project will fill this gap by adopting a KEE approach as the critical habitat of the key important species lies beyond PAs. However, with relatively limited available resources as compared to the extent of much needed conserved area (in terms of budget and human resources), GEF investment is necessary to stimulate an improved KEE process alongside with government's resources;

ii) undertaking a much more comprehensive approach to the application of the KEE process, in terms of the governance as well as the extent of KEE area, which otherwise will not cover the full range of threatened species habitat and the arrangement might not be fully formalized to allow for a meaningful ownership of local stakeholders;

iii) supporting a more comprehensive management planning in the KEE landscapes that will include all major stakeholders which otherwise has not been fully engaged (forest protection and production areas, forest concessions, private commercial plantation companies, etc);

iv) focusing on enhancing the capacity of the KEE Management Forums which otherwise the skills and capacity are still limited for undertaking integrated planning at the KEE level;

v) supporting the participation of Local Communities (as defined through the CCEP) and ensuring application of FPIC principles;

vi) establishing an information management, reporting and grievance management system to ensure feedback and conflict resolution; and

vii) establishing linkages with non-GEF green funding programs to ensure financial sustainability of community investments.

Additional incremental values lie in building regional capacity for DNA forensic analysis to ensure more rapid response to effort in combating IWT as well as establishing collaborative arrangements with regional countries to address IWT related issues.

*Refer Part II, Section 5 of GEF CER (p. 23)*

**6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?**

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comment cleared.

November 12, 2020 HF:

Yes, but please see previous questions on project targets and GEBs given steep decrease in expected GEBs/results from project concept phase.

Agency Response

**UNDP, 22 Jan 2021**

Please refer to the earlier responses (Comments on Question 3 of Part II).

**7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?**

Secretariat Comment at CEO Endorsement Request

April 19, 2021 HF:

Comment cleared.

March 31, 2021 HF:

1.) Comment cleared.

2.) Thank you. Please confirm, and clearly state in the CER and ProDoc (and make any necessary corresponding revisions to budget) that GEF resources will not be used to support captive breeding, other ex-situ wildlife (conservation) approaches including rehabilitation, or trophy hunting.

November 11, 2020 HF:

1.) Innovation: How is ?integrated KEE/OECM ecosystem planning and management planning? innovative? How is this different than landscape level planning (which has been done in other parts of Indonesia and is not particularly innovative)?

2.) Sustainability: please include environmental sustainability provisions for potential sustainable hunting in this section (as well as in risks section and safeguard screening).

## Agency Response

### **UNDP, 22 Jan 2021**

1) This is discussed in response to Question 3 of Part II (1 through 4) and it is considered different than past efforts at landscape conservation in that it applies the policy/principles accepted by the GoI in response to management of large biological landscapes. And sets in motion a step-by-step process that ensures active participation of all relevant stakeholders in planning, decision-making and management of these landscapes and ensures that conservation is integrated into all type landscapes outside of the PA network.

*Please refer section on ?Innovativeness, Sustainability and Potential for Scaling Up? Para 140 (p.86) of UNDP prodoc and CER Section 7 (pages 25-26)*

2) A paragraph has been added to the environmental sustainability section to define the provisions that would be introduced to ensure that the captive breeding and hunting activities are sustainable. Risk 10 already identifies the risk associated with captive breeding and hunting.

*Refer Section on ?Innovativeness, Sustainability and Potential for Scaling Up? Para 139 (p.85-86) and Table 6 Risk 10 (p.64) of UNDP Prodoc and CER Section 7 (p. 24-25)*

### **UNDP Response, 12 April 2021**

This is now confirmed in GEFCEO ER and UNDP ProDoc that GEF funds will not be used for ex-situ captive breeding and rehabilitation and trophy hunting.

Please refer to: CEO ER Footnote 1, p.5 and Output 3.3

UNDP ProDoc, Output 3.3 Para85, p.48. Reference to any GEF support for breeding and trophy hunting excluded from budget (see budget note 21, p.107 & 112).

## **Project Map and Coordinates**

**Is there an accurate and confirmed geo-referenced information where the project intervention will take place?**

Secretariat Comment at CEO Endorsement Request

November 12, 2020 HF:

Yes.

Agency Response  
Child Project

**If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?**

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comment cleared.

November 12, 2020 HF:

Referencing questions on targets this significant decrease in targets for this Child Project will impact the overall achievement of GWP targets. Please address.

Agency Response

**UNDP, 22 Jan 2021**

The project is designed to preserve some of the last remaining habitats of the Sumatran elephant and Sumatran tiger, outside of protected areas, which are crucial for the survival of these two species in Sumatra. The Moyo Island is an important habitat for the Yellow crested Cockatoo and accordingly its conservation will have immense impact on the long-term survival of this species. Overall, the project is expected to have a substantial effect on the remaining habitats for these three threatened species.

Through a strategic systemic and institutional level intervention and optimization of parallel MoEF-led activities in the surrounding areas, project will still be able to contribute to the overall achievement of GWP targets, despite decrease in the extent of PA which becomes the main target area of the project.

*Refer Annex H CER (Reference ?Project sites? and ?Core Indicator? changes) including Annex 25 of UNDP prodoc (for the selection criteria of the project sites).*

**Stakeholders**

**Does the project include detailed report on stakeholders engaged during the design phase?  
Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

All comments cleared.

November 12, 2020 HF:

- 1.) Please include a more complete treatment of basic information regarding stakeholder engagement in the CER.
- 2.) Please address information dissemination approach/means in the stakeholder engagement plan.
- 3.) It looks like the stakeholder analysis is included twice in the Portal document uploads. If possible, please redact the duplicate.

#### Agency Response

**UNDP, 22 Jan 2021**

Feedbacks related to stakeholder engagements are duly noted and clarified as follows:

- 1) This has been included as advised.

*Please refer to section on stakeholders (Sec 2, p. 29-38) of CER*

- 2) The means of communication and information dissemination approach is provided in Annex 4 (Stakeholder Analysis and Engagement Plan) which is summarized as follows: Information will be disseminated to stakeholders through the following means: (i) project inception workshops at national and provincial levels; (ii) use of locally available communication channels to engage communities and private entities in the development and implementation of KEE plans; (iii) development of a KM and communication plan for each site that would identify the tools and methods for communication and dissemination; (iv) quarterly meetings with stakeholders; (v) sharing of dissemination notes and use of social media, as appropriate; (vi) stakeholder workshops; and (vii) end of project dissemination workshops.

*Please refer to Annex 4 and Section IV, [Para 118-124, p.79-81) of UNDP Prodoc and CER Section 2 (Pages 29-38)*

- 3) This is rectified in the portal

#### **Gender Equality and Women's Empowerment**

**Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?**

#### Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comment cleared.

November 12, 2020 HF:

Yes. Noting here though that during project implementation gender analysis needs to include Ulu Masen site.

#### Agency Response

**UNDP, 22 Jan 2021**

The gender analysis and action plan covered the entire CONSERVE project and activities to be implemented in all sites including Ulu Masen. Section 2.3.3 of Annex 12 (Gender Analysis and Action Plan) discusses the gender situation in Aceh Province (which covers the Ulu Masen site). The gender action plan recognizes the need for further analysis and consultation in all 3 sites (including Ulu Masen) during project implementation to identify and enhance measures to improve women's participation in decision-making, training, skills development and benefit sharing. These activities will be undertaken during the project implementation period.

*Refer Annex 12 of UNDP Prodoc.*

#### **Private Sector Engagement**

**If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?**

#### Secretariat Comment at CEO Endorsement Request

April 19, 2021 HF:

Comments cleared.

March 31, 2021 HF:

- 1.) Comment cleared.
- 2.) A review of Annex 20 didn't reveal obvious notes from private sector discussions, so not sure what reference was referring to. Would generally expect much more in-depth consultation and engagement of private sector throughout PPG, and going forward in inception/implementation given the extent that the project objectives and outcomes include and depend on private sector actors. It is unclear how the somewhat limited consultations referenced in this response adequately informed project design. Please explain/justify.
- 3.) Response indicates to check Section 4 on private sector engagement of CER, but a subsequent review does not reveal that this comment has been addressed/included in the private sector section. Further this is a question of Knowledge Management and thus would be expected to have presumably be included in KM. Please revise.

November 12, 2020 HF:

- 1.) Were stakeholder consultations undertaken at the Ulu Masen site? Noting this as the



gender analysis wasn't able to include this site (not clear why) or whether broader consultations were undertaken. Please explain. And please note in Annex 4 which consultation was undertaken at which site (by site name, as well as locality) for clarity.

2.) Given the stated importance and dependence on the private sector for the success of this project, what work was done during PPG to ensure the participation and partnerships with the private sector in these landscapes? Please include in an expanded private sector engagement section of the CER and/or annex.

3.) Best practices and lessons learned from current and past partnerships with the palm oil sector in Indonesia (including those of UNDP) should be included in the project design and in knowledge management efforts for the project. Please include and explain how these will be applied to the current project.

### Agency Response UNDP, 22 Jan 2021

1) Consultations were undertaken in all 3 sites, including Ulu Masen. The first stakeholder meeting at the Ulu Masen landscape was held on February 10, 2020 at the Provincial Environment and Forestry Office in Aceh. The main recommendation from the meeting was regarding the area of the proposed KEE and its constituent parts, the application of the KEE strategy and the role of BKSDA and organization aspects related to application of KEE.

A second stakeholder consultation meeting was held on November 24, 2020 where 30 stakeholders (MOEF, FFI, local NGOs, Private Sector, Provincial BKSDA, BAPPEDA and others) attended the virtual consultation meeting. The meeting helped reach agreement on the project strategy, activities and implementation arrangements.

*Refer Table 7 (p.79) and Annex 20 of UNDP Prodoc*

2) In terms of the private sector, the PPG team had discussions on the project strategy with The Indonesian Association of Forest Concessionaires (APHI) on March 23<sup>rd</sup>, 2020. The APHI includes membership of a number of concession members who are active within the project areas. The meeting discussed means of ensuring coordination and collaboration, location of project areas, companies that are to participate, etc. This included PT Tusam Hutani Lestari that is active in the Ulu Masen landscape. The project team had discussions with Tusam Hutani Lestari to establish a Memorandum of Understanding with MoEF. The meeting was held on 25<sup>th</sup> June via virtual zoom meeting. This company has its own conservation programs, especially to secure the home range of Sumatran Elephants within their concession area.

*Refer Table 7 (p.79) and Annex 20 of UNDP Prodoc and Section 4 of CER (pages 39-40)*

3) Best practices and lessons learned from current and past partnership with the palm oil sector in Indonesia, especially from the previous project of SPOI (Sustainable Palm Oil Initiative) are now included. The government has established a national certification scheme called ISPO, which requires producers to comply with existing regulations for palm oil production, environmental management, responsibility to workers and social communities. UNDP supports the operationalization and optimization of ISPO, as it

covers all producers in Indonesia to ensure compliance with the Indonesian legal system. RSPO (Roundtable for Sustainable Palm Oil) is also important in that it provides best practice standards. Therefore, collaboration between these two schemes is crucial for the sustainable future of the Indonesian palm oil sector. As part of the negotiations under the KEE approach, the project will support the Palm Oil companies to implement these sustainable practices.

*Refer CER Section 4 on private Sector Participation (Pages 39-40)*

**UNDP Response, 12 April 2021**

2. Thank you for the comment.

The consultations undertaken with the private sector stakeholders have been inadvertently left out in the previous version of Annex 20. This has now been included in the revised annex 20. On account of COVID-19 situation in the country during project formulation, we acknowledge that consultation with the private sector was limited. However, we anticipate direct private sector participation in the project planning and implementation at the 3 sites through the KEE/OECM approach as discussed in the paragraphs below.

The Conservation of Natural Resources, Biodiversity and Ecosystems (Law No. 5/1990) and Ministerial regulation on Guidelines on Protection of Essential Ecosystem Areas has established procedures for KEE (OECMs) in Indonesia (refer Annex 8), and steps for implementation of KEE (Annex 9) including collaborative forum, planning and management of the KEE.

On the basis of these rules and procedures, the process of KEE Forum and the measurable role, commitment and expected contribution of each stakeholder within the forum, entails a major role of Private Sectors. In addition to local community, NGO, CSO, universities, and local authorities, this collaborative forum will comprise of the **palm oil companies and forest concessions** operating in the KEE. This KEE management forum will be collectively responsible for decisions on delineation of KEE boundaries, development of KEE proposal, planning, management and implementation of KEE actions, protection activities within the KEE, etc. (Refer Annex 9). In this regard, the active participation of the private sector (Palm Oil companies, Forest Concessionaries and others) in all activities related to the KEE is inherent to the rules of the KEE. Lessons related to participation of Private sector in KEE Forum is demonstrated in the response to Review Question 3) below.

Refer to Annex 20 of UNDP ProDoc for updated consultations with private sectors (23 March 2020, p.22).

With regard to the process of engagement of private sector entities (Palm Oil Companies, Forest Concessions, etc.), please refer Para 40, 41 (p.22-23) and 59 (p.35) of ProDoc and Annexes 8 and 9 that lay out the rules and responsibilities of all key stakeholders (including private sector) in the identification, planning, management and enforcement of the KEE approaches).

Refer revised Section 4 (Private sector engagement) of CEO ER, p.39-40

3. Thank you for the comments. In terms of private sector engagement, the project will benefit from UNDP CO Indonesia's experience with the **GEF-5 Tiger Project**, amongst other through the following examples:

- ? Establish an active partnership for habitat conservation with private sectors, through their actual contributions on activities for habitat protection and restoration.
  - o Facilitated by Flora Fauna International (FFI), an NGO working on the site, the Sumatran Tiger Project has established this partnership with APRIL group, a leading fiber, pulp and paper company in Riau province. APRIL provided US\$3,500,000 in parallel funding for the Sumatran Tiger Project from private sector. APRIL has also committed US\$100 million to support biodiversity conservation and community development to restore damaged peat forests in the Kampar Peninsula area, through its Riau Ecosystem Restoration (RER) program ([www.rekoforest.org](http://www.rekoforest.org)). Through RER, this private sector and its partners have developed a plan to conduct biodiversity survey in restoration area of 149,807 ha to support the program.
  - o Regarding efforts to conserve Sumatran tigers, RER performed intensive and routine patrol efforts in 4 Restoration Ecosystems concessions and some of its HTI concessions, installed camera traps and strict 24-hour security monitoring system for road access lines.
  - o RER coordinated security measures with several other HTI companies, and some community customary forests. One example of human tiger conflict assisted by RER is when the patrol team discovered a 95-year-old male tiger weighing 95 kg, on March 22, 2019 which was caught in PT. GCN concession area. The evacuation was carried out jointly by Riau BBKSDA team, RER-GCN, and the local police. Wildlife Rescue Unit (WRU) consisting of Riau BBKSDA and joint team from PRHSD (Pusat Rehabilitasi Harimau Sumatra Dharmasraya, FHK (Forum HarimauKita), and several community members.
  
- ? Actively engaging private sector in project's activities related to capacity development for conservation:
  - o In order to create a local and national network of leader in conservation and natural resources management, the Sumatran Tiger Project has involved

private sectors in its leadership training program, targeted to middle-top manager, to improve their leadership, motivation, and self-awareness capacity to carry out systemic transformation in their working environment that will support conservation.

? In Bukit Barisan Selatan National Park, led by the National Park Authority and supported by NGO, a collaboration forum called Sustainable Commodity Partnership (BBS-KEKAL) has been established which brings together local authorities, coffee farmer and private sectors operated in the surrounding area. This forum is aiming at curbing deforestation as triggered by illegal coffee cultivation within BBS landscapes, by providing alternative livelihood. In this case, private sectors (this includes the following company: Berindo Jaya, Ecom ICC, Jacob Douwe Egberts - JDE, Louis Dreyfus Company - LDC, Nedcoffee, Nestle, Olam) have committed to providing technologies, supporting community's access to fund and market, information sharing, fund support to support community development activities.

By engaging private sector, CONSERVE project will also benefit from previous experience of establishing KEE Forum in Bengkulu, Sumatra. In 2018, the KEE Forum in Bengkulu Province led by the Provincial Authority, has launched Management Plan for Ecosystem Essential Area (KEE) in Support for Elephant Wildlife Corridor for Bengkulu Landscape for 2018-2020. This document provides detailed information and knowledge on the establishment process of the KEE Forum and the measurable role, commitment and expected contribution of each stakeholder within the forum, including the major role of Private Sectors. In addition to local community, NGO, CSO, universities, and local authorities, this collaborative forum comprises **several palm oil companies** operating in the buffer zone of wildlife corridor, including: PT Daria Dharma Pratama, PT Alno Agro Utama and PT Agrincinal.

CONSERVE project will gauge the lessons learned, challenges, and opportunities in working with the private sectors to establish an improved and updated KEE Forum in years to come, given that the Management Plan is dated until 2020.

Therefore, the project comes at a critical time in revisiting and renewing the commitment of all stakeholders to the KEE Forum. CONSERVE project will also benefit from the involvement of FFI in this project to provide networking with the established forum.

Whilst an early-stage coordination has been made with private sectors during PPG phase in different locations, a more detailed, locally-focused and technical private sectors engagement strategy will be established during the inception and early implementation phase of this project.

Refer Section 4 (private sector), p.39-40; and Section 8 (KM), p.61 of CEO ER.

## Risks to Achieving Project Objectives

**Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?**

### Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

All comments cleared.

November 11, 2020 HF:

- 1.) Please include the overall risk rating for this project in the CER.
- 2.) Although the risk of COVID-19 is included in the risk table, the impacts of pandemic need to be addressed from a number of perspectives (technical, logistical, social etc) throughout the project documentation including the ProDoc and CER.
- 3.) Climate change risk: Please (i) identify in the CEO ER document the climate risks which have a potential to affect the project and to (ii) confirm/describe that the project execution unit will monitor those risks during implementation and adjust design as necessary/feasible during execution.
- 4.) Risk 2 mitigation measures don't seem to match with the risks. Please revise.
- 5.) Risk 3: Is there a foundation for landscape-level conservation and planning approaches in the demonstration sites? Without that, starting from scratch, time alone will not be enough to mitigate this risk.
- 6.) In addition, it would seem that the role of corruption, particularly in the licensing of land concessions would be a significant risk and challenge that the project will encounter-should be included and mitigation measures addressed.
- 7.) Risk 5 mitigation suggested seems weak, please further develop. Also-what is the ?final design? referred to if it isn't the CER/ProDoc?

### Agency Response

**UNDP, 22 Jan 2022**

- 1) This is now included in the CER doc.

*Please refer to Table 6 of UNDP Prodoc and Section 5 ?Risk Table? of CER (p.40-47)*

2) Covid analysis/assessment has been addressed throughout the prodoc and CER.

*Refer Covid analysis -Risk Section ? Para 103-107 [p.69-72and Tables 6(a) and 6(b) of UNDP Prodoc [p.70-73] and CER (pages 47-51)*

3) (i) Climate change poses a risk through unpredictable weather patterns that increases the likelihood of natural disasters and impacts agriculture farming thereby, shifting dependency towards natural resources (this is mentioned in ?project description part? and address in Risk 14 of the Risk Log Table)

(ii) The responsibilities for safeguard and climate risk management will be with the respective Regional PMUs (RPMU) who will implement and monitor the implementation of the ESMP, CCEP and Gender action plan. The RPMU will report regularly back to the National PMU (NPMU), the national safeguard and M&E specialist will be responsible for quality control, ensuring due diligence and overseeing and guiding this process. The NPMU will review the process with safeguards implementation and based on progress and feedback, advise on adjustment as required to enhance mitigation measures and/or improve opportunities.

*Refer Section below ?Summary analysis and project implications for climate change considerations? in Para 108-112 [p.73-74] and Table 6(c) [p.74-76] for detailed discussion of climate risks and CER (pages 51-54)*

4) Risk 2 is revised as follows: To mitigate this risk, the project will work in partnership with stakeholders to enhance their capacity and governance mechanisms to implement existing laws related to wildlife crime, enhance cooperation and information sharing across law enforcement agencies and prosecution through enhancement of DNA analysis.

*Revised Risk 2 in Risk Table 6 of UNDP prodoc CER Section 5 (Risk Table)*

5) There is already a clear set of protocols and processes established by the MoEF for planning and management of KEEs that have been in operation for a few years, with some experiences on-the-ground, in at least two of the sites, although still weak. The project will further strengthen coordination mechanisms, planning and institutional structures (such as the KEE multi-stakeholder management Forum) and partnerships, so that the project is not starting from scratch. The provincial governments and institutions are fully on board with this KEE approach and have been keen to strengthen the existing coordination mechanisms at the landscape level.

*Revised Risk 3 in Table 6 of UNDP Prodoc and CER Section 5 (Risk Table)*

6) The project considers that licensing process of land concessions is well beyond the project?s intervention area nor will it affect project?s intervention. Project and the MoEF has no authority to review any on-going licenses. The project will work with companies that already hold a concession permit, which is legal and registered by the government. Project intervention will be focusing on strengthening the capacity of these permit holders to manage sustainably areas with high conservation value which are included in their concession area.

7) This is revised as follows: The project will aim to engage specifically with other countries in South East Asia on IWT issues through strengthened presence in the ASEAN Senior Officials Meeting on Transnational Crime (SOMTC) and bilateral

cooperation with key neighbouring countries that are transit or destinations for Indonesian wildlife, such as Vietnam, Thailand, Malaysia, Singapore and China. Through these cooperation mechanisms, Indonesia will seek to improve data sharing and coordination.

*Revised Risk 5 in Table 6 of UNDP Prodoc (p.62)*

#### **Coordination**

**Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?**

Secretariat Comment at CEO Endorsement Request

April 19, 2021 HF:

All comments cleared.

March 31, 2021 HF:

- 1.) Comment cleared.
- 2.) Comment cleared.
- 3.) Comment cleared, please spell out GCP in referenced table in ProDoc (and any corresponding reference in CER).
- 4.) Comment cleared.

November 11, 2020 HF:

1. The ministry of agriculture seems like it should play a key role in this project yet it is not prominently featured in the design. Please describe the engagement thus far with the Ministry of agriculture at the national and/or provincial levels, and how this project will work together with the ministry of agriculture in these landscapes and will palm oil industry.
2. Please include the name of the ministry and/or NGO working on each of the current projects in the project landscapes that are listed starting at #22 in the ProDoc.
3. Please ensure previous and current USAID and US Fish and Wildlife Service (FWS) projects-in particular in Sumatra sites-are included.
4. Please describe how this project will coordinate with and be complementary to, FOLUR, GGP and the Lestari project given the focus on palm oil industry and landscapes, as well as the integrated landscape and multi-stakeholder focus under Component 1.

Agency Response  
**UNDP, 22 Jan 2022**

1) Annex 4 (Stakeholder Analysis and Engagement Plan) includes the Local Authorities for Agriculture and Animal Husbandry Affairs in the 3 landscapes that will provide technical support, extension and training for community empowerment and alternative livelihood, possibly through improved and diversified agricultural practices and product development ? while ensuring synergy of project activities with regional priorities and interest. The national Ministry of Agriculture will serve as a member of the Project Board, while the provincial Authority of Agriculture will support provincial level policy, planning and implementation aspects under the coordination of the Governors. These are now reflected in the stakeholder matrix.

*Annex 4 (Stakeholder Analysis and Engagement Plan), of UNDP Prodoc and CER Section 2 (pages 29-38)*

2) The government agencies/NGOs working on each of current programs are now reflected in Project Document

*Refer UNDP Prodoc (Section on baseline projects) [para 17-28, p.11-14] and CER Section 2 (pages 14-15)*

3) The USAID, FWS and additional programs in Sumatra sites are now included in the baseline section

*Refer UNDP Prodoc (Table 5: Partnership Arrangement, p 57) and CER (p. 60)*

4) This is now reflected in the GEF CER

*Refer Section 6 ?Institutional Arrangements and Coordination? Table ?Coordination with on-going initiatives? of CER (p. 58-59)*

**UNDP Response, 12 April 2021**

Thank you for the comment. This is now spelled out both in the podoc and CEO ER.

Refer CEO ER Table on Coordination with on-going initiatives (p. 59)

Table 5 of UNDP ProDoc (p.60)

**Consistency with National Priorities**

**Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?**



Secretariat Comment at CEO Endorsement Request

November 11, 2020 HF:

Yes

Agency Response

**Knowledge Management**

**Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?**

Secretariat Comment at CEO Endorsement Request

March 31, 2021 HF:

Comment cleared.

November 11, 2020 HF:

Please include a timeline and set of deliverables for the project's KM approach (can include in Annex 13).

Agency Response

**UNDP, 22 Jan 2021**

Please refer to Table 1 of Annex 13 that reflects a timeline for communication and KM activities.

**Monitoring and Evaluation**

**Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?**

Secretariat Comment at CEO Endorsement Request

May 4, 2021 HF:

Comment cleared.

April 22, 2021 HF:

The Monitoring & Evaluation Officer has been charged to Component 1 when it should have been charged to the M&E Budget. The same applies to the field visits and monitoring related to the components. Kindly note that the same charges have been applied to all 4 components. Please amend throughout.

November 11, 2020 HF:

Yes.

Agency Response

**UNDP Response, 4 May 2021**

The budget table and corresponding budget notes have been revised and moved all M & E related budget under Component 4, including field visits and monitoring.

Refer UNDP ProDoc Section IX (Budget and Budget Notes p. 108-114. Accordingly, the budget allocation across Components have changed and is reflected in CER Table B and UNDP ProDoc Section 4, from p.30

**Benefits**

**Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?**

Secretariat Comment at CEO Endorsement Request

November 11, 2020 HF:

Yes

Agency Response

**Annexes**

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

Secretariat Comment at CEO Endorsement Request

May 4, 2021 HF:

All comments cleared.

April 22, 2021 HF:

- 1.) Please upload the Project Budget directly to the portal. When it is submitted it will be assessed for completeness and consistency with the budget in ProDoc.
- 2.) The project includes provisions for small grants through the executing partner (Ministry of Environment and Forestry). Please confirm in the documentation (Portal and ProDoc) the explicit involvement of the GEF Agency in applying Minimum Fiduciary Standards to these grants.
- 3.) Miscellaneous is an expenditure that is not covered by the GEF portion of the PMC. Please cover it with the co-financing portion, revise and resubmit.

November 11, 2020 HF:

Yes

### Agency Response

#### **UNDP Response, 4 May 2021**

- 1) Project budget has been uploaded to the portal as advised.
- 2) Applying minimum fiduciary standards by the Agency while administering small grants by the Executing Agency. This has been explained including lessons from another UNDP-GEF project (EPASS, GEF ID 4867).  
  
UNDP will work with IP to develop a project specific SOP/technical guideline to administer and govern small grants to local community-based or NGO. The SOP/technical guidelines will also include UNDP's CSO engagement process along with IP's policies and procedures. Transparency, accountability and impartiality are the important values to be applied in the selection process of grantees. UNDP Project assurance representative will sit as observer in the selection of the grantees and decision thereof.

Refer CER Output 3.4 (p.21) and Section 8 on KM (p. 61);

Also Refer UNDP ProDoc Output 3.4 para 88, Activity 3.4.4 (p. 50-52)

- 3) Miscellaneous expenditure is now removed from the budget table.

Refer UNDP Project Document Section IX (Budget and Budget Notes (p. 108-114)

### **Project Results Framework**

Secretariat Comment at CEO Endorsement Request  
November 11, 2020 HF:

Yes

Agency Response  
**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request NA

Agency Response  
**Council comments**

Secretariat Comment at CEO Endorsement Request  
November 11, 2020 HF:

Yes, comments from Germany, Canada and the US were addressed.

Agency Response  
**STAP comments**

Secretariat Comment at CEO Endorsement Request November 12, 2020 HF:  
STAP only commented at the GWP PFD-level with no comments directly relevant/related to child projects, including this one.

Agency Response  
**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request NA

Agency Response  
**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request  
November 12, 2020 HF:

GWP program steering committee comments were addressed.

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request NA

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request

November 12, 2020 HF:

Yes.

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

November 12, 2020 HF:

Yes

Agency Response

**Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)**

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

**Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)**

Secretariat Comment at CEO Endorsement Request NA

Agency Response

**Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)**

Secretariat Comment at CEO Endorsement Request NA

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request

May 4, 2021 HF:

Yes all comments have been cleared and CEO endorsement is recommended by the PM.

April 22, 2021 HF:

Please see remaining comments highlighted in the review sheet in yellow. Please note that the cancellation deadline for this project is June 12, 2021 and a Council 4-week review must be undertaken and completed well before that to ensure CEO endorsement prior to the deadline. Please revise and resubmit as soon as possible to avoid cancellation.

April 19, 2021 HF:

Yes all comments have been cleared and CEO endorsement is recommended by the PM.

March 31, 2021 HF:

No, not at this time. Please review and respond to remaining question in review sheet that are highlighted in Yellow. Acknowledging here submission of completed audit checklist. In resubmission please remove all highlights to ProDoc and CER in anticipation of PM recommendation. Finally, given the impending cancellation deadline on this project, and the need to complete 4-week GEF Council review, and remaining policy review prior, please address outstanding issues and resubmit as soon as possible.

November 12, 2020 HF:

No, not at this time. Please address the comments in the review sheet.

**Review Dates**

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

<b>First Review</b>	<b>11/12/2020</b>
<b>Additional Review (as necessary)</b>	<b>3/31/2021</b>
<b>Additional Review (as necessary)</b>	<b>4/19/2021</b>
<b>Additional Review (as necessary)</b>	<b>4/22/2021</b>
<b>Additional Review (as necessary)</b>	<b>5/4/2021</b>

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**