

Compounding Biodiversity Actions and Traditional Knowledge for Access and Benefit Sharing Systems Transformation (CATALYST)

Review PIF and Make a recommendation

Basic project information

GEF ID
12255
Countries
Indonesia
Project Name
Compounding Biodiversity Actions and Traditional Knowledge for Access and
Benefit Sharing Systems Transformation (CATALYST)
Agencies
UNDP
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Program Manager
Jurgis Sapijanskas
Focal Area
Biodiversity
Project Type
MSP

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments

JS 3/9/2026- Cleared. Indonesia is Party to the Nagoya Protocol.

Agency's Comments

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments

JS 4/17/2025- Cleared.

JS 3/9/2025- Cleared.

Agency's Comments

16 April 2026

The Summary in this version has been revised to make three elements more explicit.

First, it now defines the core problem more concretely: although Indonesia has several ABS-related legal and institutional building blocks, the system is not yet operational end-to-end. In practice, this is reflected in fragmented sectoral rules, unclear mandates among competent authorities, the absence of a functional one-stop workflow for ABS applications and compliance, weak operationalization of PIC/MAT and IRCC issuance, insufficient protection and documentation of traditional knowledge, low capacity of government agencies, IPLCs, and private users, and the lack of tested ABS agreements that generate measurable benefits for communities and biodiversity. The absence of national operational guidance on DSI further increases uncertainty and weakens implementation. These gaps prevent Indonesia from converting its biodiversity and traditional knowledge assets into lawful, equitable, and conservation-linked ABS transactions.

Second, the Summary now explains more clearly how the project objective will be achieved through the four components. Component 1 will establish the enabling conditions by strengthening and harmonizing the national ABS policy, institutional, and implementation framework, including the ABS One Stop System, competent authorities, checkpoints, and provincial front offices. Component 2 will build the operational capacity of government agencies, IPLCs, researchers, and private sector actors to apply ABS procedures, negotiate PIC/MAT, protect traditional knowledge, and comply with national requirements. Component 3 will convert this enabling framework and capacity into practice through pilot ABS agreements between IPLCs and private sector actors, demonstrating that compliant ABS can generate fair community benefits while incentivizing sustainable management of biodiversity-rich production landscapes. Component 4 will capture lessons, support replication, and provide the roadmap and knowledge system needed to scale the model nationally. Together, these components move Indonesia from a fragmented and largely procedural ABS system to a functional system capable of delivering equitable benefit-sharing and conservation outcomes.

Third, the Summary now states more directly how the project will generate GEBs. The project's biodiversity and climate benefits will be achieved primarily through pilot ABS agreements that tie benefit-sharing to sustainable community stewardship of biodiversity-rich forest and marine landscapes, including conservation actions, sustainable harvesting or use protocols, and reinvestment of benefits into local biodiversity management. This is expected to improve

management of at least 10,000 ha of forest and marine ecosystems and contribute to avoided GHG emissions estimated at 328,385 tCO₂e over 20 years, while also generating equitable benefits for IPLCs and strengthening incentives for long-term conservation.

The revised Project Summary is presented below, Project Summary, p.3:

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?

b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments

JS 4/17/2026- Cleared.

JS 3/9/2026-

a1- Please reformulate the project objective so that it is more specific and measurable. "To advance" ABS and "enabling" nature-positive livelihoods is too vague. In addition it is unclear that "enabling nature-positive livelihoods" advances equitable access and benefit sharing.

b1- The budget for components 1 and 3 seem very high for only 3 provinces targeted under 1.4 and 2 pilot agreements under 3.2. Please revise or justify.

Agency's Comments

16 April 2026

a1-

Thank you for this important comment. We agree that the previous formulation of the project objective was too broad and did not sufficiently specify the concrete change the project will deliver.

The objective has therefore been reformulated to focus more explicitly on the project's intended institutional and implementation results. The revised formulation emphasizes the establishment of an operational national ABS system, strengthened protection of traditional knowledge, and the development of pilot ABS agreements that generate fair and equitable benefits for IPLCs in line with the Nagoya Protocol. This better reflects the project's theory of change and clarifies that livelihood-related benefits are not a separate objective, but rather an expected result of functional ABS agreements that channel monetary and non-monetary benefits to communities while incentivizing sustainable biodiversity management.

The revised objective is more specific because it identifies the main changes the project will deliver: operationalization of the ABS framework, strengthened traditional knowledge protection, and implementation of pilot ABS agreements. It is also more measurable because these changes are linked to concrete project outputs and outcome indicators, including establishment of the ABS one-stop system, functioning checkpoints and coordination mechanisms, and signed pilot ABS agreements with PIC/MAT and IRCC issuance.

The new project Objective is the following, **Indicative Project Overview, p. 3:**

Indicative Project Overview

To operationalize Indonesia's national access and benefit-sharing system and deliver fair and equitable benefits to Indigenous Peoples and Local Communities from the use of biodiversity and associated traditional knowledge

b1-

Thank you for this comment. We appreciate the concern regarding the apparent size of the allocations under Components 1 and 3 relative to the number of target provinces and pilot agreements shown in the results framework. At this stage, however, we would prefer to retain the budget as proposed, as we consider it proportionate to the scope, complexity, and transaction intensity of the work required to establish a functional and replicable ABS system in Indonesia.

For **Component 1**, the budget is not allocated only to Output 1.4 and the establishment of provincial ABS front offices in three provinces. Rather, it finances a full national system building package, including: development and harmonization of the national ABS regulatory framework; formal designation and operationalization of Competent National Authorities; establishment of the National ABS Steering Committee and inter-agency coordination arrangements across at least seven agencies; designation and operationalization of at least four checkpoints; and development of the ABS One Stop System integrated with the ABS Clearing-House. The three provincial front offices are only the decentralized service delivery element of a much broader national institutional ABS reform package. In other words, the budget under Component 1 supports both the national backbone and the subnational delivery interface needed to make ABS operational in practice. This is particularly important in Indonesia, where ABS implementation requires coordination across multiple sectoral mandates and institutions, as well as practical interoperability between legal procedures, permitting workflows, compliance functions, and reporting systems. The budget therefore reflects the cost of creating a functioning end-to-end system rather than financing three stand-alone provincial offices. Retaining this allocation is important to ensure that the provincial pilots are anchored in a credible national framework and can continue operating beyond the life of the project.

For **Component 3**, we would like to clarify that the project will work across three target provinces (West Sumatra, West Kalimantan, and West Papua) through development of provincial ABS Opportunity Portfolios, community engagement, recognition of Biocultural Community Protocols, investor outreach, brokering support, and facilitation of PIC/MAT and IRCC processes. The three provinces are clearly identified as the project intervention areas, and the Opportunity Portfolios are to be developed for all three provinces.

At the same time, the target of at least two signed ABS agreements is intentional and reflects a realistic level of ambition given the nature of ABS transactions. As described in the PIF, each agreement requires a full sequence of technically and institutionally demanding steps, including opportunity identification, community mobilization, recognition of community protocols, legal and technical due diligence, investor matchmaking, negotiation of PIC and MAT, formalization by national authorities, and issuance of IRCCs. These are inherently high transaction cost processes, especially in new jurisdictions where ABS is not yet operationalized in practice.

Accordingly, the project is designed to build and support an ABS transaction pipeline across all three provinces, while setting a conservative minimum target of two fully negotiated, signed, and implemented agreements by project end. This reflects the reality that not every pipeline opportunity will mature into a signed agreement within the project period, due to factors such as community consent processes, partner readiness, scientific and commercial feasibility, legal clearance, and timing of IRCC issuance. The budget therefore supports a broader facilitation and demonstration effort in three provinces, rather than only the final two agreements.

This approach is appropriate for a pilot ABS project in Indonesia. The value of Component 3 lies not only in the number of agreements signed, but in establishing proof of concept across three biodiversity-rich provinces, generating an investable pipeline, strengthening community and institutional readiness, and demonstrating that compliant ABS transactions linked to biodiversity conservation can be structured and implemented in practice. These wider results include at least four ABS Opportunity Portfolios, at least six LOIs or term sheets, at least five Biocultural Community Protocols in force across pilot sites, benefits to at least 1,000 IPLCs, and improved sustainable management of at least 10,000 ha. For these reasons, we propose retaining the current budget allocations for Components 1 and 3.

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's CommentsCleared. We note the section dedicated to "Gender Equality and Empowerment", which clarifies how gender dimension will be embedded across components.

Agency's Comments

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

JS 5/15/2026 - Cleared.

JS 5/11/2026- Please see comment on co-finance and revise accordingly.

JS 4/17/2026-

b- No. The cofinanced portion of PMC ($\$200,000 / \$4,800,000 = 4.1\%$) is still not proportional to the GEF financed PMC ($\$238,905 / \$4,761,905 = 4.9\%$). Please ensure proportionality.

JS 3/9/2026- b- No. The cofinanced portion of PMC ($\$200,000 / \$4,800,000 = 4.1\%$) is not proportional to the GEF financed PMC ($\$238,905 / \$4,761,905 = 4.9\%$). Please ensure proportionality and see comment on co-financing further down in the review sheet.

Agency's Comments

15 May 2026

The cofinancing for this project has been substantially increased in discussion with the Ministry of Environment and other stakeholders, The current cofinancing total stands at

35,163,000 which fulfills a 1:7 ratio. Cofinancing for the PMC 1,722,987 which is 4.9% of the total.

8 May 2026

Corrected. The co-financed portion of PMC has been revised to ensure proportionality with the GEF-financed PMC. The co-financing subtotal has been corrected to US\$4,924,905, with the addition of confirmed cofinancing from the Ministry of Planning (BAPPENAS) and the co-financed PMC has been increased to US\$238,095, matching the GEF financing structure. The total co-financing is adjusted to US\$5,163,000. The indicative cofinancing table is updated with the confirmed cofinancing amounts. The narrative below provides a more comprehensive view of potential cofinancing that will be explored further during the PPG.

16 April 2026

Thank you. Please find the response in the Co-financing section.

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments

JS 4/17/2026- Cleared.

JS 3/13/2026

a1- While DSI is mentioned, the establishment by CBD COP 15 and COP 16 of a multilateral mechanism to share the benefits arising from the use of digital sequence information (DSI) on genetic resource is not mentioned, when it is a major development for national ABS regimes. Please add this development in the context and explain what is the current baseline in Indonesia in handling ABS related to DSI.

a2 - Indonesia is a Party to the BBNJ agreement, which creates a new regime for the fair and equitable sharing of benefits arising from activities with respect to marine genetic resources and digital sequence information on marine genetic resources of areas beyond national jurisdiction. As this project will likely be implemented in parallel to the development of national measures to implement the BBNJ agreement, this context should be included in the situation analysis. While it is not for this project to develop the ABS measures for BBNJ in Indonesia, it should be designed to promote compatibility and as much as possible synergies with the implementation of BBNJ.

b) Barrier 3 "Lack of real ABS transactions" does not seem to be a *barrier* to achieving the project objective as it is the objective itself. It seems that barrier 3 is rather the perception that there are no sufficient benefits to be derived from ABS transactions compared to the

administrative burden they imply. Brokering ABS transactions that yield tangible benefits to stakeholders would then be a valid project intervention, together with lowering administrative burden, to address this barrier. Please revise or explain.

Agency's Comments

16 April 2026

a1-

Thank you for this important comment. We agree that the recent CBD decisions on DSI represent a major development for national ABS regimes and should be reflected more clearly in the project context and baseline.

We would like to clarify, however, that the CBD decisions do **not** require Indonesia to establish a separate **national multilateral mechanism** for DSI benefit-sharing. Rather, COP 15 decision 15/9 established a **global multilateral mechanism**, and COP 16 decision 16/2 operationalized that mechanism, including the Cali Fund, to support the fair and equitable sharing of benefits arising from the use of DSI on genetic resources. The implication for Indonesia is therefore not to create its own parallel multilateral fund or mechanism, but to ensure that its national ABS framework, institutions, and procedures are able to interface coherently with the emerging global DSI architecture and provide clarity to national authorities, users, and providers on how DSI-related issues will be handled domestically.

The baseline in Indonesia is that, while the country has important ABS-related legal and institutional building blocks, it does not yet have a dedicated national policy, operational guidance, or end-to-end workflow for DSI-related ABS issues. Existing laws and sectoral regulations primarily address access to physical genetic resources and associated traditional knowledge. As currently reflected in the PIF, Indonesia lacks clear provisions on how DSI should be captured, governed, monitored, or linked to benefit-sharing obligations; institutional roles for DSI are not yet clearly assigned; and there is not yet a defined national approach for interfacing with the new CBD multilateral mechanism for DSI benefit-sharing. In addition, the ABS Clearing-House and IRCC workflow are not yet fully operational in practice.

The following paragraphs have been added to the Barrier 1, p.11:

Since CBD COP 15, the global policy landscape for digital sequence information (DSI) has undergone a major transformation. Through Decision 15/9, Parties agreed to establish a multilateral mechanism, including a global fund, to ensure the fair and equitable sharing of benefits arising from the use of DSI on genetic resources as part of the Kunming-Montreal Global Biodiversity Framework. This was further operationalized through COP 16 Decision 16/2, which adopted the modalities of the mechanism, including the Cali Fund. These developments introduce a new global layer to ABS implementation, requiring countries to align national systems with a hybrid architecture combining domestic ABS procedures and multilateral benefit-sharing for DSI.

In Indonesia, however, the current ABS framework remains primarily designed for physical genetic resources and associated traditional knowledge. There is no dedicated national policy, regulatory provision, or operational guidance addressing DSI. Existing ABS instruments do not clarify whether and how DSI falls within the scope of access procedures, PIC/MAT requirements, compliance monitoring, or benefit-sharing obligations. Institutional mandates for DSI-related oversight are

not defined, and no national workflow exists to guide how DSI should be handled across the ABS lifecycle, including research access, data use, reporting, and linkage to international

mechanisms. In addition, there is currently no national mechanism to interface with the emerging global multilateral system on DSI benefit-sharing, including modalities for tracking contributions, accessing funds, or ensuring that IPLCs benefit from DSI-related utilization of biodiversity.

As a result, the rapid growth of digital research, biotechnology, and open-access genetic databases creates a regulatory and governance gap in Indonesia's ABS system, where utilization of genetic resources in digital form may occur without clear benefit-sharing arrangements or safeguards for traditional knowledge holders. This generates uncertainty for both providers, including IPLCs, and users such as researchers and private sector actors, and risks weakening the effectiveness and credibility of the national ABS regime. Addressing this gap requires the development of clear national policy positions, institutional arrangements, and operational guidance on DSI that are aligned with the emerging global multilateral mechanism, which this project will support.

a2-

Thank you for this valuable comment. We agree that the BBNJ Agreement is an important and rapidly evolving element of the broader international policy context relevant to ABS, especially in relation to marine genetic resources and digital sequence information. We will therefore reflect this development more clearly in the situation analysis.

Indonesia signed the BBNJ Agreement, and its implementation context is relevant to the evolving national ABS and DSI policy landscape. At the same time, we would like to clarify the scope of relevance for this project. The proposed project is designed to strengthen Indonesia's national ABS framework under the CBD/Nagoya Protocol context, including domestic legal, institutional, procedural, and pilot implementation arrangements for access to genetic resources and associated traditional knowledge within national jurisdiction. It is not intended to develop Indonesia's future implementing measures under the BBNJ Agreement, which concern marine genetic resources and related DSI in areas beyond national jurisdiction and will require a distinct legal and policy process.

The following has been added to the Baseline section, pp.10-11:

The international context for ABS is also evolving in the marine domain through the Agreement under UNCLOS on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction (BBNJ Agreement), which entered into force on January 17 2026. The BBNJ Agreement establishes a new international framework, including provisions on marine genetic resources and the fair and equitable sharing of benefits arising from activities with respect to such resources, as well as digital sequence information on marine genetic resources of areas beyond national jurisdiction. For Indonesia, this means that the national ABS landscape needs to evolve in a way that maintains clarity and coherence between domestic ABS arrangements under the CBD and Nagoya Protocol and the emerging international regime for marine genetic resources and related DSI in areas beyond national jurisdiction. It also highlights the growing importance of strengthening national

understanding of DSI, benefit-sharing concepts, inter-agency coordination, and institutional readiness to address future legal, policy, and administrative interfaces between these regimes.

b)

Thank you for this helpful comment. We agree that Barrier 3 should not merely restate the intended result of Component 3. However, we still consider Barrier 3 to be a valid and distinct barrier in the Indonesian context. The reason is that the current baseline is characterized not only by the absence of completed ABS transactions, but also by the lack of demonstrated incentives for stakeholders to engage in ABS at all. In Indonesia, there are currently no fully executed ABS agreements generating tangible monetary or non-monetary benefits for IPLCs or the state, while many private sector and research users perceive ABS processes as complex, high-friction, time-consuming, and commercially uncertain. At the same time, communities have limited evidence that entering into ABS arrangements will generate meaningful and fairly distributed benefits. This combination of weak proof-of-concept, low confidence, and high perceived transaction costs acts as a real barrier to the operationalization of ABS in practice.

We therefore propose to retain Barrier 3, while refining its formulation to make this clearer. Rather than referring only to the "lack of real ABS transactions," the revised text clarifies that the barrier concerns the absence of demonstrated, investable, and benefit-generating ABS transactions, combined with weak IPLC and private sector incentives to engage due to high administrative burden, legal uncertainty, and unproven benefit-sharing models. This more accurately captures the underlying constraint that the project seeks to address.

Thus the Barrier 3 has been renamed as the following, p.12:

Barrier 3: Lack of real ABS transactions and weak incentives for IPLCs and private sector actors to engage in ABS.

4.2 JUSTIFICATION FOR PROJECT

- a) Is there an indication of why the project approach has been selected over other potential options?
- b) Does it ensure resilience to future changes in the drivers?
- c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?
- d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments

JS 5/11/2026 - Cleared.

JS 4/17/2026- Thank you for the response. However, the added paragraph and notably the sentence "The project theory of change is explicitly designed to be robust across the four future scenarios" does not seem coherent with, e.g., scenario 4's statement "By the late 2030s, Indonesia's ABS framework is effectively non-functional, any existing laws are ignored in practice, and the principles of fair access and benefit-sharing are sidelined by the imperative of survival and profit in a collapsing system.", or scenario 3's statement that "ABS agreements may be signed at national or international level, but corruption or poor implementation can derail fair benefit distribution on the ground".

It is still unclear how a scenario, which assumes that Indonesia's ABS framework is non-functional in 2030, has usefully informed the design of a project that has the objective "To operationalize Indonesia's national access and benefit-sharing system [...]".

We reiterate the comment that the scenarios provided are, or at least appear, disconnected from the project design. While we note the added paragraph, it states that design has been informed by the scenarios, but does not convey how. It is still unclear how the design is robust to the different scenarios. Please point, in each scenario, what element of project design enables the project to meet its objectives thanks to/despite of trends in system drivers outlined in that specific scenario.

Please revise.

JS 3/9/2026-

b- We note the future scenarios provided. However, these scenarios appear too extreme and insufficiently linked to the project scope and objective to materially inform project design. For instance, it is unclear what elements in the project design have been influenced by the range of climate futures explored - from moderate impact to complete chaos. Simple narratives are meant to help to ensure project interventions are robust over a range of plausible future for the main systems drivers that are outside of the control of the project. Please refer to STAP's brief on the use of simple future narratives to design resilient and durable projects (<https://www.stapgef.org/resources/advisory-documents/simple-future-narratives-brief-and-primer>) and revise.

Agency's Comments

8 May 2026

The comment is well noted. The scenario section and the Theory of Change text have been revised to make the link between each future scenario and the project design explicit. In particular, the previous sentence stating that "the project theory of change is explicitly designed to be robust across the four future scenarios" has been replaced with a more precise explanation of which project design elements respond to each scenario and what level of project performance can realistically be expected under different futures.

We agree that the previous text was too general and did not sufficiently explain how the scenarios informed the project design. The revised PIF now clarifies that the scenarios are not treated as predictions or as equally favorable implementation contexts. Instead, they are used as stress tests for the project design. Under favorable scenarios, the project can accelerate ABS transactions and scale-up. Under constrained scenarios, the project's design focuses on preserving minimum enabling conditions for ABS implementation, including legally anchored mandates, inter-agency coordination, provincial service points, community protocols, traceable digital workflows, and adaptive knowledge management. Under the worst-case scenario, the project cannot fully neutralize a systemic collapse of national governance; however, it is designed to reduce vulnerability to such conditions by embedding ABS functions in permanent government systems, strengthening IPLC capacity and FPIC-based safeguards, and creating documented, locally owned procedures and benefit-sharing models that can be maintained or reactivated when governance conditions improve.

The section **Future scenarios for Indonesia that can influence ABS implementation** has been edited to explain that, p. 8.:

*The four scenarios were used to test whether the proposed ABS design would remain relevant under different combinations of global ABS/DSI rules, domestic governance capacity, climate stress, market demand, and IPLC empowerment. They informed the project design in four ways. Under **Scenario 1 ? Global Green Renaissance, National Empowerment**, the project's OSS-ABS, designated CNAs, provincial front offices, opportunity portfolios, and pilot ABS agreements are designed to capture favorable global and domestic conditions by rapidly converting market interest into compliant, IRCC-backed ABS transactions. Under **Scenario 2 ? Global Progress, Local Headwinds**, where international rules improve but domestic implementation remains uneven, the project directly addresses the weak link by strengthening inter-agency coordination, standardizing PIC/MAT/DSI procedures, establishing provincial front offices, and building compliance capacity among authorities, IPLCs, and companies. Under **Scenario 3 ? Resilient Archipelago in a Hotter World**, where global cooperation is weak but Indonesia's domestic governance improves, the project emphasizes nationally controlled ABS functions, including PP-ABS, OSS-ABS, domestic DSI guidance, community protocols, and national R&D/private-sector engagement, so that benefit-sharing can proceed even without a strong global ABS/DSI regime. Under **Scenario 4 ? Climate Chaos and Resource Collapse**, the project recognizes that a fully non-functional national ABS framework would exceed the ability of a medium-sized project to overcome. Therefore, the design focuses on resilience measures that reduce the risk of such failure and preserve minimum operational capacity: legally anchored mandates, government-hosted digital systems, provincial service windows, FPIC-ready community protocols, benefit-sharing templates, grievance mechanisms, and a national ABS roadmap. These elements do not make the project immune to systemic governance collapse, but they increase the likelihood that core ABS functions, community rights, and institutional memory can survive periods of stress and be scaled or reactivated when conditions stabilize.*

Additionally, the project Theory of Change section has been strengthened with the following, p. 17:

The project Theory of Change has been tested against the four future scenarios presented in the Project Rationale section. The design is not based on an assumption that all future conditions will be favorable, nor does it assume that a medium-sized project can fully overcome a worst-case national governance collapse. Rather, the project combines four complementary design features that increase the likelihood of achieving the project objective under a range of plausible futures. First, the project anchors ABS in formal legal and institutional systems through the PP-ABS, harmonized ministerial regulations, designated CNAs, checkpoints, and an inter-agency coordination mechanism, reducing dependence on individual champions or ad hoc procedures. Second, it reduces transaction costs and implementation fragmentation through OSS-ABS, links to the ABS Clearing-House, standard PIC/MAT/DSI templates, and provincial ABS front offices, making ABS easier to implement even where capacity is uneven. Third, it strengthens the demand and rights-holder sides of the system through private-sector onboarding, ABS opportunity portfolios, IPLC capacity building, FPIC-ready community protocols, and pilot IRCC-backed ABS agreements, so that both users and providers have practical incentives and tools to engage. Fourth, it creates adaptive and replicable learning mechanisms through the ABS knowledge management system, the national ABS roadmap, participatory M&E, and a live risk log. These design features allow the project to accelerate scale-up under favorable futures, compensate for

weak domestic implementation under mixed futures, rely more strongly on national and local systems where global ABS/DSI cooperation is weak, and preserve minimum institutional and community-level ABS capacity under high-stress futures. In this sense, the project is not 'robust' because it can achieve identical results in all scenarios, but because its design includes safeguards, fallback mechanisms, and adaptive pathways that maintain relevance and protect the core ABS objective under different future conditions.

16 April 2026

b-

Thank you for this comment. We respectfully disagree with the suggestion that the scenarios are unrealistic or insufficiently relevant to the project scope. In our view, the four scenarios represent plausible alternative futures for Indonesia's ABS landscape over the project period and beyond, reflecting different combinations of climate stress, governance effectiveness, institutional coordination, market appetite for biodiversity-based partnerships, and evolution of international rules related to DSI and marine genetic resources. These are all material external drivers that are outside the control of the project, but that could significantly influence the feasibility, timing, and durability of ABS implementation. For that reason, we consider it appropriate to test the project logic against a range of futures, including more adverse conditions, rather than assume a uniformly enabling environment.

We also do not consider the more adverse scenarios to be 'too extreme.' Indonesia is a large and highly diverse archipelagic country exposed to climate-related ecosystem disruption, variable subnational governance performance, market uncertainty, and evolving international legal frameworks relevant to ABS and DSI. In such a context, scenario analysis is useful precisely because it examines how multiple pressures may interact and affect implementation conditions. The purpose is not to predict 'complete chaos,' but to ensure that the project design is robust enough to remain relevant under both more favorable and more constrained futures.

At the same time, we appreciate the reviewer's point that the linkage between the scenarios and the project design should be made more explicit. To address this, we have added a paragraph to the Theory of Change narrative clarifying how the project approach is designed to cope with the future scenarios, p. 17:

The project theory of change is explicitly designed to be robust across the four future scenarios presented, which reflect varying degrees of climate stress, governance effectiveness, market readiness, and international policy evolution related to ABS and DSI. The project does not assume a single favorable pathway. Instead, it combines upstream institutional strengthening, downstream piloting, and continuous learning so that progress can still be achieved under both enabling and constrained futures. If governance conditions improve and market interest strengthens, the project will help accelerate the conversion of ABS opportunities into compliant transactions and scalable benefit-sharing models. If future conditions are less favorable, the project will still reduce critical barriers by clarifying legal and institutional arrangements, strengthening inter-agency coordination, improving stakeholder capacity, reducing administrative friction, and maintaining a pipeline of ABS opportunities and community protocols for future uptake. This combination of system reform, pilot demonstration, and adaptive knowledge generation is intended to ensure that the project remains relevant and effective under a broad range of plausible future conditions.

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments

JS 4/17/2026- All cleared.

Response to a2 well noted. Instead of considering the creation of new mechanisms, please explore during PPG how existing funds in Indonesia, in particular BPDH/iBioFund, could play such a role and, if so, how the project may support in this respect.

JS 3/9/2026-

a1 - Lack of enforcement is identified among the barriers and reason for lack of ABS transactions. However, it is not entirely clear how the project would ensure proper enforcement is effectively in place post project. Please revise.

a2- The project identifies the lacks of "mechanisms for administering shared benefits, such as trust funds or community benefit-sharing funds" as an issue. However, it the project does not seems to address this gap. Please revise or explain.

b1- For what relates to DSI, please revise to make clear that work under component 1 will be in line with CBD COP decision inviting Parties to align national measures on access and benefit-sharing from DSI with the Multilateral mechanism for the fair and equitable sharing of benefits from the use of digital sequence information on genetic resources (DSI) created by CBD COP 15 and further operationalized by CBD COP 16. In particular, output 1.1 should ensure legal certainty for DSI users and avoid duplication of requirements under the national and multilateral regimes. Please also revise to make clear that work under this component will be designed to ensure compatibility and promote synergies with Indonesia's implementation of the BBNJ agreement.

b2- Please clarify how the capacity building and training programs of component 2 will be institutionalized, or ensure PPG develops a clear strategy to ensure that these programs are owned by national institutions and can be replicated or scale up beyond project completion.

Agency's Comments

8 May 2026

The comment is well noted. The project approach has been revised to avoid implying the creation of a new national trust fund or parallel benefit-sharing mechanism. During the PPG, the project will assess existing Indonesian environmental finance mechanisms, particularly BPDH/iBioFund, to determine whether they can play a role in managing or channeling ABS-

related monetary benefits in a transparent, accountable, and community-responsive manner. This assessment will review their legal mandate, fiduciary arrangements, eligibility to receive ABS-related revenues, ability to earmark or track benefits for IPLCs and conservation purposes, reporting and audit requirements, and potential links with OSS-ABS, PIC/MAT agreements, IRCC reporting, and community-level benefit-sharing arrangements. Based on this assessment, the project may support practical measures such as developing ABS-specific operating procedures, benefit-tracking templates, reporting protocols, or pilot arrangements linked to ABS agreements, rather than creating a new mechanism. The PIF text has been adjusted accordingly to reflect this PPG-stage due diligence and the preference for using or adapting existing national financing mechanisms where feasible: Output 3.2, p. 28:

During the PPG, the project will assess whether existing Indonesian environmental finance mechanisms, particularly BPDH/iBioFund, can serve as suitable channels for managing, tracking, and reporting ABS-related monetary benefits generated through pilot ABS agreements. This assessment will examine legal mandate, fiduciary capacity, eligibility of ABS-related revenues, ability to earmark and report benefit flows for IPLCs and biodiversity conservation, and potential integration with OSS-ABS, PIC/MAT agreements, IRCC reporting, and community-level benefit-sharing arrangements. Where feasible, the project will support the adaptation of existing mechanisms through ABS-specific procedures, benefit-tracking templates, reporting protocols, and pilot benefit-flow arrangements, rather than creating a new standalone fund. This approach will ensure that benefit-sharing arrangements are institutionally grounded, financially accountable, and scalable within Indonesia's existing environmental finance architecture.

16 April 2026

a1-

Thank you for this comment. The project is designed to strengthen and operationalize Indonesia's existing legal and institutional compliance architecture for ABS so that enforcement-related functions are embedded in national and provincial institutions and can continue beyond the life of the project. The project will ensure sustainability of ABS regime enforcement mainly by embedding compliance and enforcement functions into Indonesia's regular legal, institutional, budgetary, and digital systems, rather than relying on temporary project arrangements. Enforcement-related roles will be anchored through formal designation of CNAs and checkpoints, embedded in adopted ABS regulations and SOPs, operationalized through the government-hosted OSS-ABS and ABS Clearing House workflow, decentralized through provincial ABS front offices housed in existing institutions, and sustained through staff training, practical compliance toolkits, and continued government budget and staffing commitments. In this way, the project does not create a temporary enforcement mechanism, but strengthens Indonesia's permanent capacity to monitor compliance, process permits, track obligations, and act on non-compliance after project closure.

To clarify the sustainability of the ABS law enforcement regime after the project completion we added a Sustainability subsection to the PIF, p. 33-34:

Sustainability: *The project's theory of change assumes that effective and sustained enforcement of ABS requirements will emerge when compliance functions are embedded within Indonesia's formal legal mandates, institutional architecture, and digital governance systems, rather than relying on temporary project-based mechanisms. The project will therefore address enforcement gaps through three mutually reinforcing design elements.*

First, it will establish clear legal and institutional mandates for compliance by supporting the formal designation and operationalization of Competent National Authorities (CNAs) and checkpoints, accompanied by binding regulations, standard operating procedures, and inter-agency coordination arrangements that define roles, responsibilities, and decision-making processes. This ensures that enforcement authority is legally grounded and remains in place beyond the project lifecycle.

Second, it will operationalize enforcement through the integration of compliance workflows into a government-hosted ABS One Stop System (OSS-ABS), linked to the ABS Clearing-House. This system will enable end-to-end traceability of ABS transactions—from access applications, PIC/MAT agreements, and IRCC issuance to post-access reporting and monitoring of benefit-sharing obligations—thereby reducing reliance on ad hoc enforcement and enabling routine, system-based compliance monitoring.

Third, it will strengthen institutional capacity and incentives for enforcement by equipping national and subnational authorities with practical compliance toolkits, training, and operational procedures, and by embedding ABS functions within existing government structures, including provincial ABS front offices that provide first-line compliance support and case handling. These functions will be supported through regular government staffing and budget allocations, ensuring continuity after project closure.

The causal pathway underlying this approach is that legally mandated authorities, combined with transparent digital tracking systems and strengthened institutional capacity, will reduce ambiguity, increase detection of non-compliance, and enable consistent enforcement of ABS obligations. This, in turn, is expected to increase user compliance, build trust among providers and IPLCs, and lead to a higher number of legally compliant ABS transactions generating equitable benefits.

Key assumptions include: (i) continued government commitment to operationalizing ABS under the Nagoya Protocol; (ii) sustained allocation of human and financial resources to CNAs, checkpoints, and OSS-ABS operations; and (iii) willingness of private sector and research actors to engage in compliant ABS processes when clear, efficient, and predictable systems are in place. By embedding enforcement functions within permanent governance systems and aligning them with user incentives, the project is designed to ensure that ABS compliance and enforcement mechanisms remain effective and functional beyond the duration of GEF support. To mitigate risks related to weak enforcement, the project will prioritize early adoption and testing of compliance SOPs, pilot implementation of digital compliance workflows through the OSS-ABS, and integration of enforcement performance indicators into national monitoring and reporting systems.

a2-

Thank you for the comment. Actually, the project addresses the gap, but not by immediately establishing a national trust fund or community funds. Instead, it addresses it in an early stage, practical way by piloting transparent community-level benefit sharing arrangements, testing real benefit flows through ABS agreements, and generating the evidence and roadmap needed to determine whether a more formal national mechanism should be established in the future. We consider it premature to establish a dedicated national trust fund or formal national benefit sharing mechanism at this stage, given that Indonesia currently has no fully executed ABS agreements and no established pipeline of regular monetary benefit flows from ABS transactions.

b1-

Thank you for this important comment. We agree that the PIF should more clearly reflect the major international developments on DSI under the CBD and their implications for Indonesia's national ABS framework.

We therefore have revised the PIF to make explicit that work under Component 1, especially Output 1.1, will be developed in line with CBD COP 15 decision 15/9 and CBD COP 16 decision 16/2, which established and operationalized the multilateral mechanism for the fair and equitable sharing of benefits arising from the use of digital sequence information on genetic resources, including the Cali Fund. In particular, the revised text now clarifies that Indonesia's national measures on DSI are intended to provide legal certainty and practical guidance to users and authorities, while avoiding duplication between national requirements and the multilateral mechanism. The national framework will therefore focus on clarifying institutional roles, transparency, reporting, model clauses, and user guidance on how Indonesian ABS procedures interface with the global DSI mechanism, rather than creating overlapping monetary benefit-sharing obligations within the scope already addressed by the multilateral mechanism.

We also agree that the text should better explain that work under this component will be designed to promote compatibility and synergies with the evolving international regime under the BBNJ Agreement, especially in relation to marine genetic resources, DSI-related governance, institutional coordination, and future legal interpretation. At the same time, the project is not intended to develop Indonesia's BBNJ implementation measures as such, but rather to ensure that the national ABS framework developed under the project remains coherent with parallel developments in the broader international regime for genetic resources and related DSI. See Output 1.1, pp. 23-24

b2-

Thank you for this helpful comment. We agree that the institutionalization and post-project sustainability of Component 2 capacity building should be made more explicit.

The PIF already includes several measures intended to ensure that the training and capacity building programs are owned by national institutions and can be replicated beyond project completion. These include: (a) training of national and provincial agencies that are expected to institutionalize new ABS procedures within their routine operations; (b) development of

modular training curricula, micro-modules, and Training-of-Trainers materials for continued use by Indonesian institutions; (c) hosting of training materials, toolkits, and lessons learned on a government-based ABS Knowledge Management System; and (d) preparation of a costed National ABS Roadmap that will include recommendations for continued ABS capacity development and scale-up beyond the project period.

At the same time, we agree that this strategy should be stated more clearly in the main narrative of Component 2. We have therefore strengthened the PIF text to clarify that the project's approach is not limited to one-off workshops, but is designed to institutionalize ABS training through government ownership, Training-of-Trainers, integration of curricula and toolkits into the responsible institutions, use of provincial ABS front offices and the national KMS as continuing learning platforms, and inclusion of post-project scale-up measures in the National ABS Roadmap. We will also ensure that the PPG further specifies the institutional hosts, delivery arrangements, and sustainability measures for these training programs.

The Sustainability subsection has been strengthened, pp. 33-34:

To ensure sustainability beyond the project period, the capacity building approach under Component 2 will be institutionalized through responsible national and provincial institutions rather than delivered as stand-alone project trainings. Training curricula, micro-modules, and practical toolkits will be developed in a standardized format and accompanied by Training-of-Trainers packages so that designated agencies, provincial ABS front offices, universities, and other partner institutions can continue delivery after project closure. Training materials, case studies, and updated guidance will be hosted through the government-based ABS Knowledge Management System and linked to OSS-ABS, allowing continuous access, refresher learning, and replication in additional provinces. During the PPG, the project will further define the institutional hosts, training delivery arrangements, and post-project resourcing strategy, and the National ABS Roadmap will set out a costed pathway for scaling these programs nationwide over the following 5-10 years.

Output 2.1 has been strengthened, p. 26:

By the end of the program, a network of well-trained officials and ABS focal points will be in place nationwide, supported by standardized curricula, Training-of-Trainers materials, government-hosted knowledge resources, and institutional arrangements that allow responsible national and provincial institutions to continue and replicate ABS training beyond project completion.

5.2 INCREMENTAL/ADDITIONAL COST REASONING

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

Secretariat's CommentsCleared.

Agency's Comments

5.3 IMPLEMENTATION FRAMEWORK

a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's Comments

JS 4/17/2026 - Cleared.

JS 3/13/2026

a- The institutional setting, including potential executing partners, is not provided. Please revise.

b-Please answer ?No? to the question ?Does the GEF Agency expect to play an execution role on this project??

Agency's Comments

16 April 2026

a-

Thank you for this comment. We partly agree that the institutional setting could be presented more clearly in the current PIF narrative. However, this information is already included in the PIF, although it is somewhat dispersed across sections rather than consolidated in one short implementation paragraph.

The PIF identifies the Ministry of Environment (MoE) as the anticipated Implementing Partner in the General Project Information section. It also describes the envisaged institutional roles of key implementation partners, including BRIN, BAPPENAS, Ministry of Finance/BPDLH, BKPM/OSS-RBA, DGIP, BPOM, Customs and Quarantine authorities, relevant line ministries such as Agriculture and Marine Affairs and Fisheries, as well as provincial governments, conservation units, universities, IPLC representative bodies, civil society organizations, and private sector partners. The PIF further notes that Provincial ABS front offices may be hosted in existing provincial agencies or university-based institutions.

At the same time, it is also important to note that the full project governance structure, including final executing arrangements, detailed roles of partners, and formal implementation coordination mechanisms, is normally elaborated during the PPG stage, when institutional consultations are completed and implementation modalities are agreed in greater detail. The PIF therefore presents the expected institutional setting and indicative implementation partners at concept stage, while the detailed governance architecture will be further specified during project preparation. See p. 35 of the PIF:

Institutional setting and implementation arrangements: *The project is expected to be executed by the Ministry of Environment (MoE), which will serve as the lead national counterpart and coordinator for overall implementation of Indonesia's ABS agenda. Core national implementation partners are expected to include BRIN, BAPPENAS, Ministry of Finance/BPDLH, BKPM/OSS-RBA, DGIP, BPOM, Customs and Quarantine authorities, and relevant line ministries, particularly Agriculture and Marine Affairs and Fisheries, according to their respective mandates under the national ABS framework. At subnational level, implementation is expected to involve provincial governments, conservation units, universities, IPLC representative bodies, civil society organizations, and private sector partners in West Sumatra, West Kalimantan, and West Papua, including as hosts or partners for Provincial ABS*

front offices and pilot ABS activities. As is standard for a PIF, the detailed project governance structure, including final executing arrangements, formal roles of participating institutions, and coordination mechanisms, will be fully elaborated and agreed during the PPG stage based on further consultations and institutional assessments.

b-

In the portal, there is only Yes box available. As the answer is ?No?, so we did not check the Yes box which means ?No?.

Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

☐ Yes

5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project's indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's Comments

JS 5/11/2026 - Cleared.

JS 4/17/2026

a. Thank you. However, subindicator 4.4 is additive to 4.1. They should not overlap. Please thus report 9650 ha under 4.1 and 350 ha under 4.4, so that the total under CI4 remains at 10,000 ha with no overlap across sub-indicators.

JS 3/13/2026

a- Given the assumptions used for the mitigation of GHG emissions, please include a target under core indicator 4.4 (avoided forest loss).

Agency's Comments

8 May 2026

The comment is well noted and has been corrected. The PIF now reports the CI 4 values without overlap between sub-indicators. Specifically, CI 4.1 has been revised to 9,650 ha, and CI 4.4 remains 350 ha, so that the total area reported under CI 4 remains 10,000 ha. The respective edits were made in the Project Summary (p.3), the Indicative Project Overview /

Outcome 3 indicator (p. 5), the Core Indicators table, and the Core Indicator narrative below the table (p.37), and Annex G. GEF Core Indicators.

16 April 2026

a-

Thank you for this comment. We agree that, given the assumptions already used to estimate avoided GHG emissions, it is appropriate to include a target under Core Indicator 4.4 (avoided forest loss).

The current PIF already states that the 328,385 tCO₂e estimate is based on a 10,000 ha forest area under improved practices, applying province-specific baseline deforestation rates over 20 years and assuming that ABS-supported community stewardship reduces those rates by 50%. Under these assumptions, the PIF estimates that forest loss would decline from about 715 ha under BAU to about 365 ha with the project, resulting in approximately 350 ha of avoided forest loss over the 20-year accounting period.

We have therefore revised the Core Indicators section to add a target under **CI 4.4** consistent with this methodology, p. 38. A reasonable PIF-stage target is:

CI 4.4 Avoided forest loss: ≥ 350 ha of tropical forest avoided from conversion/degradation over 20 years within the 10,000 ha project landscape under ABS-supported community stewardship (TBC at PPG stage).

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's CommentsNA

Agency's Comments

5.6 RISKS

a) Is there a well-articulated assessment of risk and identification of mitigation measures under each relevant risk category?

b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?

c) Are environmental and social risks, impacts and management measures adequately screened and rated at this stage and consistent with requirements set out in SD/PL/03?

Secretariat's CommentsJS 3/13/2026 - Cleared.

Agency's Comments

5.7 Qualitative assessment

a) Does the project intend to be well integrated, durable, and transformative?

b) Is there potential for innovation and scaling-up?

c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's CommentsCleared.

Agency's Comments

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's CommentsCleared.

Agency's Comments

6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)

Secretariat's Comments

JS 4/17/2026 - Cleared.

JS 3/13/2026 - Please be more specific on the alignment with the NBSAP and national targets under the KMGBF.

Agency's Comments

16 April 2026

Thank you for this comment. We agree that the current text on alignment with the Indonesia Biodiversity Strategy and Action Plan (IBSAP) 2025?2045 / NBSAP and the national targets under the Kunming-Montreal Global Biodiversity Framework (KMGBF) can be made more specific. We made the following edits to explain the project contribution to GBF targets, p. 43:

- ? Component 1 contributes to the national implementation of GBF Target 13 by establishing the legal, policy, and institutional conditions for fair and equitable benefit-sharing, including DSI-related arrangements, CNAs, checkpoints, and the OSS-ABS;
- ? Component 2 contributes to Targets 20, 21, 22, and 23 by building the capacities of government agencies, IPLCs, and private sector actors, strengthening community protocols and TK safeguards, and promoting inclusive and gender-responsive participation in ABS processes;
- ? Component 3 contributes to Target 13 in operational terms by piloting ABS agreements that generate tangible monetary and non-monetary benefits for IPLCs and link benefit-sharing to stewardship of biodiversity-rich forest and marine landscapes; and
- ? Component 4 contributes to Targets 20 and 21 by establishing the national ABS knowledge management system and roadmap to support replication, learning, and long-term institutionalization.

We have also strengthened the section on national priorities to explain more precisely that the project supports the IBSAP 2025?2045 objectives related to conservation and sustainable use of genetic resources, protection of traditional knowledge, fair and equitable benefit-sharing with IPLCs, and strengthening institutional arrangements for biodiversity governance. P 45:

The project is fully aligned with the Kunming-Montreal Global Biodiversity Framework (KMGBF) and Indonesia's National Biodiversity Strategy and Action Plan (IBSAP) 2025-2045, particularly the national targets related to access and benefit-sharing (ABS), protection of traditional knowledge (TK), and inclusive biodiversity governance.

At the global level, the project directly contributes to KMGBF Target 13 on fair and equitable sharing of benefits from genetic resources and associated traditional knowledge, including digital sequence information (DSI), by establishing a functional national ABS system and enabling compliant ABS transactions. It also contributes to Targets 20 and 21 by strengthening capacities, data systems, and knowledge management for biodiversity governance; and to Targets 22 and 23 by promoting inclusive, gender-responsive participation of Indigenous Peoples and Local Communities (IPLCs) in ABS processes and benefit-sharing arrangements.

At the national level, these global commitments are reflected in Indonesia's IBSAP 2025-2045, which translates KMGBF targets into national priorities and measurable actions. The project directly supports IBSAP targets related to: (i) strengthening the national ABS framework and implementation mechanisms; (ii) ensuring fair and equitable sharing of benefits from the utilization of genetic resources and associated traditional knowledge; (iii) safeguarding traditional knowledge and recognizing the rights of Indigenous Peoples and local communities; and (iv) enhancing inclusive and participatory biodiversity governance, including gender equality.

The alignment is operationalized through the project components as follows:

- ? **Component 1** supports IBSAP targets on strengthening biodiversity governance systems by establishing and operationalizing Indonesia's ABS legal, institutional, and digital framework, including CNAs, checkpoints, and the OSS-ABS, in line with KMGBF Target 13;
- ? **Component 2** contributes to IBSAP targets on capacity development and inclusive governance by building the technical, institutional, and negotiation capacities of government agencies, IPLCs, and private sector actors, including strengthening TK protection and gender-responsive participation, in line with KMGBF Targets 20, 21, 22, and 23;
- ? **Component 3** directly contributes to IBSAP targets on equitable benefit-sharing and sustainable use of biodiversity by piloting ABS agreements that generate measurable monetary and non-monetary benefits for IPLCs and link these benefits to conservation and sustainable management of biodiversity-rich forest and marine ecosystems, in line with KMGBF Target 13; and
- ? **Component 4** supports IBSAP targets on knowledge management, monitoring, and long-term planning by establishing a national ABS knowledge system and roadmap, enabling replication and scaling of ABS implementation, in line with KMGBF Targets 20 and 21.

Through this integrated approach, the project operationalizes Indonesia's commitments under the KMGBF by translating national ABS-related targets into concrete institutional, technical,

and on-the-ground actions, thereby contributing to measurable progress on equitable benefit-sharing, protection of traditional knowledge, and inclusive biodiversity governance.

6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat's CommentsCleared.

Agency's Comments

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's CommentsCleared.

Agency's Comments

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's Comments

JS 4/17/2026 - Cleared.

JS 3/13/2026

Yes. However, it is unclear to what extent IPLCs were consulted for project design. We note the reference to the ICCAs working group but please clarify.

Please explain why the private sector, in particular DSI users, have not been consulted and plans to do so during PPG.

Agency's Comments

16 April 2026

Thank you for this important observation. The project preparation process has included initial consultations with a range of stakeholders, including government agencies, research institutions, and representatives of Indigenous Peoples and Local Communities (IPLCs), notably through engagement with the ICCAs working group and related networks. These consultations have provided preliminary inputs on key issues such as traditional knowledge protection, community protocols, and challenges in accessing fair benefit-sharing arrangements.

However, we acknowledge that IPLC engagement at the PIF stage has been at a preliminary and representative level, primarily through umbrella platforms rather than direct consultations with community-level stakeholders in target landscapes. Given the design-stage nature of the PIF and the need to identify specific pilot locations, more in-depth, site-specific consultations with IPLCs?including women and traditional knowledge holders?will be undertaken during the Project Preparation Grant (PPG) phase. This will include participatory consultations to inform

the design of community protocols, FPIC processes, benefit-sharing arrangements, and safeguards instruments such as the IPPF and SEP.

With regard to the private sector, including potential users of digital sequence information (DSI), consultations at the PIF stage have been limited. This reflects the early stage of project design, where specific ABS value chains, research domains, and private sector actors have not yet been fully identified. In particular, DSI users span a wide and evolving set of actors?including research institutions, biotechnology firms, pharmaceutical companies, and digital data users?making targeted engagement at this stage premature without a clearer mapping of relevant sectors and use cases.

The project will therefore undertake a structured stakeholder mapping during the PPG phase to identify and engage relevant private sector actors, including DSI users across key sectors. This will include consultations to assess awareness, incentives, and barriers to ABS compliance, and to co-develop practical mechanisms for engagement in ABS agreements and the emerging global multilateral mechanism for DSI benefit-sharing. Early engagement with private sector actors will be prioritized in the design of pilot ABS transactions and compliance systems to ensure feasibility and uptake. In addition, these consultations will be conducted in line with UNDP's Social and Environmental Standards, including Free, Prior and Informed Consent (FPIC) principles.

8 Annexes

Annex A: Financing Tables

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

STAR allocation?

Secretariat's CommentsCleared.

Agency's Comments

Focal Area allocation?

Secretariat's CommentsCleared.

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments

Agency's Comments

SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat's Comments

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments

Agency's Comments

8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's CommentsCleared.

Agency's Comments

8.3 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?

Secretariat's Comments

JS 5/15/2026 - Cleared.

JS 5/11/2026 - This comment has not been addressed. Please address.

JS 4/17/2026 - Thank you for your response that PPG is "expected to significantly increase the overall co-financing ratio in line with GEF co-financing policy expectation". Please include in the PIF's indicative co-financing table a conservative estimate of the additional co-financing that will be identified during PPG.

JS 3/13/2026

Co-financing (ratio 1:1) is very low and all in recurrent expenditures from the Government for a project in Indonesia. The portfolio-level target is at least 7:1 and, for the portfolio of projects and programs approved in Upper-Middle Income Countries and High-Income Countries that are not Small Island Developing States, at least 5:1 in Investment Mobilized. While these targets are not to be applied at the project-level, the current proposal in this PIF is too far from expectations.

Please increase co-financing.

Agency's Comments

15 May 2026

Cofinancing overall has been increased to 35,163,000. Of this, The Ministry of Environment (MoE) will provide an estimated US\$30,000,000 in public co-financing to the project in the form of recurrent expenditures. The Ministry of Planning/BAPPENAS will contribute USD 163,000. . Indicative cofinancing has been identified from Ministry of Forestry (US\$ 750,000), bi-lateral donors currently working on strengthening forestry sector governance (US\$ 1,500,000) and private sector companies such as Bio Pharma using NTFPs (US\$ 1,500,000), the IBiofund of the Indonesia Environment Fund supporting livelihoods based on forest NTFPs (US\$ 1,000,000) and non-governmental programmes (US\$ 250,000).

8 May 2026

Thank you for this comment and we have re-assessed the cofinancing potentials from recipient government and other sources. We are pleased to note that we have managed to increase confirmed cofinancing by the government by USD 163,000 (Ministry of Planning/BAPPENAS). Other, potential cofinancing from government (Ministry of Forestry), from private sector (such as Bio Pharma), non-governmental (NGOs/ philanthropies), community-based (social forestry incomes) and donors (Norway, Australia) is assessed to be around USD 5,000,000. This is included in the narrative description below the Indicative Cofinancing Table.

16 April 2026

The initial co-financing presented at PIF stage primarily reflected confirmed government contributions, largely in the form of baseline institutional expenditures. In response to the Secretariat's guidance, the co-financing strategy has been strengthened to better reflect investment mobilization and broader stakeholder engagement.

In addition to core government contributions, the project will mobilize co-financing from research institutions, biodiversity-based industries (including pharmaceuticals, biotechnology, and natural product sectors), and conservation partners. These actors are expected to co-invest in ABS implementation through research programs, value chain development, and pilot ABS agreements with IPLCs.

The project is specifically designed to catalyze private sector engagement through Component 3, which will develop a pipeline of ABS transactions. These transactions will generate both monetary and non-monetary benefit-sharing flows and are expected to leverage additional private investment beyond the GEF grant.

During the PPG phase, a detailed co-financing strategy and stakeholder mapping will be undertaken to identify and secure commitments from relevant private sector actors, including users of genetic resources and digital sequence information (DSI), as well as impact investors and financial intermediaries. This is expected to significantly increase the overall co-financing

ratio and improve the balance between recurrent and investment-based contributions, in line with GEF co-financing policy expectations.

Annex B: Endorsements

8.4 Has the project been endorsed by the country? (ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's CommentsCleared.

Agency's Comments

Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat's CommentsCleared.

Agency's Comments

Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat's CommentsCleared.

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's Comments

Agency's Comments

Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project's intended location?

Secretariat's CommentsCleared.

Agency's Comments

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's Comments

JS 4/17/2026 - Cleared.

JS 3/18/2026 - We note that UNDP attached Environmental and Social Safeguard Screening document and an overall ESS risk is classified as High/substantial. To effective implementation of the project, it is critical to have strong involvement of Indigenous Peoples and local communities in project areas.

- 1) Please clarify how Indigenous Peoples and Local communities were consulted in the development of the PIF, in particular Component 1, 2 and 3, and how the results of the consultations were integrated into the project concept (PIF).
- 2) Please consider involving Indigenous Peoples and local communities (IPLCs) as partners of the project governance including the project steering committee.
- 3) Please ensure obtaining Free, Prior and Informed Consent (FPIC) from Indigenous Peoples not only about project design during PPG but also throughout the project implementation including monitoring.
- 4) Please consider integrating existing Indigenous Peoples governance and ensuring security of tenure and territories of Indigenous Peoples and local communities as a part of project activities, particularly in Component 3.
- 5) Please also consider including monitoring indicators related to: Indigenous Peoples and local communities 1. governance, 2. capacity building, and 3. ensuring security of tenure and territories during PPG.

Agency's Comments

16 April 2026

Thank you for this comment and the observations below. Please see our responses to the specific queries raised below.

1. The project preparation process has included initial consultations with a range of stakeholders, including government agencies, research institutions, and representatives of Indigenous Peoples and Local Communities (IPLCs), notably through engagement with the ICCAs working group and related networks. These consultations have provided preliminary inputs on key issues such as traditional knowledge protection, community protocols, and challenges in accessing fair benefit-sharing arrangements.

However, we acknowledge that IPLC engagement at the PIF stage has been at a preliminary and representative level, primarily through umbrella platforms rather than direct consultations with community-level stakeholders in target landscapes. Given the design-stage nature of the PIF and the need to identify specific pilot locations, more in-depth, site-specific consultations with IPLCs?including women and traditional knowledge holders?will be undertaken during the Project Preparation Grant (PPG) phase. This will include participatory consultations to inform the design of community protocols, FPIC processes, benefit-sharing arrangements, and safeguards instruments such as the IPPF and SEP.

2. On involving Indigenous Peoples and local communities (IPLCs) as partners of the project governance including in the ABS steering committee, we have included a line on this under project governance in page 23. During the PPG the role of IPLCs in the broader project governance framework including the Project Board will be reviewed and considered.

3. During the PPG, UNDP and MOE will ensure obtaining Free, Prior and Informed Consent (FPIC) from Indigenous Peoples. This will be reflected in the Environment and Social

Safeguards Management Framework and Plan that will be developed during the PPG with IPLC involvement and robust consultation process. We note the suggestion that FPIC processes are supported throughout the project implementation and monitoring processes, and will make the necessary accommodations including budgets for this.

4. During the PPG we will integrate stronger governance protocols for lands under IPLCs and traditional community management. This will ensure security of tenure and territories in such IPLC managed forests and ecosystems as part of activities in Component 3. Current Component 3 description has been enhanced on page 27.

5. This comment on developing and integrating monitoring indicators on IPLC governance, capacities and ensuring tenure of territories will be considered and prioritized during the PPG.

Annex E: Rio Markers

8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat's Comments

JS 4/17/26 - Cleared

JS 3/13/2026 - For this project dedicated to ABS please remove the Rio markers on CCM, CCA and LD, which should be scored at 0.

Agency's Comments

16 April 2026

Thank you! The RIO Markers were adjusted as requested.

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's CommentsCleared.

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) 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 to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

JS 5/15/26 - The project is recommended for clearance.

JS 5/11/2026 - Thank you for the resubmission. However, the project is not recommended for clearance at this stage. Please address remaining comment (co-financing and its implication for PMC co-financing) in this review sheet and resubmit.

JS 4/17/2026 - Thank you for the resubmission, revisions and responses. However, the project is not recommended for clearance at this stage. Please address remaining comments in this review sheet and resubmit.

JS 3/13/2026 - Not at this stage. Please address comments in this review sheet and resubmit. Please contact jsapijanskas@thegef.org for any question.

Agency's Comments

15 May 2026

Thank you. All the remaining comments have been addressed.

8 May 2026

Thank you! All your comments above have been addressed.

16 April 2026

Thank you! All your comments above have been addressed.

9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/Approval

Secretariat's Comments

During the PPG stage:

-please ensure that the findings and activities identified through the Gender Analysis and the Gender Action Plan (GAP) are fully integrated into the project document. This integration should be reflected across all relevant outcomes and outputs, rather than presented as a standalone or isolated paragraph. Please also ensure that the Gender Action Plan is aligned with the project components.

-In addition, please ensure that the results framework includes gender-specific indicators to facilitate effective monitoring and reporting. During project implementation, please ensure that gender-specific results, including progress on the implementation of the Gender Action Plan, are monitored and reported on in PIRs, MTRs, and TEs.

-explore how existing funds in Indonesia, in particular BPD LH/iBioFund, could play the role of "mechanisms for administering shared benefits, such as trust funds or community benefit-sharing funds", which has been identified as a gap in the PIF.

- carry out the in-depth, site-specific consultations with IPLCs?including women and traditional knowledge holders, and the consultations with private sector, including DSI users, promised in the review sheet.

Agency's Comments

16 April 2026

Thank you for this additional guidance.

During the PPG phase, a Gender Analysis will be conducted in accordance with the GEF Gender Policy, and a Gender Action Plan (GAP) will be developed to inform project design. The findings and actions identified through the Gender Analysis and GAP will be systematically mainstreamed across the project document and integrated into all relevant outcomes, outputs, and activities, rather than presented as a standalone section. The GAP will be fully aligned with the project components to ensure that gender-responsive measures are embedded in implementation arrangements, budgets, and institutional responsibilities.

The project results framework will incorporate gender-responsive and sex-disaggregated indicators, as appropriate, to enable effective monitoring, reporting, and adaptive management of gender equality results. During implementation, progress on gender-related outcomes, including implementation of the Gender Action Plan, will be tracked and reported through annual Project Implementation Reports (PIRs), the Mid-Term Review (MTR), and the Terminal Evaluation (TE), in line with GEF monitoring and evaluation requirements.

Review Dates

	PIF Review	Agency Response
First Review	3/13/2026	4/16/2026
Additional Review (as necessary)	4/17/2026	5/8/2026
Additional Review (as necessary)	5/11/2026	5/15/2026

PIF Review

Agency Response

Additional Review (as necessary)

Additional Review (as necessary)