

Conservation of the Atlantic Forest through the sustainable management of cocoa agroforestry landscapes

Basic Information

GEF ID

11052

Countries

Brazil

Project Title

Conservation of the Atlantic Forest through the sustainable management of cocoa agroforestry landscapes

GEF Agency(ies)

FAO

Agency ID

FAO: 732182

GEF Focal Area(s)

Multi Focal Area

Program Manager

Pascal Martinez

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

September 23, 2022:

a) Yes, cleared.

b) There is no GEF CCM resources used for this project. Please remove the mention "AFOLU" under the General Project Information.

October 19, 2022:

b) Thank you for the amendment. Cleared.

Agency's Comments

October 18, 2022:

a) No response required

b) We cannot remove the label once it's selected in the portal. We have changed the selection to "Others". Could GEFSEC kindly remove it?

2. Project Summary

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

the GEBs or adaptation benefits and other key expected results:

Secretariat's Comments

September 23, 2022:

Partially.

1. The objectives related to conservation (component 2) are not explicit, the focus being made on stimulating the producers. Please complete with relevant objectives related to conservation.
2. There is no clear indication of the expected GEBs. Please briefly complete adding the expected GEBs.
3. The mention of "a process of regional transformation" is vague. Please clarify.

October 19, 2022:

1. Thank you for the consideration. Cleared.
2. CI 4.1, CI 4.3 and CI 6.1 are missing in the project summary. Please complete.
3. Thank you for the clarification. Cleared.

Octobre 21, 2022:

2. Thank you for the additional information. Cleared.

Agency's Comments

October 21, 2022:

Noted. The complete set of core indicators targeted by the project is now included on the Project Summary. Please refer to the highlighted text in the relevant section of the GEF portal and attached PIF word document.

October 18, 2022:

1. Noted. Conservation objectives have been included in the first paragraph.
2. Noted. GEBs are included in the final paragraph.

3. Noted. "Regional transformation" in this context referred to changes in the target landscapes from forests to pastures. The last sentence has been changed to:

Unfortunately, in the last decades a series of problems (drought, tree disease, macroeconomic instability) have been affecting cocoa production, discouraging producers from investing in their forest land and causing a process of landscape transformation from forest to pasture at the regional level (Bahia de Aguiar et al, 2022).

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

September 23, 2022:

a) Partially. The project objective is said to be achieved only through strengthening the cabruca cocoa production systems. Please complete the objective being more explicit on the other means the project will develop and which are the improvement of the governance and the conservation, restoration and strengthening of environmental services.

b)

b1. The component 2 is formulated as an outcome and it has nearly the same name as the outcome 2.1. Please reformulate the name of the component 2 so that it is different from the outcome 2.1.

b2. In component 2, it is unclear how the proposed outputs can fully enable the achievement of the expected outcome 2.1. The outcomes include territorial intelligence, monitoring system and interconnection through "ecological corridors implemented". The outcome 2.3 is vague and we don't see clearly how these 3 outcomes will improve the management of natural resources including conservation, restoration and the management of PAs. Couldn't 2 different outcomes be considered such as 1 on integrated land use planning and 2 on improved management? Please complete or clarify the output/outcomes to make them fully complementary, complete and consistent with the expected outcome(s). In general, the clarity of this project would benefit from more identified outputs and outcomes.

b3. There is no indication of core indicators. Please consider adding in the table the core indicators of the project (as a target under the indicators).

b4. The formulation of the output 2.1.3 is unclear: what does a mosaic of forest patches implemented means? Please clarify this output.

b5. To be consistent with all the other outputs, please remove the word "output" in "output 2.1.2" and "output 2.1.3".

b6. The formulation of the outcome 3.1 is very general. We suggest to add "sustainable" and the name of the outcome would be "3.1. Sustainable cocoa cabruca value chain strengthened".

b7. In the component 4, the numbering of the outputs are not correct. They should be 4.1 and 4.2 (instead of 2.1 and 2.2). Please correct accordingly.

b8. According to its title, the component 4 includes KM and M&E. Nevertheless, the outcome and outputs of this component don't contribute to M&E. Please clarify.

b9. In the TOC, the barrier "Technical: management of Cabruca system; improvement" is not formulated as a barrier (what is the problem?). Please clarify this barrier.

October 19, 2022:

a) Thank you for the additional information. Cleared.

b)

b1, b2, b3. Thank you for the amendments. Cleared.

b4. The output 2.1.3 is now missing. Please complete.

b5, b6, b7, b8 and b9. Thank you for the amendments. Cleared.

October 21, 2022:

b4. Thank you for the amendment. Cleared

Agency's Comments

October 21, 2022:

Noted. Output 2.1.3 has now been added to the Indicative Project Overview.

October 18, 2022:

a) Noted. The objective has been rewritten as

To reduce and reverse degradation trends and biodiversity loss in specific districts of Southern Bahia State by improving the management of natural resources at the landscape level through strengthening the cabruca cocoa production systems and enhancing a governance

system able to expand environmental services promotion and ecological restoration

B1. Noted. The Component 2 has been reformulated as follows:

"Establishment of an environmental restoration endeavor capable of promoting the permanent expansion of ecosystem services"

b2. Suggestion adopted. Outcome 2 split into two sub-outcomes on land use planning tools and enhanced management. The outputs and the indicators have been edited accordingly.

b3) Core indicators have been added to the log frame

b4) Noted. The output has been reformulated as follows:

"Biological corridors implemented to connect forest patches in private lands (cabruca agroforestry systems) and protected areas (including Areas of Permanent Protection and Legal Reserves)"

b5) Done

b6) Done

B7) Numbering has been corrected

b8) Component 4 refers only to KM and awareness raising. Therefore it has been reformulated as follows:

"Awareness raising and knowledge management"

B9. Noted. The TOC has been revised. The text is now as a barrier.

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

Secretariat's Comments

September 26, 2022:

1. Component 4 is on knowledge management. Nevertheless, if this component also includes M&E, then the KM work would appear underfunded (as the cost of the KM is \$150,000). Please clarify how the KM will be funded and to which extent.

2. Gender considerations are indeed highlighted but it is unclear whether gender dimensions will be appropriately funded. Please clarify in the project description.

October 19, 2022:

1 and 2. Thank you for the clarification. Cleared.

Agency's Comments

October 18, 2022:

1. Please note that Comp. 4 has refers only to Knowledge management. A total of \$261k has been set aside for KM activities. M&E will be accounted for in the mandated M&E budget line.

2. Gender considerations are included within the project activities. During project preparation, as project activities are defined, we will have a clear picture of the budget dedicated to gender related activities. The following text has been added to the PIF in paragraph 51.

"Such activities will be suitably funded and budgeted: at least 40% of the training budget will be devoted to beneficiate women, and gender-specific activities will be duly planned and budgeted within the AWP/B.

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

September 26, 2022:

a) Please refer to the comment above on funds allocated to component 4. This component may not be adequately funded if it includes the M&E.

b) Yes, cleared.

c) Yes, cleared.

October 19, 2022:

a) Thank you for the clarification. Cleared.

Agency's Comments

October 18, 2022:

- a) Please note that Component 4 refers only to KM and Communications and has an initial budget of \$261k. The M&E budget has been preliminarily estimated at \$150k and is accounted for in the M&E budget line.
- b) No response required
- c) No response required

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

September 26, 2022:

1. Please clarify how the decline of cabruca agroforestry production system leads to increased pressure on the remaining Atlantic Forest fragments and biodiversity loss. What does happen to the remaining forests due to the decline of cabruca system? If many areas of cabruca are being abandoned as indicated and if many young people do not want to remain in the rural areas, shouldn't it provide the possibility for the forests to be naturally restored in this areas?
2. The legal barrier preventing producers from "pruning or eventually suppressing native trees, thinning the canopy to increase the amount of

light" is presented as a problem. Isn't such barrier good for the conservation of forests and biodiversity? Please clarify why this is a barrier in a project aiming at reducing or eliminating the environmental degradation.

October 20, 2022:

1 and 2. Thank you for the clarification. Cleared.

Agency's Comments

October 18, 2022:

1) the following text has been added as paragraphs 9 and 10:

9. Much of the remaining forest fragments in this region are located on private land, where cocoa production in the cabruca system is one of the leading agricultural activities. The decline of cocoa plantations is systematically leading to a progressive impoverishment of rural areas. Consequently, some activities, such as illegal logging and deforestation, tend to increase, given the overall high rates of poverty. Stimulating the production chain for cocoa produced in a cabruca system helps to reduce the pressure for illegal logging, promoting a virtuous circle of production and conservation.

10. The continuation of cocoa farming can enable conservation strategies in these areas through the enforcement of the forest code with legal reserves (RL) and permanent protection areas (APP) and the establishment of Private Reserves of Natural Heritage (RPPN). The RPPN is a modality of privately owned conservation unit legally recognized by Brazilian environmental legislation. Therefore, it is critical to reconcile balanced economic and social well-being with the conservation efforts in the forest remnants still present in the region.

2. As pointed out, the project aims to dynamize the cocoa cabruca management system. However, for the cocoa agroforestry system to work efficiently, a set of practices are necessary such as the eventual suppression of some arboreal individuals and the periodic vegetation pruning to allow light entry. Several studies indicate that a well-managed cabruca system helps with the conservation of biodiversity insofar as it contributes to the maintenance of Atlantic Forest endemic species. In addition, these systems act as buffer zone, protecting the integrity of forest fragments. The legal entanglement that makes the management of endemic species difficult, in this sense, directly causes a productivity loss in cabruca areas. This decline in cocoa production generates an overall impoverishment of the activity, creating a perverse incentive related to illegal logging as a source of income. In addition, given the difficulty of managing the vegetation, many producers prefer to grow cocoa in monoculture, in full sun, reducing the conservation potential of the cabruca system

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

September 26, 2022:

- a) Yes, cleared.
- b) Yes, cleared.
- c) Partially. The existing baseline (investments, lessons and experiences in the country/region) the project will build on is unclear. Please elaborate further on this aspect.
- d) The role of the private sector is presented in general terms in the project description. Please complete the description of the role of the private sector in the project activities mentioning in particular the private sector stakeholders contributing to the co-financing.

October 20, 2022:

- c) and d) Thank you for the additional information. Cleared.

Agency's Comments

October 18, 2022:

- a) no response required
- b) no response required
- c) Noted. A section on baseline activities has been developed.

d) noted. The following text was added

The private sector will have a key role in the implementation of the project as it will target private land owners and will work with them to improve their production systems while improving biodiversity. The project expects to mobilize co-financing from the private sector, and has initiated discussions with local development banks who have expressed interest in financing sustainable interventions. The project and CEPLAC will support farmers that join the program by creating an enabling environment for them to invest and reactivate the sector, as well as providing both technical guidance any support needed to access markets (preparing detailed investment plans, certification schemes, etc.).

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

September 26, 2022:

a)

a1. The TOC is very succinct and with all the arrows linking all the elements. Please be more specific linking related elements in the TOC so that the casual pathways are clear.

a2. As a succession of 21 paragraphs without title, the structure of this section is unclear and the components don't appear well described. Please reorganize this section with a clear and full description of all the components, outcomes and outputs of the project, identifying clearly the activities, and notably the field interventions, that will be supported by the project.

a3. Stimulating producers through a set of policies appear to be a key premise of the project. Nevertheless we don't clearly see this reflected in the project outcomes and outputs (the policy work under Component 1 is to improve the governance). Please identify clearly in the

outcomes/outputs the planned activities which will promote the appropriate set of policies.

a4. The territorial intelligence system to be established as described is vague. Please elaborate further on what this system is made of (its different elements) and how it fills a gap (how it builds on and completes what is already in place in terms of territorial management).

a5. In the description it is stated that as a result of the territorial intelligence system and the biodiversity monitoring, the promotion of environmental services will "exponentially" increase by reestablishing the forest integrity. The causal effect between the outputs 2.1.1 and 2.1.2 leading to the implementation of the output 2.1.3 is unclear. Please clarify.

a.6 There are important co-financing from the private sector and rural credit banks as investment mobilized. Please clarify in the project description how these investments are expected to materialize and for which activities.

b) Yes, but we invite the Agency to consider more outputs and outcomes to clarify the project building blocks as commented above.

October 20, 2022:

a)

a1. The outputs 2.1.2 and 2.1.3 are missing in the TOC. Please complete.

a2, a3. Thank you for the clarification. Cleared.

a4, a5 and a6. We don't see the clarification provided in the project description in the Portal. Please ensure the text in the project description includes the clarification and indicate exactly where by highlighting the corresponding text.

b) Thank you for the consideration. Cleared.

October 21, 2022:

a1, a4, a5 and a6. Thank you for the amendment and additional information. Cleared

Agency's Comments

October 21, 2022:

a1. Noted. Outputs 2.1.2 and 2.13 have now been added to the ToC Diagramm.

A4, a5 and a6. Noted. Please note that additional text highlighted in green has been added to the description of component 2 on the project description. These changes have been completed on the project portal and attached PIF Word document.

October 18, 2022:

A1. Noted. The TOC has been updated based on the new logical framework. Three different levels of secondary interactions have been introduced among barriers and outputs, cross interferences between outputs and outcomes and between outcomes

A2. Noted. Titles have been included and the section has been reorganized.

A3. Language added to introduce project actions to promote policy enhancements and amendments or simplification of current regulations under component 1 in the description of outcome and the creation of a specific output

A4. The term *Territorial Intelligence* has been removed and substituted with *Integrated land use planning tools*. The content of the tools include a range of IT products which will be defined and described in details in the PPG phase. At this stage, the overall idea is to integrate in a interoperable environment several existing platforms and databases, hosted in partners' internet locations, for example: MapBiomass, Economic and Ecological Zoning (ZEE) of Bahia State, Rural Environmental Cadaster (CAR), National Forest Inventory (IFN), and to create new facilities, Municipal Territorial Use Plans, GISs of Conservation Units, GeoBahia of the Justice Attorney of Bahia, among others.

The products of this endeavor will provide novel and unique platform for decision making, management and monitoring of dynamics of land use in the specific region of southern Bahia.

A5/A6. The integrated planning toolkit will support decision making to generate management plans to serve as roadmap for the conservation and restauration actions to be worked out by the project in demonstrative areas and replicated in many other areas through flanking co-financing and bank loans.

A6. The project will create capacities to access, through bankable development projects, financial resources from national and international investors, including equities and carbon market agents, and loans from rural development banks.

b) Duly noted, output added in component 1, outcome 2 split in two sub-outcomes.

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 Comments

September 26, 2022:

No, the incremental cost reasoning is not clearly presented. Under the project rationale, please elaborate on this aspect which is very important to justify the proposed project components and outputs.

October 20, 2022:

Thank you for the clarification. Cleared.

Agency's Comments

October 18, 2022:

A brief section on incremental reasoning has been included in the project description.

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

September 26, 2022:

a) Yes, cleared.

b)

b1. The GEF Agency plans to play an execution role on this project while this can only be allowed under exceptional circumstances and strongly justified. This role would be to hire a "specialized consultant support to help build national executing capacity and ensure alignment with environmental and social safeguards". Please clarify why the CEPLAC or any other executing partner would not be able to play this role. In addition to this, even if no other potential executing partner could have such expertise (which is unlikely as Brazil has several GEF projects executed by capable institutions with ample ESS expertise), the Agency Fee covers these type of issues. Per Guidelines, the Agency

Fee compensates the Agency to “Provide technical guidance, as necessary, for project implementation” as well as “As necessary, include

Agency’s technical staff or consultants during supervision missions to advise government officials on technical matters and provide technical assistance for the project as needed.” Therefore, there is no reason for the Agency to consider hiring a specialized consultant to build national capacity and ensure alignment with ESS. Please remove this execution role from the project.

b2. GIZ is known as Donor Agency, not as Executing Agency. FAO presented that alongside the Government of Brazil they “have preliminarily identified GIZ as the potential executing partner”. Please confirm if GIZ indeed can execute projects.

b3. While in the General Project Information CEPLAC (Ministry of Agriculture) is mentioned as one of the (potential) Executing Partners, there is no mention to this entity in section “Coordination and Cooperation”. Please include more information on this potential arrangement in this section.

c) We invite the Agency to also consider the relevance of the GEF-7 FOLUR Impact Program as it includes an important focus on sustainable cocoa production and depending on when this project would actually begin its implementation, some knowledge exchange might be profitable.

d) No, the knowledge management approach including elements to capture, ways to disseminate and communication strategy, is not clearly presented in the project description. Please complete the description as needed.

October 20, 2022:

b)

b1. In the Project description, we don't see the difference from the previous version (the text appears exactly the same). Please address this comment and highlight the changed text.

b2. Thank you for the consideration. Cleared.

b3. Same as b1 above. Please address this comment and highlight the changed text.

c) Thank you for the consideration. Cleared.

d) Thank you for the clarification. Cleared.

October 21, 2022:

b1 and b3. Thank you for the amendment and clarification. Cleared.

Agency's Comments

October 21, 2022:

B1. Please refer to the new text highlighted in yellow and green to the Coordination section. FAO's execution role has been removed from the description. GIZ has preliminary been identified as executing partner. If GIZ cannot execute, then an executing agency selection process will be carried out early during the PPG phase. This has been explained on the relevant section in the section.

B3. A description with the role of CEPLAC in the project has been added (Highlighted in green). To the Coordination section in the GEF Portal.

October 18, 2022:

a) No response required

b1) Noted. GIZ has been pre-identified as the main executing partner in collaboration with the CEPLAC and the Ministry of Agriculture. If GIZ cannot execute, then an executing agency selection process will be carried out early during the PPG phase.

Please note that the GEF Agency Fee does not cover capacity-building activities. FAO will backstop the project by providing technical guidance and carrying out supervision missions, as per the GEF Policy.

B2. The government of Brazil, through CEPLAC, identified GIZ as a potential executing partner given the work they will be implementing in the project area. While GIZ can execute projects, FAO and GIZ will explore whether executing agreements are possible between these agencies.

B3. Noted. CEPLAC will be the main decision-making partner and key member of the project steering committee. They will work closely with the executing partner that will manage the funds (i.e. GIZ or a third party identified during project preparation).

c. Noted. FOLUR has been added. Special consideration and south south cooperation is expected between FAO supported projects in Cote d'Ivoire and Nicaragua targeting the Cocoa sector.

d. Noted. Please refer to the updated description of component 4 in which the knowledge management approach and the communication strategy have been explained.

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

September 26, 2022:

a) In the methodological approach description, there is no indication of how the areas of 623,115.56 ha (core indicator 4.1 - which is very precise!) and 1,000,000 ha (core indicator 4.3) were calculated. Please clarify.

b)

b1. The areas of 623,115.56 ha and 1,000,000 ha are relatively important and need to be clarified as mentioned above.

b2. Climate mitigation benefits should be expected as this project will improve the sustainable agroforestry and forest management and is also expected to reduce forest loss. Even in a conservative manner, please assess the mitigation of GHG emissions of this project.

October 20, 2022:

a) Thank you for the clarification. Cleared.

b)

b1. Thank you for the clarification. Cleared.

b2. Please ensure the response to the comment in the review sheet is consistent with the project document (estimating a mitigation of 3.68 million tonnes of CO₂-eq)

October 21, 2022:

b2. Thank you for the clarification. Cleared.

Agency's Comments

October 21, 2022:

Noted. The response on the Review sheet has been corrected for consistency with the project document and stating the mitigation of 3.68 million tonnes of CO₂-eq.

October 18, 2022:

a1. The target areas have been revised in discussions with the government, and targets have been adjusted as follows:

The project will collaborate closely with the two intermunicipal consortia CIMA and CIAPA. The project area covers a total of 1.62 million hectares, as follows: 0.51 million hectares correspond to protected areas, 0.52 million are forests outside protected areas, and 0.53 million hectares are grasslands and agricultural lands. The PIF stage core indicators were calculated as follows:

Core indicator 1: CIAPA is committed with the sustainable development in a region of incidence of five Environmental Protection Areas (APAs). One of them (APA Pratigi) covers a district with high forest cover and significant presence of the traditional cabruca agroforestry system. The project will support the integration of the multiple use management of that district within the APA Pratigi, with an extension of about 50,000 Ha. (Total APA Pratigi area: 93,353 ha).

Core indicator 4.1: Based on the experience with SLM/SFM GEF projects under implementation, the project will support the development of integrated land use plans covering an area of roughly 10 thousand hectares of grasslands and agricultural lands with the objective to create biological corridors between tree patches in order to improve connectivity and help conserve biodiversity (Component 2). The project will invest approximately \$1 million dollars under Output 2.2.2, and considering a restoration cost of \$2,000 per hectare, the project will target 500 hectares of direct intervention.

Core Indicator 4.3: Under component 3, the project will invest approximately \$1.5 million dollars to strengthen the cocoa value chain in existing shaded coffee areas. Based on the recent MAPBIOMAS Cacau land use assessment in 6 municipalities, approximately 37 percent of the land is under cabruca agroforestry systems in Bshia. Assuming that this percentage maintains for the project target area (i.e. 0.52 million ha of forest lands outside protected areas), the project will seek develop a plan to revitalize cabruca systems in 30 percent of the land, this is, roughly 57 thousand hectares ($= 0.52 \text{m ha} \times 37\% \text{ shaded coffee land} \times 30\%$). This 57 thousand hectares represent the potential upscaling area, including cofinancing and potential bank loans if the project is successful. At a minimum, assuming the an investment of \$500 per hectare to revitalize existing plantations (Output 3.1.2), the project will target 3,000 hectares of direct intervention.

*Note: CEPLAC estimates the costs to restore the target areas and revitalize cocoa plantations are much higher than those presented here.

During project design, the project team will explore potential cofinancing in detail to achieve the proposed targets.

Core indicator 6.1: The above-mentioned activities will result in the capture and avoided emissions of nearly 3.68 million tonnes of CO₂-eq

Core indicator 11: The figure of direct beneficiaries, most of them cabruca farmers and technicians of their associations and cooperatives, will be refined at PPG stage during the participative elaboration of the full project. The overall figure of three thousand includes different kinds of field interventions and training activities such as demonstration of sustainable multiple use forest management, support of demonstrative post-harvest procedures, capacity development for territorial intelligence and the use of the GIS tools generated by the project, marketing and certification schemes, etc.

b1) Please see above

b2. GHG emissions reductions were calculated using EX-ACT. It is estimated that management work in these 1.6 million hectares will results in the capture of nearly 3.68 million tons of GHG (assuming avoiding the loss of 2% biomass and/or increasing biomass by 2%).

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

Secretariat's Comments

September 23, 2022:

N/A

Agency's Comments

5.6 RISKS

a) Are climate risks and other main risks relevant to the project described and addressed within the project concept design?

b) Are the key risks that might affect the project preparation and implementation phases identified and adequately rated?

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 Comments

September 26, 2022:

a) Yes in the uploaded document "BRCA Cabruca Climate Screening". Cleared.

b)

b1. There isn't any clear mitigation measures identified for the following risks 1- Climate, 2- Political and Governance, 3- Strategies and Policies, and 4- Technical design of project or program. Please complete considering mitigation strategies.

b2. Stakeholder engagement risk: the stakeholder engagement plan needs to be elaborated during the project design (before implementation). Please correct accordingly.

b3. Stakeholder engagement risk: most of the text is in Spanish. Please translate in English.

b4. Under "Other", please add a COVID-19 risks (with mitigation measures) and opportunity analysis.

c) The description in the PIF being very succinct, please refer to the uploaded Agency screening document "Risk certification".

October 20, 2022:

b)

b1, b2 and b3. Thank you for the additional information and amendment. Cleared.

b4. We don't find the opportunity analysis. Please briefly complete the analysis indicating how this project can also be an opportunity to mitigate risks associated with pandemics.

c) Thank you for the consideration. Cleared.

October 21, 2022:

b4. Thank you for the additional information. Cleared

Agency's Comments

October 21, 2022:

Noted. A paragraph with this information has been added to the Comments box on the line "others" under the risk section. Please note that the portal formatting requirements disallow highlighting format for such box.

October 18, 2022:

a) No response required

b1) Mitigation Measures have been completed for such categories.

b2) Noted. This has been corrected: the SEP will be prepared during the PPG phase.

B3) Noted. The text has been translated into English.

While the proposed project will not take place in indigenous territories, it is possible that indigenous groups (eg. Kilombolas) exist in the broader project area. Even though the project will target traditional family farms, the project design team will pay special attention to the presence of IPs as beneficiaries or affected groups and will activate FPIC protocols as needed (including consultations with the involvement of relevant stakeholders and government agencies). At this stage, since project activities are not defined, it is not possible to define whether IPs are affected.

B4. Noted. COVID related risks have been added under "others"

C) No response required.

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 Comments

September 26, 2022:

- a) Yes, cleared.
- b) Yes but it is not explained. Please briefly clarify in the project description the project potential for innovation and scaling-up.
- c) The following sentence is unclear: "the project will contribute to, mention is due to the national climate commitments". Please clarify.

October 20, 2022:

- b) and c) Thank you for the additional information and clarification. Cleared.

Agency's Comments

October 18, 2022:

- a) No Response Required
- b) The following text was added:

The proposed project will promote the revitalization of the cocoa value chain as a tool to protect the important Atlantic Forest in Southern Bahia. It will do so by promoting innovative and complex agroforestry systems and economic tools (eg. certification, market access) to consolidate the value chain while conserving globally important biodiversity. The project will also explore innovative financing mechanisms with the private bank and strengthen connections between communities, businesses and markets.

c) The phrase has been clarified as “On the background of the relevant priorities the project will contribute to achieve the national climate commitments under the Paris Agreement (NDC)”

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 Comments

September 26, 2022:

Yes, cleared.

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

September 26, 2022:

The alignment with the national strategies and plans to implement the UNFCCC is briefly mentioned but not those related to UNCBD and UNCCD (which are the 2 funding FAs of this project). Please complete clarifying the project alignment with country and regional engagement in line with these Conventions.

October 20, 2022:

Thank you for the additional information. Cleared.

Agency's Comments

October 18, 2022:

Noted. The alignment with the UNCBD and UNCCD has now been explained on the National Priority section

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments

September 26, 2022:

Yes, cleared.

Agency's Comments

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

Secretariat's Comments

September 26, 2022:

Yes but in the list of the meetings, we don't see when and how the private sector has been consulted. Please clarified.

October 20, 2022:

Thank you for the additional information. Cleared.

Agency's Comments

October 18, 2022:

The private sector participated in the following meetings:

- August 3, Mapbiomas (NGO)
- August 4, UFSB
- August 8, Arapyau
- August 17: Association Bean to Bar
- End of August, Agencia di Desenvolvimento Regional do Sul da Bahia

This information has been added to the stakeholders section on the GEF portal.

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 Comments

September 23, 2022:

~~September 23, 2022~~

Yes, cleared.

Agency's Comments

Focal Area allocation?

Secretariat's Comments

September 23, 2022:

The utilization of LD resources is \$91,570.59 above the allocated amount for this FA, but this is possible with the full flexibility and the remaining available resources of the country. Cleared.

Agency's Comments

October 18, 2022:

Noted. No response required.

LDCF under the principle of equitable access?

Secretariat's Comments N/A

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments N/A

Agency's Comments

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

Secretariat's Comments N/A

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments N/A

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 Comments

September 23, 2022:

Yes, cleared.

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

September 23, 2022:

Yes, cleared.

Agency's Comments

Annex B: Endorsements

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

Secretariat's Comments

September 23, 2022:

Yes, cleared.

Agency's Comments

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

Secretariat's Comments

September 23, 2022:

Yes, cleared.

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 Comments

September 23, 2022:

No. In the Annex A of the Portal (financing tables), the FA resources of the PPG for BD and LD are different from those indicated in the OFP letter. Please correct the Annex A of the Portal to ensure the numbers are consistent.

October 20, 2022:

Thank you for the correction. Cleared.

Agency's Comments

October 18, 2022:

Noted. This has been corrected on table E of the GEF Portal.

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 N/A

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 Comments

September 23, 2022:

Yes, cleared.

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

September 26, 2022:

We note that the project includes a risk certification screen as an attachment. However, it is not clear how the project screened labor, access to natural resources, indigenous peoples and others related environmental and social risks. Please provide more elaborated information of: 1) how the project screened all the Minimum Standard risks 1-9 and 2) plan for further detail environmental and social screening, assessment, and management plan before the CEO endorsement stage.

October 20, 2022:

Please ensure the comment is addressed in the ESS Risks section in the Project description (the text has not changed from the previous version). Both points 1 and 2 needing more elaborated information and made in the previous review need to be clearly explained in the ESS Risks section.

October 21, 2022:

Thank you for the additional information uploaded in the document section. Cleared.

Agency's Comments

October 21, 2022:

Noted. A FAO's ESS screening checklist has now been uploaded to the GEF portal. The GEF Portal does not have a field to insert written inputs to the ESS Risk section. Nevertheless the uploaded file contains detailed information on FAO's ESS screening process and plans for further ESS screening during project preparation.

October 18, 2022:

FAO has a risk certification screening process that covers minimum standards 1-9. Depending on the risks that are highlighted, additional follow up questions are answered that help determine the risk of the project.

As usual with GEF projects, FAO will carry out a more detailed environmental and social screening at PRODOC stage once more details are known related to the project sites and types of interventions. FAO will hire an independent expert to carry out the screening and management plan as needed.

Annex E: Rio Markers

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

Secretariat's Comments

September 23, 2022:

Yes, cleared.

Agency's Comments

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments

September 23, 2022:

Yes, cleared.

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

provide a detailed review table to assess the project capacity on generating revenue. If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments N/A

Agency's Comments

9 GEFSEC Decision

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

Secretariat's Comments

September 26, 2022:

Not yet, please address the comments raised in the review. To facilitate the review process, please highlight the modified text in the PIF and clearly indicate in the review sheet where the changes have been made.

October 20, 2022:

Not yet, please address the remaining comments. In doing so, please highlight in yellow the new or modified text and remove the highlights made in the previous version. Importantly: please ensure all the agency's responses are included in the review sheet, including those made at the first review (they are all missing at this stage).

October 21, 2022:

Thank you for addressing the comments. The PIF and PPG are now recommended for technical clearance.

Agency's Comments

Agency's Comments

October 18, 2022:

Comments have been addressed highlighting the new text in Yellow.

October 21, 2022:

Comments have been addressed highlighting the new text in Yellow and green.

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

Secretariat's Comments

September 26, 2022:

N/A at the first review.

October 20, 2022:

N/A at the second review.

Agency's Comments

Review Dates

	PIF Review	Agency Response
First Review	10/4/2022	
Additional Review (as necessary)	10/20/2022	
Additional Review (as necessary)	10/21/2022	
Additional Review (as necessary)		
Additional Review (as necessary)		