

# Scaling up biodiversity-positive and culturally inclusive agrifood and agritourism systems in Palau

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**  
11583  
**Countries**  
Palau  
**Project Name**  
Scaling up biodiversity-positive and culturally inclusive agrifood and agritourism systems in Palau  
**Agencies**  
FAO  
**Date received by PM**  
2/9/2025  
**Review completed by PM**  
9/25/2025  
**Program Manager**  
Celine Augereau ep Coisy  
**Focal Area**  
Biodiversity  
**Project Type**  
GBFF

PIF  
CEO

## 1. General Project Information

**a) Is the Project Information table correctly filled, including specifying adequate executing partners? b) Are the project tags properly selected, i.e. any tag on 'support to IPLCs' or KMGBF target is justified given the project description.**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes cleared

Agency Response

**c) Are the Rio Markers for CCM, CCA, BD and LD correctly selected with corresponding CCM, CCA, BD and LD benefits made explicit in the project objective, log-frame and/or theory of change?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes cleared

Agency Response

## 2. Project Summary

**a) Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs and other key expected outcomes?  
b) Does the summary capture the essence of the project?**

Secretariat comment at CEO Endorsement Request

07/09/2025

Cleared

05/27/2025

Please also complete this summary by giving elements on the current situation in regards of environment and precising the globally significance of the biodiversity to be targeted by the project.

03/03/2025

a) The summary is clear. Please, also precise with the CI targeted, the GEBs to be delivered.

b) Yes cleared.

Agency Response

Response to 5/2025 comments

a. The project summary has been updated accordingly. Please refer to items highlighted in yellow for the specific updates.

Response to 3/2025 comments

a. The project summary has been updated to include the CI targets and GEBs to be delivered. Please refer to the items highlighted in yellow for the specific updates.

### 3. Project Description Overview

- a) Is the project objective statement concise, clear and measurable?
- 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?
- c) Are gender dimensions, knowledge management, and M&E included within the project components and budgeted for?
- d) For multi-Trust Fund projects with GEFTF financing, are the GEFTFT Project Financing and Co-Financing contributions to PMC proportional?
- e) Is the PMC equal to or below 10% (for projects with GEF project financing less than or equal to \$2 million) or 5% (for projects above \$2 million)? If above, is the justification acceptable?

Secretariat comment at CEO Endorsement Request

08/27/2025

b)

Component 1 :

- 1.1: Cleared.

- 1.2: Cleared.

- 1.3: Cleared.

Component 2:

- 2.1: Cleared.

- 2.2: Cleared.

Component 3: Cleared

07/09/2025

b) We take note of the fact that consultations with stakeholders have not been sufficient and that they are causing a substantial decline in the initial objectives of the project. However, we expect this project to allow systemic changes in agricultural practices and to address drivers of biodiversity loss. Considering the small areas targeted by the project now, we expect that the activities to be clearly described and detailed, to explain the purpose and the systemic approach that will be implemented, that would lead to important changes in practices. Consequently, we expect the results framework to propose result indicators that significantly measure those systemic changes. We are therefore waiting for the revision of this framework of results. Consider also reintroducing the core indicator 9.5.

Furthermore, here are the comments on the current components, outcomes and outputs with revised targets downwards.

#### •Component 1:

- Output 1.1: Please explain how the different administrations will work together and the governance that will be implemented with all stakeholders to consider biodiversity in other policies. Explain the method to be implemented to design this strategy. In particular, how the

biodiversity assessment will be done before drawing the strategy, precise the issues and the objectives of this strategy and how it will be then implemented. Explain how a landscape approach will help in that approach.

Please detail how this plan will, for example, permit to preserve important areas of biodiversity (prior identification of such areas), avoid habitat fragmentation, restore ecological corridors (assessment of such corridors for important species), conserve important local species...

Provide in the project results framework indicators that can measure the systemic change of such approach.

- Output 1.2: Please precise and describe what are the incentives to be implemented. Precise if they are fiscal incentives, paiement for ecosystems services, or others. If paiement for ecosystem services are implemented please explain for which ecosystem services. Explain the role of IPLCs in such objective. Provide in the project results framework indicators that can measure the systemic change of such approach.

- Output 1.3: Please describe with precisions what are the biodiversity-positive practices, the culturally-inclusive practices, and innovations. Please also describe the nature based solutions that would be also implemented in the food system. This output should be related to output 1.1. Please explain how the strategic document will lead to the integration of conservation approach (identification of BD important areas, important species, importance of corridors...) and integration of those practices in school curriculum. Please precise how this understanding and approach to nature conservation will allow a change in the development of agriculture preserving nature, by training young people.

#### •Component 2:

- Outcome 2.1: This outcome targets national capacities to be strengthened. Please provide indicators in result framework to assess at national level the achievement of this outcome, and how the project has permitted systemic changes at institutional level.

- Outcome 2.2: Could you please, precise and describe the blended finance initiatives to be implemented ? Please provide indicators in the result framework to follow the systemic changes that this approach will gain. Please describe activities linked to restoration and the purpose. Please, consider increase the target in terms of restoration. How this connect with areas of important biodiversity around?

For each output, please describe the activities to be implemented.

As the component 2 expect results at national level, please, consider to increase the targets for outputs 2.2.1, 2.2.2, 2.2.3

•Component 3: Please consider explaining how this project could introduce systemic changes in education, in curriculums and knowledge sharing by promoting better consideration on biodiversity and environment in agriculture. Explain how the project could provide inputs for ministry of education to improve their curriculums.

Please adapt the result framework consistently.

- Output 3.1: please describe what is going to be monitored exactly. The project document refers to "biodiversity quality at farm and landscape levels". Please precise what is expected at landscape level. Explain what are exactly the activities to be implemented to work with national programs (forest inventory, bird monitoring, mangrove assessments...).

- Output 3.2: please describe the activities that will be implemented. Please explain how those activities could provide long term results.

- Output 3.3: please consider increasing the target.

05/27/2025

b) Currently the project, selected in different other propositions, does not respect its previous ambitions. And the core indicators had been submitted to so important changes that it cannot now achieve the initial objective to scale up the sustainable use of biodiversity and maintain the ecological integrity of agro-ecosystems at Palau's national level, in the areas recommended in the 2023 Agricultural Sector Diagnostic Assessment.

03/03/2025

a) Yes cleared.

b)

Components, outcomes, outputs : cleared

Please make every effort to capture project co-benefits on GEF core indicators, including climate mitigation co-benefits on Core indicator 6, following the Guidelines on the GEF-8 Results Measurement Framework ([https://www.thegef.org/sites/default/files/documents/2022-09/Results\\_Framework\\_Guidelines\\_2022\\_06\\_30.pdf](https://www.thegef.org/sites/default/files/documents/2022-09/Results_Framework_Guidelines_2022_06_30.pdf))

c) Yes, cleared.

A gender plan is provided with a good analysis of the women situation in the farming and agriculture activities in Palau. The project has well addressed the risk for the women to be confined in those activities and plan to achieve a gender-based equity in activities linked to farming and agriculture. Traditionally, women dominate farming in Palau, while men are more involved in fishing and hunting. Component 1 target to Ensure gender responsiveness is included across all policy changes. Education and knowledge management are included in component 2 and 3. The Outcome 3 will address the barrier - limited knowledge, communication, monitoring, and gender mainstreaming. A dedicated budget is provided in the gender and action plan.

d) NA

e) Yes cleared. The GEF financing part to PMC is 8,8%.

## Agency Response

### Response to 7/2025 Comments

The "Project Description" section and results matrix have been revised to address the comments received. All changes and updates have been highlighted in yellow for ease of reference.

With reference to Core Indicator 9.5 "Number of low chemical/non-chemical systems implemented", this may not be directly suitable for this project, as the proposed interventions in Palau focus on integrated biodiversity-positive farming systems rather than the establishment of a single, discrete "low-chemical" production system. Palau's agricultural sector uses relatively low levels of synthetic inputs due to smallholder, subsistence-oriented production, and the national context is characterized by limited use of intensive chemical-based agriculture. The project's contribution will therefore be incremental improvements to existing low-input systems, integrating agroforestry, soil restoration, native species planting, and climate-resilient practices, rather than replacing high-chemical systems with non-chemical ones. Given this context, Core Indicator 3 (Area of land and ecosystems under restoration) and Core Indicator 4 (Area of landscapes under improved

practices) have been retained, as they more accurately capture the project's intended biodiversity and sustainable land management outcomes

Response to 5/2025 Comments

b) The 2023 Agricultural Sector Diagnostic Assessment report refers to circa 10,714ha of land that is potentially arable, but not necessarily accessible by road, making its development at this level of land area not feasible within the project time frame. The Government of Palau views this project as a catalytic pilot that will inform and lay the groundwork for broader agricultural transformation over the next 10-20 years. Please note that majority of the arable land in Palau are still inaccessible and as a result its biodiversity is currently safeguarded.

Without a sustainable, biodiversity-positive agricultural model, there is a risk that prevailing commercial farming practices could undermine biodiversity. As such, this project intends to establish such a model by (i) promoting PPP approach whereby Palauans are actively participating in commercial farming to increase locally produced crops, (ii) demonstrating that biodiversity can be mainstreamed in the design and management of commercial farm; and (iii) developing an agriculture curriculum that will contribute to building interest and capacity of the next generation of Palauan farmers.

The project builds upon the achievements of the GEF-6 project, particularly in mainstreaming biodiversity through state-level land use planning. A key gap remains the absence of a replicable model for biodiversity-integrated agriculture in Palau. This initiative addresses that gap, while also tackling critical challenges identified through national food system dialogues, such as land access, low farmer engagement, limited infrastructure, and biodiversity risks associated with current farming practices.

In parallel, the Government of Palau is working with FAO on a GCF Readiness Grant to support the development of an agricultural policy and identify gaps in building climate-resilient agriculture. The outcomes of this project will directly inform those policy efforts, which will be developed in close consultation with state governments, particularly as they hold ownership of most of the arable land in Babeldaob.

Please also refer to the updated discussion under Section A. Changes Compared to PPG request

Response to 3/2025 comments

b) The resubmission now includes discussion on climate change mitigation benefits under Core Indicator 6. Please refer to the Core Indicator section and the attached NEXT tool calculation for further details.

#### **Project Outline**

#### **4. CHANGES COMPARED to PPG REQUEST**

**4.1 Are changes to the project design, including to elements put forward in the PPG request to meet GBFF selection criteria, been described and justified. And are they acceptable?**

Secretariat comment at CEO Endorsement Request

08/28/2025

Cleared.

07/09/2025

See comments above in ? 3.

The funding allocation among the focal areas has changed from GBFF action areas 5,3 ,6 at PPG request, to only action area 6 at CEO ER. Please justify this changes. Even if the project is aligned with action area 6, those changes are important in terms of ambition and impacts.

05/27/2025

Currently the project does not respect its previous ambitions, and the new proposition is quite far from the PPG proposition. Given it has been selected was selected after a competitive process, this is not acceptable. Minor changes can be made, please reconsider the project while respecting the original level of ambitions.

03/03/2025

4.1)

Between PIF stage and CEO ER there are a significant difference in the objectives. The area of existing farms under improvement has change from 473 Ha to 250,9 Ha. In the GEF-8 PPG Request for GBFF Projects the target was 11,151 ha including 437ha of existing farms in Babeldaob, and up-scaling across a total of 10,714 ha covering the recommended agricultural zones and farming sites identified in the 2023 Agricultural Sector Diagnostic Assessment. In the CEO ER there is no mention of the 11151 Ha and the scaling-up until 10714ha.

- Please clarify the surfaces really concerned by the project and what activities are really going to be done.

- Please justify the significant reduction in GEBs (at the same project cost) given this project was competitively selected at the PIF stage taking into account much higher results.

- What are the land use planning and/or management interventions to mainstream biodiversity at the district level. Currently there appears to be a disconnect between management/planning work at the national level and how this will filter down to the landscape level. Preparing and implementing district or landscape management plans with biodiversity mainstreamed, could therefore increase the GEBs beyond the specific site level interventions for sub-indicator 4.1.

## Agency Response

Response to 7/2025 comments

The change in focal area allocation from GBFF Action Areas 5, 3, and 6 (as indicated at PPG stage) to solely Action Area 6 (as reflected in the CEO Endorsement Request) was made in direct response to GEF Secretariat feedback dated 5 April 2024. In that communication, it was recommended either providing a more robust justification for alignment with Action Areas 3 and 5 or removing these focal areas and reallocating the corresponding programming of funds to Action Area 6.

Given that the project is national in scope and its core objective is to improve agricultural production practices towards more sustainable, biodiversity-positive systems, GEFSec had previously confirmed that it aligns strongly with GBFF Action Area 6. In light of this, and to ensure clarity, focus, and strategic alignment with GBFF priorities, the decision was taken to consolidate all programming under Action Area 6.

A review of the project scope and intended results confirmed that the proposed interventions?centered on improving agricultural production systems to be more biodiversity-

positive, culturally inclusive, and climate-resilient?are most directly aligned with GBFF Action Area 6: ?Production systems positive for biodiversity?.

While this change narrows the range of action areas, it enhances the coherence of the project design, strengthens the alignment between the project?s interventions and GBFF Action Area 6 objectives, and maintains ambition in terms of impacts on biodiversity conservation and sustainable agriculture.

Response to 5/2025 comments

- Please refer to above explanation in item 3. Project Description Overview

Response to 03/2025 comments

- The area of existing farms has changed from 473ha to 250.9ha based on the calculation of 300 farmers each with an average of 0.8ha farm size, plus the area of the model farms that will be developed (8.9ha). The total area under improved management to benefit biodiversity is 250.9 ha. The surfaces concerned by the project are therefore farms and the activities will be improved farming practices undertaken by farmers who are trained and supported by MAFE in biodiversity positive agricultural practices.

- The land use targets changed during consultations with MAFE and the stakeholders in the workshops. The initial target of 11,151 ha was pared back to allow for a different approach, one that stakeholders and the Government agreed, would start with the model farms and existing farms, then build up, working closely with the existing farmers to adapt and modify their land use to biodiversity-positive and culturally inclusive practices.

The scaling occurs at the farm level working with the farmers and training them. The areas concerned by the project will be each of the farms on the island of Babeldaob. Farms are small in Palau and practices vary between farmers. The justification for the change is that the Government will work closely with farmers to help them improve their practices on each existing farm site, as opposed to multiple new sites being established. This is considered a more resilient and long-term sustainable approach that will improve biodiversity, while upskilling farmers and then new farms that are established in the future will follow this model of agriculture.

In addition, model farms will prove the concept of sustainable agriculture working in Palau. Given that there is no existing model of a commercial farm in Palau that demonstrates sustainable food production (existing models are slash and burn and intensive use of fertilizer), limited capacity, and the lack of established supply chain by Palauan farmers, there is a need to have a manageable sized area where the proposed proof of concept can be demonstrated. The project will therefore contribute to the development of a commercial farm that will not only be biodiversity friendly, but also financially viable, and ultimately once that can replace the existing commercial farming model that is not suitable for biodiversity in Babeldaob Island.

- Palau has land use plans at the district level. Each State has a Master Plan that reflects the 10-year development priorities of the State. This is the equivalent of district planning, pursuant to PNCA 31 ? 102 (Trust Territory Land Planning Act). State Master Plans were developed through an intensive participatory process between 2021 and 2023, via legislated State Planning Commissions or authorized state planning teams. State Master Plans went through formal approval processes per individual state requirements. These plans were the result of the GEF6 funded project, ?Integrating biodiversity safeguards and conservation into development.? The plans informed the Palau Development Plan (2023-2026).

As noted in the Project Document, the project is acting in accordance with the Development Plan and local State regulations, including the relevant Master Plans. Ngatpang State Master Plan is most relevant to the Model Farm Site at Nekken. Development of that site will be in accordance with this plan. The farmers are located across the island of Babeldaob therefore multiple Master Plans will be followed. Further, as noted in Component 1, a strategy document to help mainstream biodiversity will be created, this will need to also align with the Palau Development Plan. Therefore, there is potential for the GEBs to be increased beyond the farms and sites.

The above explanations have also been incorporated in the "Changes compared to PPG Request" section.

#### **5 B. Project Rationale**

- a) Is the current situation (including global environmental problems, key drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective and adequately addressed by the project design?**
- b) Have the role of stakeholders, incl. the private sector and local actors in the system been described and how they will contribute to GEBs and other project outcomes? Is the private sector seen mainly as a stakeholder or as financier?**
- c) If this is a blended finance project under GBFF Action Area 4, is there a description of how the project and its financial structure are addressing financial barriers?**

Secretariat comment at CEO Endorsement Request

07/09/2025

a) Cleared

05/27/2025

a) Not cleared. Please address the comment on global significance of the biodiversity targeted. Justification can be given by situation in the hotspot, comparison with others islands, KBA, Endemic Bird Areas, World heritage sites, level of endemism ... all elements that help assess the global importance of the Palau's biodiversity at the level of the areas targeted by the project .

b) Cleared

03/03/2025

a) The current situation is described. But the environmental situation of the areas targeted by the project, in the global context, which is supposed to provide justification for the protection of the biodiversity of global importance, is not provided. Also, the level of endemism is not specified. Please provide the justification of the globally importance of the Palau biodiversity in the project areas which is necessary for GEF funding. Justification can be given by situation in the hotspot, comparison with others islands, KBA, Endemic Bird Areas, World heritage sites, level of endemism ... all elements that help assess the global importance of the Palau's biodiversity at the level of the areas targeted by the project .

The key drivers of environmental degradation are well addressed.

b)

The stakeholders are well identified, administrations, women, IPLCs groups, ... and a stakeholder engagement plan is provided in annex. Please describe the attributions of each one of the stakeholders in the project, and how they will work together, and their place in the decision making (organigram, steering committee...). In particular, give elements about the private sector, the description and their implication in the project.

The private sector is not a financier, the co-financing is mainly ensured by the government, Bureau of agriculture.

c) No, it is not a blended-financed project.

## Agency Response

Response to 05/2025 comments

Please refer to comments and updates made in the Project Description section and results matrix sections.

Response to 03/2025 comments

a. Paragraph on the global significance of Palau biodiversity has been added in the Project Rationale section.

Response to 03/2025 comments

a. The project rationale has been updated. Please refer to the sections highlighted in yellow for the specific updates.

b. The organigram showing the institutional arrangements has been updated to provide an overview of how the stakeholders will work together in this project.

Private sector involvement in Palau is working with farmers and the businesses involved in the food value chain. This will build on and complement existing partnerships MAFE has with individual farmers, markets, supermarkets, hotels and restaurants. Component 1, and Output 1.2 specifically, refers to working with the farmers through PPPs to strengthen the food system value chain, and to help farmers get products to customers. Importantly, this will elevate the importance of biodiversity-positive, culturally appropriate agricultural practices in Palau.

Furthermore, through this project, the government will provide some financial, technical, and training to the selected farmers for PPP and develop a broader training program to engage other farmers. Private farmers will also be encouraged to learn financial literacy through possible linkage with the National Development Bank of Palau. They will also be trained on crop production planning, use on existing data platform such as Project Okeuid and AgriHub to support production planning and marketing of products.

Restaurant and retailers in Koror, the main city, will be important stakeholders for products from the farms and will be engaged to raise awareness of the farm development as well as solicit their feedback in priority local produce that they will likely source. This will contribute valuable insights to crop production planning.

MAFE will adopt an adaptive and participatory decision-making approach, ensuring flexibility and empowering private farmers, throughout this process.

## **6 B. Project Description**

**6.1 a) Is there a concise theory of change (a narrative and a diagram) that describes the project logic, including how the project design elements are contributing to the objective, the identified causal pathways, the focus and basis (including scientific) of the proposed solutions, how they provide a robust approach? Are underlying key assumptions listed?**

**b) Is there a description of how the GEF alternative will build on previous and ongoing investments (GEF and non-GEF), lessons and experiences in the country/region?**

**c) Are the project components (interventions and activities) described, proposed solutions, critical assumptions, and risks properly justified? Is there an indication of why the project approach has been selected over other options?**

**d) Incremental/additional cost reasoning: Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12? Has the baseline scenario and/or associated baseline projects been described? Is the project incremental reasoning provisioned (including the role of the GEF)? Are the global environmental benefits identified?**

**e) Other Benefits: Are the socioeconomic benefits resulting from the project at the national and local levels sufficiently described?**

**f) Is the financing presented in the annexed financing table adequate and demonstrate a cost-effective approach to meet the project objectives? Are items charged to the PMC reasonable according to the GEF guidelines?**

**g) How does the project design ensure resilience to future changes in the drivers and adaptive management needs and options)?**

**h) Are the relevant stakeholders (including women, IPLCs, private sector, CSOs) and their roles adequately described within the components?**

**i) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component design and descriptions?**

**j) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communications adequately described?**

**k) Policy Coherence: Have any policies, regulations, or subsidies been identified that could counteract the intended project outcomes? How will that be addressed?**

**l) Transformation and/or innovation: Is the project going to be transformative or innovative? Are the specific levers of transformation identified and described? Does it explain scaling up opportunities?**

**m) For blended finance project only, is the financial structure adequately explained?**

Secretariat comment at CEO Endorsement Request

08/28/2025

c) Cleared.

g) Cleared.

j) Cleared.

07/09/2025

c) See comments on component 3 in ?3.

g) To ensure resilience and transformational changes the project need to improve the targets and the scale. As it has been said in ?3, if the areas targeted by the project has been considerably reduced and the project reduced to work closer with a small numbers of farmers, the results framework need to be improved to follow the systemic changes that will be achieved. Activities need to be better explained and described to understand clearly the changes that will occur.

j) Please describe the activities to be implemented that will have impacts at regional level.

05/27/2025

c)

- Component 1: cleared
- Component 2: Cleared
- Component 3: Please address the comment: "Could you precise if there is a monitoring of evolution of quality of the biodiversity in the farms concerned by the project ? Will this assessment and evolution be monitored by the scientific community or universities?"

Implementing a landscape approach suppose not to focus only on productive areas but also on all areas working in systems, integrating, natural parts, rivers, forest, productive lands...Please explain how the evolution of the impact of the project on the level and quality of the biodiversity and the ecosystems will be made.

d) Incremental cost: Cleared

g) The project expect to change practice to permit better resilience of landscapes to climate change, to develop culture of more sustainable and performing farming ; by avoiding more soils and forested areas degradation, limiting chemicals use. In the way, it should ensure resilience of biodiversity by limiting new land degradation and deforestation, and livelihoods by developing new commercial opportunities. But currently, the change in the scale of the project does not ensure that this will be achieve.

h)

- Women: Cleared
- Private sector: Cleared
- IPLCs: Cleared

j) Not cleared. Please address the comment for the regional level.

k) Cleared

03/03/2025

a) Yes, cleared.

b) Cleared, but see comments. The project explains the coordination with the ongoing child projet (ID 11258, IUCN) under the Blue and Green Island Integrated Program and ensure that the the current one demonstrates the complementarity and added-value of the GBFF intervention. One of the important point is the public-private partnerships. Please see comment above about the description of implication of the private-sector. Please also provide elements to be sure that they won't overlap (maps and explanations)

c) Not cleared.

The different components are relevant to achieve the main objective of the project. They are well described and justified. We have a few comment on activities.

- Component 1 :

Outcome 1 : The action plan to integrate biodiversity into national plans and policies. Could you precise which plans and policies ? Could you detail which policies and plans are targeted other than agriculture (energy, urbanism, tourism, water...), that will improve inter-sectoral collaboration?

•Component 2 :

Outcome 2 : Could you please detail what kind of tourism opportunities are targeted with this project ? Could you detail if in the new farm model, any plantations of local species are planned (hedges, riparian forests...), to restore ecological corridor, help conservation of endemic species ?

•Component 3 :

Could you precise if there is a monitoring of evolution of quality of the biodiversity in the farms concerned by the project ? Will this assessment and evolution be monitored by the scientific community or universities?

There is no other options suggested. Could you precise if any other option has been considered and why this project has been selected under other options?

d) There is no incremental cost reasoning described in the project document. Please complete this part of the request. The global environmental benefits are identified (4.04ha of land and ecosystems under restoration, 250.9ha. of landscapes under improved practices, and 1,233 direct beneficiaries).

e) Yes, cleared.

f) Yes cleared

g) The project expect to change practice to permit better resilience of landscapes to climate change, to develop culture of more sustainable and performing farming ; by avoiding more soils and forested areas degradation, limiting chemicals use. In the way, it should ensure resilience of biodiversity by limiting new land degradation and deforestation, and livelihoods by developing new commercial opportunities.

h) Not cleared.

The situation of women is well described and some women groups will be involved in training and be represented in the steering committee. The PSC will be gender-balanced in composition. The project document says that the Women council will be involved too. Please describe its implication.

The private sector is supposed to be involved. But please, detailed its position in the steering committee, the private companies role in the actions. Please, also detailed if they have a financing role, the different Public Private Partnerships, and what kind of companies are involved.

IPLCs are involved in the project through different associations. Please describe the role and their implication in the steering committee, in the decision making ; their responsibilities and those of the Ministry of Community and cultural affairs. In particular, could you detail the execution activities and how they will manage the resources allocated to the project ? Are IPLCs expected to manage all financial resources ? Could you describe the partnerships that are going to be implemented with private sector ? Could you precise if their role in training is more as trainer or trainees ?

i) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component design and descriptions?

Yes cleared. See other comments on women above.

j) Not cleared.

Training and knowledge transmission is an important part of the project and this is quite well described.

On the other hand, a knowledge management (KM) plan will be created but is not yet detailed. It could be interesting to develop the plan at this stage of the project. Indeed, the activities for component 3 are not detailed. We expect the same for the communication plan to be addressed in detail in the project document for this component 3. Only youth are targeted in the document for communication plan. Could you precise if other targeted has been considered ? Which activities are planned with other islands, agencies, partners, scientific community... ?

k) Not cleared.

The project plan to integrate biodiversity into national plans and policies to address policy coherence. But it is not precised if they are any policies, regulations or subsidies that can counteract the project. Please could you precise.

l) Yes, cleared.

The project expect to develop a farming model for sustainable agriculture and to involve the young generation in new practices, and biodiversity conservation awareness. It should be transformative. The purpose to use agriculture innovations applicable to traditional and indigenous practices is innovative and should lead to new resilient way of producing local food, in a balanced supply chain. It should limit land degradation and better protect natural areas.

m) For blended finance project only, is the financial structure adequately explained?

NA

## Agency Response

Response to 7/2025 comments

c) g) Please refer to comments and updates made in the Project Description section.

h) Please refer to updates made in the Project Description section, Component 3. Output 3.2

Response to 5/2025 comments

c) Component 3. Yes, the project will include biodiversity monitoring initiatives to assess the evolution of biodiversity quality within the targeted farms and across the broader landscape. This will be done through the following:

(i) Biodiversity Monitoring at the Farm Level: The project will introduce biodiversity baselines for each participating farm, using standard indicators such as species richness, habitat structure,

pollinator presence, and soil health, among others. Agroforestry, including the use of native plants for wind barriers and pest control, will be promoted, with native plant presence serving also as an indicator of biodiversity quality.

2. (ii) Integration of Scientific Institutions and Communities: Monitoring will be implemented in partnership with the government and other project partner institutions. These institutions will guide indicator selection, establish protocols, and analyze results, creating a feedback loop that informs adaptive management.
3. (iii) Landscape-Level Biodiversity Assessment: Beyond farm boundaries, the project will draw upon and amplify data from national and partner-led monitoring efforts such as the forest inventory assessment, bird monitoring program, sedimentation assessment, among others. The project will also work with community partners to monitor changes in adjacent ecosystems.

(iv) Reporting and Adaptive Management: The KM will also be designed to incorporate documentation of biodiversity baselines and monitoring results. Results from biodiversity and ecosystem monitoring will be shared through annual reporting platforms, local stakeholder dialogues, and project learning workshops.

With the incorporation of biodiversity quality monitoring activities, the following prodoc sections were then updated: (i) Component 3 discussion in the Project Description Section, (ii) project Results Framework; (iii) project workplan; and (iv) project budget.

g) We acknowledge that the current scale of the project may limit its ability to deliver transformational change at the landscape level. Nonetheless, the project has been deliberately designed to be strategic and catalytic, aiming to demonstrate integrated models that can inform and inspire broader adoption of sustainable and biodiversity-positive agricultural practices in Palau. Within its scope, the project focuses on establishing a replicable approach that promotes sustainability, enhances resilience, protect biodiversity through biodiversity positive farming system, and contributes to livelihood improvement. This will be implemented through the following:

(i) Development of strategy document to support support Palau's agriculture development plan, mainstreaming biodiversity-positive and culturally-inclusive agricultural practices and innovations;

(ii) Promoting a Public-Private Partnership (PPP) approach to increase local participation in biodiversity positive commercial farming, environmental conservation approaches, and boost domestic food production;

(iii) Demonstrating the integration of biodiversity into the design and management of commercial farms, showing that agricultural productivity, biodiversity rich forest land conservation and environmental sustainability can go hand in hand; and

(iv) Developing a national agriculture curriculum to build interest and capacity among youth and future farmers, reinforcing long-term behavioral and cultural shifts for food and environmental security in the long run.

By focusing on targeted policy work, locally appropriate, economically viable and technically sound demonstration, and capacity building, the project aims to create an enabling environment that supports replication and scaling in the future. Additionally, the project intends to continue to work closely with government, community stakeholders, civil society organizations, private sector and complementary initiatives to amplify impact beyond project boundaries.

j) The project fully recognizes the critical need to bridge the gap between national-level planning and district- or landscape-level implementation to effectively mainstream biodiversity. While the development of formal district land use plans is not a direct output of this initiative, the project incorporates a series of strategic, scalable and catalytic interventions under Components 1, 2, and 3

that are designed to lay the institutional, technical, and social foundation for such efforts. Key interventions include:

- Output 1.1: The development of a national strategy to support Palau's Agriculture Development Plan, which integrates biodiversity-positive and culturally inclusive practices and innovations. This strategy will serve as a guiding framework that can inform and influence future district-level planning processes.

- Outputs 1.2 and 2.2.2/2.2.3: The design and implementation of incentive mechanisms and Public-Private Partnership (PPP) models to promote biodiversity-positive agriculture and agro-ecotourism. These are structured for adaptation and uptake by sub-national stakeholders, including States, local communities, and private actors.

- Outputs 2.1.1/2.1.3 and 2.2.1: Establishment of demonstration sites, including a Model Farm School, and targeted capacity building to farmers, youth and government extension workers. These interventions will serve as platforms to promote and scale biodiversity-positive, culturally grounded agricultural practices throughout Palau.

- Component 3: Knowledge generation and sharing through tailored knowledge products, regional South-South learning exchanges, and youth empowerment initiatives. These efforts aim to enable replication and scale-up of successful models, support peer-to-peer learning, and foster institutional memory across Palau and the broader Pacific region.

As also mentioned, this project builds on the achievements of the GEF-6-funded initiative, particularly in mainstreaming the integration of biodiversity considerations into state-level land use planning. A key gap that remains is the lack of a replicable, field-tested model for biodiversity-integrated agriculture in Palau. This project directly addresses that gap by establishing demonstration models and policy linkages that connect biodiversity conservation with commercially viable, culturally relevant agricultural practices.

In parallel, the project responds to priorities identified during Palau's national food system dialogues, including challenges related to land access, low farmer engagement, limited infrastructure, and biodiversity loss resulting from unsustainable farming practices. By addressing these systemic issues through an integrated, biodiversity positive and inclusive approach, the project seeks to catalyze transformational change at both policy and landscape levels. Collectively, these interventions will also contribute and provide guidance in enhancing the enabling environment for future initiatives on state and landscape-level land use plans, sustainable farming practices and biodiversity protection.

b) The activities of the IUCN GEF8 Project "Transforming Productivity in Palau's food systems through nature positive innovations project for the Republic of Palau" will not overlap with the current project. The IUCN GEF8 Project purpose is to enhance wider food systems policies in Palau, with a broader scope including nature based solutions, addressing different ecosystems at land and sea (fisher people included), including mangrove, agro-forestry areas, forests, in-shore marine ecosystems. In practice, IUCN GEF8 Project also seeks to support and fund food businesses, provide loans for food systems investments, incentives for healthier diets, conservation, and climate co-benefits, while working to specifically increase private sector financial flows to help investment in local food systems.

There are outputs and targets in the IUCN GEF8 Project for food producers on land. Some of these food producers will be the same farmers who will take part in the training in this project. However, the content is different. The training in this project is specific to helping the farmers change their

land based practices to improve biodiversity of their farms and move away from unsustainable farming practices (fertilizers, pesticides, slash and burn, invasive or non-native species).

This project focuses solely on land based activities, improving policy, education, training and farming practices to be biodiversity-positive and culturally inclusive, with components also pertaining to children, youth, and tourism with model farms. The project's purpose is specific enough that it will complement the IUCN GEF8 Project without crossing over with its activities.

To ensure alignment, MAFE will work together to ensure these projects are complementary. The PSC will also get regular updates from the Palau Food Systems Steering Committee, which will also ensure coordination between the two projects.

The map of existing farms in Babeldaob, Palau showing Protected Areas (Figure 1) illustrates the protected conservation areas across the country that the IUCN GEF8 Project seeks to improve in its project outcomes. The two model farm sites at Nekken and Ibobang are adjacent to and part of the Palau Protected Area, Ngermeduu UNESCO Biosphere Reserve, which is set to be enhanced by the IUCN GEF8 Project. The Nekken site is also partly in the Protected Area. Biodiversity on the sites will be improved by this project and this will support the work the IUCN GEF8 Project is set to do in the Protected Areas.

### c) Components and activities

#### Component 1: Outcome 1:

As noted, a strategy document will be drafted to support the development of Palau's Agriculture Development Plan (Green Growth Plan), which is currently underway. Other plans and frameworks will be touched by the strategy document, including:

- There are existing state land use plans that have identified suitable farm areas. These were developed under GEF6 project "Integrating biodiversity safeguards and conservation into development"
- Palau's Responsible Tourism Framework (intent of the pilot farm (Model Farm site at Nekken) is that it will also be an agri-tourism farm, providing an attraction that can diversify tourism in Palau (heavily weighted towards only marine tourism and diving).
- Palau Water Policy 2025-2045 -The sustainable allocation of freshwater to meet the demands for domestic, commercial and industrial water supply, agriculture and the environment.

#### Component 2: Outcome 2:

The model farm (Nekken site) is intended to be an agri-tourism farm. The farm is being planned in conjunction with an integrated port development infrastructure nearby that will include domestic fisheries, tourism, and aquaculture in Ngatpang state, which is about 20-minute drive from the proposed site. This will offer an enhanced opportunity for demonstrating a farm-to-table concept in the tourism industry that promotes sustainability and enhances the food system of Palau. One of the key priorities identified by visitors is inclusion of locally produced food in their tourist experience.

The design of the model farm site at Nekken will use the concept of Palau agroforestry farming that integrates various types of plants which plays crucial role in soil maintenance, pest control, plants of medicinal value, and plants that will have ornamental values.

#### Component 3:

MAFE will work with its partners from US Forest Service to implement monitoring that will evaluate soil erosion reduction as a result of the farm design at the Nekken site, and also with the farmers who undertake the training. Sedimentation is considered a threat to freshwater and coastal biodiversity degradation.

(d) incremental cost reasoning:

The outcome under business as usual, without any GEF investment, would be a continuation of the same land use practices for farmers with poor environmental outcomes. Noting, the IUCN GEF8 Project that is underway, which seeks to address wider food systems issues, and strengthen the supply chain for farmers.

However, as noted, farmers have no model farm or demonstration of how biodiversity-positive culturally inclusive agriculture can work at scale to produce products for consumers (local and tourists). Farming would continue as it does today, using herbicides, pesticides, practices that contribute to sedimentation and run off into waterways and low numbers of products to market.

The global environmental benefits of the project are expected to be 4.04ha of land and ecosystems under restoration, 250.9ha of landscapes under improved practices, and overall, 1,233 direct beneficiaries from the education, training and practices.

The incremental cost reasoning is that the value added by involving the GEF is set to be in enhanced farm biodiversity and community knowledge through education, training and also policy changes. Given the small population size, the small size of the farms in Palau, and the low number of farmers, the value added will contribute directly to the scaling up the sustainable use of biodiversity while maintaining the ecological integrity of agro-ecosystems in Palau's mosaics of agricultural and natural landscapes, through biodiversity-positive, and culturally inclusive, agricultural practices.

The role of the GEF in the project is therefore expected to contribute to directly improving land and ecosystems, and the associated knowledge and practices of 1,233 people. This is reflected in the indicators and targets in the results framework of the project document.

h) IPLCs: Palau is entirely indigenous led and run. Indigenous people in Palau are not a separate group, they are the people of Palau and therefore all groups are comprised of indigenous people across all aspects of society. The preferred term in Palau is IPLCs because 'local communities' resonates. This is because they are all the people in all the communities and groups. That means for the project, it is not possible to explain IPLCs as a separate group or to split the resource allocation to one group. Therefore, the role of IPLCs and their implication in the steering committee, in the decision making, their responsibilities and those of the Ministry of Community and cultural affairs, is that all of those groups are indigenous run and led. Indigenous Palauans have all the roles, in all the groups.

Accordingly, it means that indigenous Palauans will widely benefit from the project. Activities will support the IPLC's conservation, restoration, sustainable use and management of biodiversity related activities as the project will provide capacity building training, generate knowledge materials for IPLCs, integrate biodiversity in the school curricula, and establish model farms at the national and community levels. Likewise, all Stakeholders in Annex K are indigenous Palauan. That also means that IPLCs manage all financial resources, and all components of the project and associated activities.

(h) Private sector: In Palau, the PPPs that the Project Document refer to are between farmers and the Government. The Government considers engagement with the farmers as engagement with the private sector. Farmers will be contributing their time and knowledge and also their land sites for the project.

The project will also work with the private sector to consider purchase agreements for products from the farms (once established). Further, once established the project will work with the private sector in the promotion of the farm for tourism.

The private sector is not involved as trainers. Suitably qualified experts in sustainable agriculture will train the MAFE and other government staff, who will in turn train the farmers in the train-the-trainers model that the project has adopted.

(h) Women's Council: Dilisor and Ngarchotellouch (aka Otellouch) are two women's farming groups that are involved in the project and will be on the PSC. Both groups have been at the workshops.

j) KM plan and communications plan:

The National Finance, Monitoring and Reporting Specialist is tasked with preparing the KM plans. Plans will be prepared after detailed consultation with the stakeholders during the early stages of the implementation phase. Details of what is needed in that plan is added to the project document.

Regarding youth and the communications plan, at the inception and validation workshops, stakeholders highlighted the need to ensure that communications were interesting and engaging for youth, especially as education (school and college) is a key component of the project. Stakeholders included this to specifically address the issue of how to make sure youth are on board with the project, which is why it has a specific mention in the project document.

k) Counteracting policies: There are no known policies or plans that would counteract the project.

The above explanations have also been incorporated in the "Project Description" section.

## **6.2 Institutional Arrangements and Coordination with Ongoing Initiatives and Project**

**a) Are the institutional arrangements, including potential executing partners, outlined on regional, national/local levels and a rationale provided? Has an organogram and/or funds flow diagram been included?**

**b) Comment on proposed agency execution support (if agency expects to request exception). Is GEF in support of the request?**

**c) Is there a description of coordination and cooperation with ongoing GEF and non-GEF financed initiatives (e.g., government, other bilateral/multilateral).**

Secretariat comment at CEO Endorsement Request

07/09/2025

b) Cleared.

05/27/2025

a) Cleared

b) Not cleared. Please complete the document by responding the question : **Will the GEF Agency play an execution role on this project?**

03/03/2025

a) Not cleared.

An organigram is provided with different stakeholders described. But please could you precise the flow of funding for which are recipients are not given in detail? In particular it is written that IPLCs will receive resources for the execution of project activities. Could you precise?

b) Not cleared. Please complete the document by responding the question : **Will the GEF Agency play an execution role on this project?**

- Institutional Arrangement and Coordination with Ongoing Initiatives and Project

Will the GEF Agency play an execution role on this project?

If so, please describe that role here and the justification.

Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing (max. 500 words, approximately 1 page)

The project supports these existing and planned projects, and complements them as follows:

- Transforming productivity in Palau's food systems through nature positive innovations project for the Republic of Palau GEF8 (2024-2029) IUCN (known hereafter as the "IUCN GEF8 Project"). The project aims to promote nature-positive development, reduce ecosystem degradation, and integrate nature-based solutions into

c) Yes cleared.

## Agency Response

Response to 03/2025 comments

b) The GEF Agency will not play an execution role in the project. This has been reflected in the project document as well.

Response to 03/2025 comments

a). The organizational chart has been updated accordingly. Please also note that all groups in Palau are comprised of IPLCs, as explained in the above response for Comment 6H.

b) No. the GEF Agency will not play an execution role in the project.

### 6.3 GEF Core indicators and GBFF indicators

a) Are the identified GBFF and relevant GEF core indicators calculated using the methodology and adhering to the overarching principles included in the corresponding Guidelines (GEF/C.62/Inf.12/Rev.01)?

b) Are the project's targeted contributions to GEBs (measured through GBFF indicators, relevant GEF core indicators, and additional listed outcome indicators) reasonable and achievable?

Secretariat comment at CEO Endorsement Request

07/06/2025

Cleared

05/27/2025

a) Not cleared.

- Please consider updating the CI in line with the original objective.

- Please change anticipated start year of accounting to 2026 for CI 6.

03/03/2025

a) Not cleared.

Please make every effort to capture project co-benefits on GEF core indicators, including climate mitigation co-benefits on Core indicator 6, following the Guidelines on the GEF-8 Results Measurement Framework ([https://www.thegef.org/sites/default/files/documents/2022-09/Results\\_Framework\\_Guidelines\\_2022\\_06\\_30.pdf](https://www.thegef.org/sites/default/files/documents/2022-09/Results_Framework_Guidelines_2022_06_30.pdf))

b) Yes cleared.

## Agency Response

Response to 5/2025 comments

a) Please refer to the above explanation on the changes in PPG Request Form, and the limitations in line with the original target.

b) Anticipated start year of accounting in the NEXT Tool has been updated to 2026.

Response to 3/2025 comments

a) The resubmission now includes climate mitigation co-benefits on Core Indicator 6. Please refer to the Core Indicator section for further information.

### 6.4 Risks

**a) Is there a well-articulated assessment of risk to outcomes and identification of mitigation measures under each relevant risk category? Are mitigation measures clearly identified and realistic? Is there any omission?**

**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 assessed and rated and consistent with requirements set out in SD/PL/03?**

Secretariat comment at CEO Endorsement Request

03/03/2025

a) Yes, cleared.

b) Yes, cleared.

c) Yes, cleared.

## Agency Response

### 7 C. Alignment with Programming Strategies, Country/Regional Priorities

**7.1 a) Is the project adequately aligned with the GBFF Action Areas and, for MTF projects, with Focal Area objectives?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes, cleared. The project is aligned with focal area 6 of the GBFF. It is focus on national based project to improve production practices to develop a more sustainable agriculture.

Agency Response

**7.2 Is the project aligned with the National Biodiversity Strategies and Action Plans, National Biodiversity Finance Plans, and/or similar instruments to identify national and/or regional priorities. For MTF projects, is the project aligned with other relevant country and regional priorities, policies, strategies and plans (including those related to the MEAs and relevant sectors)?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes, cleared

Agency Response

**7.3 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 comment at CEO Endorsement Request

09/25/2025

Cleared.

08/28/2025

Not cleared. Please complete the results framework with indicators for the following targets. You can choose to use some indicators as recommended in the GBF monitoring framework.

<https://www.gbf-indicators.org/component-indicators>

<https://www.gbf-indicators.org/complementary-indicators>

- Target 18: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/18>)
- Target 5: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/5>)
- Target 9: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/9>)
- Target 10: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/10>)
- Target 11: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/11>)
- Target 19: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/19>)
- Target 21: Please specify the specific indicators that will be used to monitor the contribution to this target. (<https://www.cbd.int/gbf/targets/21>)

07/09/2025

The project KMGBF targets need to be reevaluated considering the changes in the project ambition. Please use the dedicated indicators for the contributions of the different targets.

Considering the targets:

- Target 14: Explain activities and indicators used to monitor the achievement of this target.
- Target 18: Please complete the component 1 to describe the activities to reduce harmful subsidies and use a consistent indicator to follow its achievement.
- Target 2: This target is related to restoration of degraded ecosystems. Currently the project has a target of only 4ha of areas restored. Please consider increase the target. To monitor the achievement of this target please use the dedicated indicators, describing areas targeted, habitats, and specify with complementary indicators of the GBF.
- Target 3: Currently the project does not plan to protect new protected areas, or to improve management in current protected areas. Remove the target or describe the activities to be implemented if the target is maintained and use the GEF core indicator related to these objectives (core indicator 1)
- Target 5: Please describe the activities to contribute to this target. Is there any inventory planned of the species targeted and of the cultural and practices of harvesting and sustainable use of wild species? In which way those practices are part of the agricultural food system, and of the farm system? Please use in the result framework the dedicated indicators.
- Target 9: Please describe the activities linked to this target and precise how they are different from target 5.
- Targets 10,11: Please complete description of the activities and results framework with indicators or complementary indicators related to this target. Currently activities in outcome 2.1 are only trainings.
- Target 19: the activities described in outcome 2.2, aiming to develop blended finance are not sufficient, or not sufficiently described to contribute to this target. Please refer to comment on ?3 about this outcome and consider increase your ambition.
- \_ Target 20,21 : Please better described activities in component 3 linked to cooperation and collaboration with scientific institutions. Complete the results framework consistently with appropriate indicators to monitor the contribution to this target.

03/03/2025

Yes, cleared

## Agency Response

Response to 8/2025 comments

Thanks for the review comment. The project results framework has been updated to highlight the project's contributions by including the target-specific indicators, such as Target 18, Target 5, Target 9, Target 10, Target 11, Target 19, and Target 21. The revision are highlighted in yellow.

Response to 5/2025 comments

The section on "Alignment with GBFF Action Areas" has been updated to incorporate the comments.

#### **8 D. Policy Requirements**

##### **8.1 Are the Policy Requirement sections completed?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes, cleared.

Agency Response

##### **8.2 Is the Gender Action Plan uploaded?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes, cleared

Agency Response

##### **8.3 Is the stakeholder engagement plan uploaded?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes, cleared.

Agency Response

##### **8.4 IPLCs:**

**a) Has the amount of GBFF project financing to support actions by IPLCs been sufficiently justified and have changes compared to PPG request stage, if any, been adequately justified?**

**b) If applicable, does Section C 'Project Description' describe the IPLCs who will benefit from the project and detail their role in the project? Have appropriate project tags related to IPLCs been selected?**

Secretariat comment at CEO Endorsement Request

05/27/2025

b) Cleared

03/03/2025

a) Yes cleared. The amount of financing to IPLCs has evolved from 201,872 USD to 491,400 USD.

b) Not cleared. See comments above. Please precise who will benefit the project financing ? Precise the exact roles.

## Agency Response

b) As noted in the responses above, all Palauan citizens are recognized as indigenous. Accordingly, the proposed project is specifically designed to deliver direct benefits to indigenous communities.

### 9 Annexes

#### Annex A: Financing Tables

#### 9.1 GEF Financing Table and Focal Area Elements: Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available?

Secretariat comment at CEO Endorsement Request

07/09/2025

Cleared.

05/27/2025

a) Not cleared. Please update all the tables consistently.

b) Cleared.

03/03/2025

Not, cleared.

a) There is a change in the financing table between PPG and CEO ER.

- CEO ER

#### Total GEF Financing Table

Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds. All GEF sources of funds should be included here.

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing(\$)
FAO	GBFF	Palau	Biodiversity	GBFF Action Area 6	Grant	1,009,361	95,889	1,105,250.00
Total GEF Resources(\$)						1,009,361.00	95,889.00	1,105,250.00

- PPG

## GEF Financing Table

Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing(\$)
FAO	GBFF	Palau	Biodiversity	GBFF Action Area 6	Grant	605,617	57,533	663,150.00
FAO	GBFF	Palau	Biodiversity	GBFF Action Area 3	Grant	201,872	19,178	221,050.00
FAO	GBFF	Palau	Biodiversity	GBFF Action Area 5	Grant	201,872	19,178	221,050.00
Total GEF Resources(\$)						1,009,361.00	95,889.00	1,105,250.00

Please confirm that there is no change in the Action areas programming of fund and update the different tables consistently for the 3 Action areas.

b) M&E budget at 8% the project budget is higher than the recommended threshold of 5% for projects of similar size. Please consider revising the budget.

## Agency Response

Response to 5/2025 comments

a. The GEF financing table has been updated previously to reflect the project alignment with GBFF Action Area 6. This is in view of the GEF feedback received dated 5/4/2024 which stated that "better explain alignment with Action area 3 and 5 or remove and shift corresponding programming of funds to Action area 6." Moreover, previous GEF comment dated 3/3/2025 provided clearance on the project alignment with GBFF focal area 6 given that this is national based project which aimed to improve production practices towards a more sustainable agriculture. Please refer to the above comment on Section 7C, 7.1a.

Response to 3/2025 comments

a) The action area was previously updated to GBFF Action Area 6 in view of the GEF feedback received during the PPG stage, which recommended either better alignment with Action Areas 3 and 5 or shifting the corresponding programming of funds to Action Area 6. Additionally, comments on Section 7C confirmed that the project aligns with Focal Area 6 of the GBFF, providing further justification for this adjustment.

b) The budget has been updated accordingly with M&E within the recommended threshold of 5%.

## 9.2 Source of Funds

**If using GEFTF resources, does the sources of funds table match with the amounts in the OFP's LOE?**

**Note: the table only captures sources of funds from the country's STAR allocation**

Secretariat comment at CEO Endorsement Request NA

## Agency Response

**9.3 Confirmed co-financing for the project, by name and type:**

**Noting GBFF does not require but encourages co-financing, are the amounts, sources, and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?**

**e.g. Have letters of co-finance been submitted, correctly classified as investment mobilized or in-kind/recurring expenditures? If investment mobilized: is there an explanation below the table to describe the nature of co-finance? If letters are not in English, is a translation provided?**

Secretariat comment at CEO Endorsement Request

03/03/2025

The project is co-financed with Palau Ministry of Agriculture and Environment, through the Bureau of Agriculture. The letter of co-financing is submitted, in accordance with the project document. Part of the co-financing is in kind, to contribute implementation of Component 1 in policy adaptations and institutional support, another part is investment mobilized to support Component 2 and 3 for promotion in sustainable agriculture best practices, and for monitoring and evaluation.

Agency Response

**Annex C: Project Results Framework**

**9.4 a) Have the GBFF indicators and relevant GEF core indicators been included?**

**b) Have SMART indicators been used; are means of verification well thought out; are the targets appropriate for the total project financing (too high? Too low?)**

**c) Are all relevant indicators sex disaggregated?**

**d) Is the Project Results Framework included in the Project Document pasted in the Template?**

Secretariat comment at CEO Endorsement Request

09/25/2025

a) Cleared

b) Cleared

09/02/2025

a) Not cleared. Please complete the result framework with indicators consistently with each the different targets.

b) Not, cleared. Please see comment above. The targets seems low compared to the total project financing.

c) Yes, cleared.

d) Yes, cleared.

Agency Response

Response to 9/2025 comments

a) b) Please refer to the above response. The project result framework has been updated accordingly.

**Annex D: Status of utilization of PPG**

**9.5 Is the use of PPG attached in Annex: Status of Utilization of Project Preparation Grant (PPG) properly itemized according to the guidelines?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes cleared.

Agency Response

**Annex E: Project map and coordinates**

**9.6 Have geographic coordinates of project locations been entered in the dedicated table? Are relevant illustrative maps included?**

Secretariat comment at CEO Endorsement Request

05/27/2025

Cleared.

03/03/2025

Not cleared. The coordinates are included but the map are not readable. Please project maps that can help locate the different project areas. If possible provide elements that demonstrate that this project will not overlap the ICUN project 11258 in Palau.

Agency Response

The submission now includes an updated and clearer map. Figure 1 in the Project Rationale section highlights the sites for this project, as well as those for the IUCN project.

**Annex F: Environmental and Social Safeguards Documentation and Rating**

**9.7 Have the relevant safeguard documents been uploaded to the GEF Portal? Has the safeguards rating been provided and filled out in the ER field below the risk table?**

Secretariat comment at CEO Endorsement Request

03/03/2025

Yes, cleared. The safeguard document has been uploaded.

Agency Response

**Annex G: GEF Budget template**

**9.8 a) Is the GEF budget template attached and appropriately filled out incl. items such as the executing partner for each budget line?**

**b) Are the activities / expenditures reasonably and accurately charged to the three identified sources (Components, M&E and PMC)?**

**c) Are TORs for key project staff funded by GEF grant and/or co-finance attached?**

Secretariat comment at CEO Endorsement Request

07/092025

c) Cleared. Currently the most of the Annexes are in the Prodoc. If possible upload them in the portal.

05/27/2025

b) Cleared

c) Not cleared. Currently there is no Annex M in the portal. All documents need to be upload in the portal. Please complete the TOR with all skills expected and consider adding ecology and landscape approach skills.

09/25/2025

b)

3/3/2025

a) Yes, cleared.

b) Not, cleared.

- Audit and spot checks are to be charged 100% to PMC but not to project components.

- Terminal and evaluation reports are to be charged 100% to M&E but not to project components.

- Running costs for office and administration are to be charged 100% to PMC but not to project components.

Please revise the budget consistently to GEF policies.

c) Not cleared. Please, provide the TOR for staff funded by GEF.

#### Agency Response

Response to 5/2025 comments

b) Please refer to Annex M- Terms of Reference which is now uploaded in the portal. Annex M is also included in the attached project document

Response to 3/2025 comments

b) The budget has been revised accordingly, reflecting the feedback received and ensuring alignment with recommendations.

c) Please refer to Annex M: Terms of Referece in the attached project document.

#### **Annex H: Blended Finance Relevant Annexes**

**9.9 a) Does the project provide sufficient detail (indicative term sheet) to assess the following criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments.**

**b) Is the Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat comment at CEO Endorsement RequestNA

#### Agency Response

##### **Additional Annexes**

##### **10. GEFSEC DECISION**

##### **10.1 GEFSEC Recommendation**

**Is the project recommended for approval?**

Secretariat comment at CEO Endorsement Request

The project is now ready and recommended for CEO endorsement.

09/02/2025

The project is still not ready yet. Please address the comments.

07/09/2025

The project is still not ready yet. Please address the comments.

05/27/2025

The project is still not ready yet. Please address the comments.

03/03/2025

The project is not ready yet. Please see the comments to be addressed.

**10.2 Additional Comments to be considered by the Agency during the inception and implementation phase**

Secretariat comment at CEO Endorsement Request

**10.3 Review Dates**

	<b>CEO Approval</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>3/3/2025</b>	
<b>Additional Review (as necessary)</b>	<b>5/27/2025</b>	
<b>Additional Review (as necessary)</b>	<b>7/11/2025</b>	
<b>Additional Review (as necessary)</b>	<b>9/2/2025</b>	
<b>Additional Review (as necessary)</b>	<b>9/25/2025</b>	