

Inclusive Sustainable Rice Landscapes in Thailand

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10268

Countries

Thailand

Project Name

Inclusive Sustainable Rice Landscapes in Thailand

Agencies

UNEP

Date received by PM

12/11/2020

Review completed by PM

6/21/2021

Program Manager

Paul Hartman

Focal Area

Multi Focal Area

Project Type

FSP

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No, Table A should only include one FOLUR IP outcome, not multiple outcomes based on Focal Areas (which should appear in Table D). The Agency should edit the Table A Focal Area Outcomes field to read as follows: ?Transformation of food systems through sustainable production, reduced deforestation from commodity supply chains, and increased landscape restoration.? Please revise accordingly.

03/31/21

Yes, the project remains aligned with the relevant FA elements.

Cleared

Agency Response

11 Mar 21

This table has been changed accordingly.

Project description summary

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. This expected start and completion date in the CEO ER indicates that this is a 3 year (36 months) project, while the duration below is 60 months. In addition, the project duration is 4 years in the Prodoc and 5 years in the Portal. Please correct the anticipated start and completion date and make the project duration consistent throughout the documents.

2. Objective: It's not clear in the objective what is meant by 'transform the Thai rice value chain for environmental sustainability.' Please clarify the language.

- Also, the objective changed to 'upscaling the Sustainable Rice Platform (SRP)' from 'Good Agriculture Practices' at PFD stage. This is actually a more restrictive and less impactful objective. Please provide further justification for this change.

3. Table B

a) All indicators should have similar format presenting quantifiable indicators with expected targets. For example,

1.3 -> # of agreement 'established' 'in force'?

1.4 -> # of PPP agreements or # of chemicals/ amount of chemicals reduced?

2.3 -> # of programs 'developed'?

For indicators aligned with GEF Core Indicators, please state them in sub-indicator level if an indicator aligns with the sub-indicator. For example: Indicator 2.2.3 aligns with GEF core indicator 4.1.

b) Component 1

- Output 1.1. isn't a concrete output. The language used is also unclear.

- indicators 1.2 & 1.4 are not clearly stated nor quantifiable

c) Component 2

- This should be an investment not Technical Assistance as a 'financing type'?

- Please simplify outcome 2 and use clearer language

- Please simplify output 2.2 and use clearer language

- As written, sub-indicator 2.4 doesn't appear to be measurable.

d) Component 3

- Output 3.1 reads more like an indicator than an output

-Subindicator 3.3 needs to be simplified with clearer language

-Subindicator 3.4 should be edited.

Component 4

-There is no output related to regional (eg. Vietnam) or global linkages (eg. through the Global Platform), which are important aspects of the FOLUR program.

03/31/21

1. In Part I. "Project Information" of the portal CER, the start and end dates entered still equal 3 years and the project duration remains 60 months or 5 years. Please revise to reflect the accurate start and end dates and project duration.

2. The justification provided is sufficient. Comment cleared

3. Table B

a) comment cleared

b) comment cleared

c) Component 2

-Financing type remains technical assistance (policy), which doesn't accurately reflect the nature of the activities in the component. This should be changed.

-No changes have been made to output 2.2 as previously requested

-Other comments under component 2 are cleared

d) Component 3

- No changes have been made to output 3.3 as previously requested

- Indicator 3.3 - Is the 20M generated different than the co-financing from BAAC? The agency should be aware that money already committed through co-financing wouldn't count as additional investment generated through component 3. The Agency should make clearer the line between co-financing and additional investment that would be attracted as project activity?

- Other comments under component 3 are cleared

Component 4- comment cleared

4. The agency has included an increase of the PMC from 5% to 8%, which represents a 60% increase overall. While GEF policy does consider "refinements" of the PMC, any request above the thresholds indicated requires justification that the GEF Secretariat assesses and decides whether to approve it. The current justification provided for the PMC increase is insufficient, particularly given the size of the requested increase, and given its limited nature it makes it hard for us to evaluate the real need for an increase of the PMC. We require the agency to provide more specifics about what extra costs are proposed to cover and what is different in this project from other similar ones that justifies this request. Even without this, we would recommend that the agency considers a less ambitious request.

05/03/21

1. The start and end dates have been revised and are consistent in the CER and ProDoc. Cleared.

3c. Revisions under component 2 are sufficient. Cleared

3d. Component 3 output 3.3 has been sufficiently revised and is cleared.

- Indicator 3.3, which now reads 'Engaging with financiers for possible impact and blended financing,' needs to be revised to something that is clearly and easily measurable.

4. Thank you for providing a more detailed justification on the increase of the PMC. GEFSEC has determined that while the response provided may justify a modest increase to the PMC (e.g. 1%), it doesn't substantiate as significant an increase to the project PMC as has been proposed. Please revise the PMC amount accordingly.

06/21/21

- Indicator 3.3- change made is sufficient. Cleared

- PMC has been reduced to an additional 1.49%, which is reasonable based on the previous rationale provided and is cleared. Note that the a comment has been included in the CER in the comment section under Table B stating that the request for PMC is 8%. However, the approved total represents 6.4% of \$5,198,575 USD. Please correct this comment to reflect the cleared percentage amount.

In addition, please address the following:

- As GIZ is one of the Executing Partners, please add the respective "type" for GIZ in Executing Partner Type (currently shown as government).

07/29/21

- The note explaining the PMC amount has been corrected in the comment section under Table B.

- The organization 'Type' for GIZ has been changed.

The project design is appropriate to achieve the expected outcomes and outputs

Cleared

Agency Response

Agency Response 23 July 21:

Thanks for notifying this. We have updated the reference to GIZ as lead EA on the Portal

The figure 8% referred to the Portal. This was an error, we apologize. This has been changed to 6.4% in the new submission.

Agency Response 9 June 21:

Thanks, Indicator 3.3. has been revised ? pls see CEO ER table B, as well as Appendix 4 Results Framework. It now reads: *Engaging with financiers for possible impact and blended financing beyond the 20 million confirmed as investment co-financing?*. With end of project target: *At least one business plan and financing package (in USD) agreed for post project, benefitting investments beyond the 20 million secured co-financing in sustainable rice production practices and landscape protection?*

The budget tables, ProDoc and CEO ER have been revised accordingly: PMC cost now stand at 6.49% of the total. Please rest assured we have done all we could to reduce the PMC within the specific context of the project execution structure, available co-finance resources & restrictions, and related PMC costs.

This reduction in the PMC (see below) had the consequence that we needed to remove staff positions 1101-1104 from the PMC cost category. In terms of staff functions and responsibilities, this is appropriate since project coordination/management must be an integral part of any technical expert; furthermore, component 4 alone already includes the requirement of a M&E/management function.

This change also required a slight change in the titles of these positions. The purely administrative management functions linked to positions 1301-1302 are now fully booked under PMC (according to GEFSEC recommendation). We have revised Appendix 11-TOR to accommodate these changed job descriptions.

11 Mar 21

To 1) Project duration is 4 years, this was a typo as well as wrong entry on the GEF Portal. The date has been changed accordingly.

To 2) Similar to the phrasing of the IP FOLUR outcome stated above, the project interventions aim at transforming the Thai rice sector through implementation of the

SRP Standard. SRP is not just good agricultural practice alone, but also addresses the environmental, social, and value chain aspects of rice production. By embedding the SRP Standard in a landscape approach, transformation is following a holistic approach that goes beyond pure agronomic considerations. Because the term "good agricultural practice" as currently used can mean many different things, we think this sharpens the objective to become more impactful. Additionally, the whole concept of the project revolves around collaboration among institutions and private sector actors that are members or collaborators of SRP, who regard this branding important for achieving actual transformation.

To 3) The outcomes, outputs and indicators have been changed according to the suggestions, please refer to the CEO ER and the other documents.

Component 4, Output 4.3 explicitly targets regional and global cooperation through appropriate platforms. Please also refer to the Workplan & Timetable, Appendix 5 of the ProDoc.

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1. In Part I. "Project Information" of the portal CER, the start and end dates entered still equal 3 years and the project duration remains 60 months or 5 years. Please revise to reflect the accurate start and end dates and project duration.

UNEP Response 28 April 2021 : Our apologies. The project duration is 48 months (4 years); now corrected with the 3rd re-submission on the portal. Sent an email request to GEF Sec IT team to amend the project duration from 60 months to 48 Months as it is not possible from the agency level.

2. The justification provided is sufficient. Comment cleared

3. Table B

a) comment cleared

b) comment cleared

c) Component 2

-Financing type remains technical assistance (policy), which doesn't accurately reflect the nature of the activities in the component. This should be changed.

UNEP Response 28 April 2021: We have changed Comp 2 to **Investment** type.

-No changes have been made to output 2.2 as previously requested

UNEP Response 28 April 2021: This change in output formulation was overlooked previously. It has been changed accordingly in the CEO ER, ProDoc, Results Framework, and all documents were relevant. It now reads: "Government partners (MoAC, RFD, provincial administrations of UR&CR) implement landscape management plans through investments that reduce negative environmental impacts and restore ecosystem/water services of HCVF for agricultural areas such as Mega Farms"

-Other comments under component 2 are cleared

d) Component 3

- No changes have been made to output 3.3 as previously requested

UNEP Response 28 April 2021: Sorry for omission. This has now been changed accordingly in the CEO ER, ProDoc, Results Framework, and all documents were relevant. It now reads: "Financial instruments and investments mobilized and agreed with private sector, government partners and rice producers for scaling up sustainable rice value chains and landscapes (Revolving Fund , BAAC Green Loan Program, Green Bonds)?".

- Indicator 3.3 - Is the 20M generated different than the co-financing from BAAC? The agency should be aware that money already committed through co-financing wouldn't count as additional investment generated through component 3. The Agency should make clearer the line between co-financing and additional investment that would be attracted as project activity?

UNEP Response 28 April 2021: The 20 Mio to be generated is not supposed to be different from the co-financing, because in its true nature this is a business planning and budgeting process ? just like any other co-financing over the life of a GEF project, and this money is meant to be mobilized (as loans) during project implementation. Yet, we hope the way how BAAC engages in the project has been made clear and transparent. In order to avoid any double counting, we have changed Indicator 3.3 accordingly. Please refer to the new version of Indicator 3.3 in the CEO ER document (page 5) and Results Framework (Appendix 4 of ProDoc). Indicator 3.3 now reads: "Engaging with financiers for possible impact and blended financing?, with *Midterm target* - Advanced discussions with 2-3 financiers for future funding post project; and *End of Project Target* - At least one business plan and financing package agreed for post project, benefitting investments in sustainable rice production practices and landscape protection.

- Other comments under component 3 are cleared

Component 4- comment cleared

4. The agency has included an increase of the PMC from 5% to 8%, which represents a 60% increase overall. While GEF policy does consider "refinements" of the PMC, any request above the thresholds indicated requires justification that the GEF Secretariat assesses and decides whether to approve it. The current justification provided for the PMC increase is insufficient, particularly given the size of the requested increase, and given its limited nature it makes it hard for us to evaluate the real need for an increase of the PMC. We require the agency to provide more specifics about what extra costs are proposed to cover and what is different in this project from other similar ones that justifies this request. Even without this, we would recommend that the agency considers a less ambitious request.

UNEP Response 28 April 2021: We have strengthened the description of our reasoning on this topic in section 7.1 of the ProDoc (Overall project budget).

It now reads:

146. Due to the complex inter-institutional and intra-governmental cooperation structures (four national ministries plus provincial branches, corporate partners, NGO, university partners, etc.) and geographically separated intervention sites within each province requiring extra due diligence for contract and logistics management of the project, higher costs on provincial project coordination and related project management are requested at 8% PMC instead of the 5% (agreed at PIF). In particular, this relates to increased project need and related costs for:

- Coordination requirements with four ministries, i.e., Ministry of Agriculture and Cooperatives, Ministry of Natural Resources and Environment, Ministry of Finance, and Ministry of Interior (regarding provincial governments), including for each their provincial entities with their own specific mandates, in the two targeted provinces as well as related to the coordination and incremental support to the various baseline programs being run by the provincial governments. Additionally, due to Thailand's recently heightened climate ambition (e.g. in the agricultural sector), Component 1 alone (policy) already requires significantly increased coordination and communication efforts regarding policy makers yet this is increasingly strained due to the economic impacts to government resources by COVID (see below).

- Increased coordination requirements regarding SRP e.V. and other subcontractors. Due to SRP Secretariat's limited staff; staff/experts hired under the SRP subcontract will focus on technical tasks, not project management; this also pertains to other subcontracts under budget section 2100; and to fully meet the applicable GIZ yet also, GEF and UNEP fiducial standards, extra time, oversight missions, reviews and project management resources are required.

- Need for compensation of reduced spending of government partners for operations and administrative processes due the COVID-19 pandemic. In particular, the Rice Department has already reduced its budgets and expenditures on provincial staff and operations and this situation can be expected to continue way into project implementation especially now Thailand is experiencing its worst COVID (3rd) wave of infections whilst not having a vaccination program ready. Personal communications with the Rice department indicated that the reduced budget will directly affect project work regarding provincial working groups and government staff time made available to the project. This requires a strong PMU including at provincial level (PIU) which results in higher PMU costs than a "standard" GEF project in non-COVID times..

- Compensating for a generally reduced spending by government, private sector partners, and target groups due to the worsening economic situation. According to WB, Thailand's economic outlook is deteriorating (e.g. it is estimated that Thailand's economy could contract by as much as 10.4% this year as trade and tourism are severely dampened by Covid-19, with the ongoing drought and floods adding to the impacts), which will reportedly be expected to continue for several years even if the pandemic situation would improve. The project will highly depend on successful coordination with provincial working groups and use of local infrastructure, which will require additional

support by project management. Additional information on the worsening economic outlook of Thailand (both fiscal,

- The increased coordination efforts associated with GIZ's financial controlling, auditing and contracting requirements at Bangkok headquarter and province level, which are reflected in (UNEP budget) PMC costs of staff positions 1101-1104 and 1301, taking care of these responsibilities.?

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

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. We note that the Thailand Rice Department DG has signed a co-financing letter including contribution from other institution and local Governments (only ONEP confirmation is provided through an additional letter). Please confirm that the Rice Department has authority to sign on behalf of other government co-financiers. Please justify.

2. The OLAM co-financing letter is unclear: \$3.4 million per year should be \$17 million in total for this 5-years project. In addition, the letter mentions in-kind contribution, the amount of which is not indicated in the letter or co-financing table.

3. The co-financing letter from Urmatt Ltd doesn't make it clear whether this is grant or in-kind financing. This should be clear in the letter. Moreover, the Annex to the Urmatt co-financing letter informing about the supported activities is not attached.

4. The co-financing from BAAC is indicated as being TBC. Per GEF co-financing guidelines, at CEO Endorsement/ Approval, Agencies provide confirmed information regarding the expected amounts, sources and types of Co-Financing and Investment

Mobilized, with appropriate supporting evidence. Please ensure that this co-financing is aligned with GEF policy.

5. For the description of investment mobilized, the revolving fund and blended finance do not appear to be part of the investment mobilized. From this list it would seem that just Olam and Urmatt funds are mobilized and these should be described here. Until the BAAC funds are confirmed they cannot be counted as investment mobilized. Please revise.

03/31/21

1) Comment cleared

2) Olam ? Whatever the portion of in-kind and grant contribution that is provided as co-financing should both be captured in the co-financing letter and reflected in table C.

3) Urmatt- Whatever the portion of in-kind and grant contribution that is provided as co-financing should both be captured in the co-financing letter and reflected in table C.

4) Cleared

5) Cleared

05/03/21

The co-financing letters have been revised and are consistent with co-financing in table C. Confirmed expected amounts, sources and types of co-financing are adequately documented

Cleared

Agency Response

11 Mar 21

To 1) Based on its formal government mandate, the Rice Department has been designated the "National Rice Focal Point" for this project (ProDoc: paragraph 231). In this formal government capacity, the RD will lead and closely collaborate with the other government institutions. RD's role was endorsed by the other government partners during the validation workshop on 3 November 2020, where the joint co-financing letter was approved by all parties and their respective government representatives. Note: this is not the first endorsed GEF project in Thailand with a similar arrangement towards one central government agency arranging, coordinating and reporting on co-financing from various government units and agencies, including those through other Ministries (ref. GEF ID 9542). ONEP has submitted an additional letter, because they are the official focal point of Thailand for UNFCCC and UNCBD, supporting RD in the implementation of the project.

To 2) The 5 years period was an error (see above). Therefore, the anticipated co-financing over a 4-yr period is 13.6 Mio USD. Given that the bulk of the investment by OLAM is for buying rice, the in-kind contributions (i.e. staff costs) are negligible in comparison to that. Furthermore, since even staff costs will need to be targeted to this specific project, this is a cash investment from the company's point of view; and recorded as such (100%) in the relevant tables.

To 3) Urmatt states that it will buy rice, provide infrastructure (i.e. for milling), and make investments in recycling technology. These items are clearly investments (cash), also including the milling allocation itself, because it will be GEF-specific rice (on top of the normal milling activities, which is an investment, not just running costs). Staff costs are just a small fraction of this, so that the 1 Mio USD can be clearly counted as cash contribution. We have complemented the Urmatt letter with a list of the project outputs to which the company will be contributing.

To 4) BAAC has signed the co-financing letter. Although the GEF co-financing terminology and categories were thoroughly explained to the bank, BAAC insisted to label their contribution as "in kind" since they are a state-owned bank and their contributions were not only financial in nature. Please also see the note regarding their co-financing letter in Appendix 12. However, since BAAC's co-finance letter clearly shows their commitment to the project, we regard their contribution in form of loans (Green Bond etc.) as investment mobilized and have indicated this as such throughout the CEO ER, ProDoc, and attached documents (e.g. Appendix2).

To 5) BAAC's amount has been included as they have signed the co-financing letter pledging USD 20 million Loan Investment. This is a likely scenario given BAAC has USD hundreds of millions available for investment from their issuance of a Green Bond in 2020. The text in the CEO ER under Table C on investments mobilised has been updated in regard.

2) Olam ? Whatever the portion of in-kind and grant contribution that is provided as co-financing should both be captured in the co-financing letter and reflected in table C.

UNEP Response 28 April 2021: The OLAM letter has been changed accordingly, and now only concerns Grant Investment funds; and is included in Appendix 12 of the ProDoc .

3) Urmatt- Whatever the portion of in-kind and grant contribution that is provided as co-financing should both be captured in the co-financing letter and reflected in table C.

UNEP Response 28 April 2021: The URMATT letter has been changed accordingly, and now only concerns Grant Investment funds; and is included in Appendix 12 of the ProDoc .

GEF Resource Availability

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. While the financing in Table D is adequate, please address the following on the budget:

1. Anticipated costs associated with coordination with this FOLUR Global Child Project and other regional projects and initiatives should be clearly shown in the project budget.
2. The costs associated with rental of vehicles (\$122,900) seems very high. Please explore how this can be more cost-effective.

03/31/21

Yes, the financing in Table D represents a cost effective approach.

Cleared

Agency Response

11 Mar 21

To 1) Anticipated costs for coordination with FOLUR Global Project and other regional projects have already been included under (UNEP) budget item 3311 (see Annex 1 in CER).

To 2) Vehicle rent was calculated based on realistic forecasts of what is needed on site. Buying cars (including driver) was even more expensive and challenging with regards both procurement regulations by the Thai government as well as maintenance during the project. However, we have reduced this item to 74,900 USD, as it is expected that the RD can provide some of the required transport on site through co-financing. Because Rice Department indicated that it required more budget for subcontract item 2104, we have increased this accordingly.

Project Preparation Grant

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

Secretariat Comment at CEO Endorsement Request

1/13/21

The status and utilization of the PPG is reported. Please provide a clearer definition of what charges were included in 'sundries'. Also, please note that the 'PPG Required?' box under Part I/section F should be checked.

03/31/21

The status and utilization of the PPG is reported.

Cleared

Agency Response

11 Mar 21

The stated sundries concern indirect costs ? including VAT, made by GIZ Germany, the entity UNEP signed the SSFA contract with for their services on the PPG via their Thailand GIZ team. GIZ which is part of BMZ, must comply with EU regulations on such contracts/budgets, including VAT drawn.

We assume ?PPG Required box under Part I/section F should be checked? concerns the Child Project submission phase, and have corrected for this on the GEF Portal with this re-submission.

Core indicators

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. Core Indicator 4- In general, the areas restored and under improved management are very important. It is unclear how they were estimated. Please justify these results through acceptable means (references, estimate of cost per ha, etc. In addition, the type/name/type/Name of Third Party Certification and documents that justify the HC VF are missing in the core indicator table of the Portal.
2. Core Indicator 6 ? Please provide information on the methodology used to determine this result and/or share the EX-ACT tool used to estimate the expected GHG emission mitigation result. As combatting deforestation is one of the justifications and expected result of the project, has deforestation avoided been considered in the GHG emission mitigation? Also the anticipated start year for accounting is missing from the portal table.
3. Core Indicator 9 ? Given the approach and that core indicator 9 is included in the project results framework, it would be expected that results would accrue with regard to reductions in levels of chemical use, regardless of whether the project uses resources, as a result of the proposed reductions in the levels of productive intensity and the adoption of agroecological principles. If project results meet the indicator 9 definition than these benefits should be indicated in the core indicator table of the Portal and in the GEF 7 Core Indicator Worksheet.

4. An explanation needs to be provided as to why the project will target fewer women than men as beneficiaries.

03/31/21

1. Core Indicator 4 - please provide the name of a third-party certification in the space provided under the box for sub-indicator 4.2.

2. Core Indicator 6 ? GHG emission mitigation: the result seems low and is split between 6.1 (AFOLU) and 6.2 (non AFOLU), which needs clarification as Appendix 20 does not explain a non-AFOLU reduction. The explanation provided for Indicator 3.1.2 makes it clear that the entire estimate is coming from AFOLU activity, which is what we would expect. In addition, in the portal, the anticipated start year of accounting is missing, and the duration of accounting should be 20 years instead of 5.

- In annex 20, the numbers are different from the ones reported in the Portal. In the Annex we find 5.5 Mt CO₂e, which was in the previous version of the CER. Please ensure that estimates are consistent across documents.

- Considering the need for clarification, we kindly request the Agency to upload the entire Ex-ACT tool spreadsheet directly to the Portal.

3. Sub-indicator 9.5 counts number of low-chemical/non-chemical systems implemented, not how much chemicals were reduced. Please clarify how the estimate was produced. If the agency is unclear if it meets indicator 9 than it should remove the estimate.

4. Comment cleared

05/03/21

1. Name of third party certifier has been provided. Cleared

2. Core Indicator 6: Some corrections have been made and a more thorough explanation on the estimate provided. Thank you for this, but some questions remain, including:

a) We don't see a calculation in the Ex-ACT tools provided for any avoided deforestation, even though it's stated in the agency response/revision that "Improved conservation is meant to target avoiding further forest loss in the targeted intervention areas against the known baseline (trend in Thailand)?: If the project will generate avoided deforestation benefits, an avoided deforestation estimate and corresponding GHG emissions reduction calculation for this should be included in the indicator 6 calculation.

b) In the Annex 20, table 1 is key as it determines the annual mitigation (base of the calculation). Nevertheless, we don't see the relation between the numbers in this table

and the ones in the Ex-ACT tools provided -- only one (10,573) corresponds, so it's unclear where the other numbers have been generated. Please clarify this and indicate if these are based on an IPCC compliant methodology. Also, if hectares of avoided deforestation does become a contributor to the projects GHG reduction, this should be included in this table.

c) Except for the Ex-ACT tool focusing on afforestation/reforestation, the other 2 Ex-ACT tools provided actually report GHG increased emissions, which is the opposite of what the project proposes. Please clarify or revise so that GHG emissions mitigation is attained.

3. Core Indicator 9: Thanks for the explanation provided, nonetheless some issues with how the indicator is captured in the table remain. The total number of tons is not captured in the core indicator 9 roll up in the portal uploaded CER (although it is in the Core Indicator Worksheet) and needs to be included there. In addition, as explained in the previous comment, sub-indicator 9.5, where it's currently captured in the portal version of the CER (although no sub-indicator is populated in the Core Indicator worksheet), is very clearly the wrong sub-indicator.

For core indicator 9, the only sub-indicators that tons of chemicals are recorded in are 9.1, 9.2, 9.3 and 9.6. Sub-indicator 9.6 is used when there is a chemical or chemicals in a material or waste. Sub-indicator 9.6 gives the tons of that total waste while 9.1, 9.2 and 9.3 gives tons of the pure chemical. Given the very broad range of chemical types that are indicated, we suspect only a subset of the chemicals this project addresses would fit into 9.1. Sub-indicator 9.1 has a drop down menu of each chemical covered by the focal area. In addition, there is one for highly hazardous pesticides (HHP), where some agrochemicals are. We recommend that the agency lists the total tons per chemical (for those they know the identity of the chemicals) in 9.1 (note: multiple chemicals can be placed under 9.1). For the other chemicals the agency can put those tons in 9.6. The cumulative total must then be captured in the Core Indicator 9 roll-up in the portal CER. The proposal team can also seek guidance from the chemicals leads in UNEP, who are very familiar with this core indicator.

06/21/21

The revisions made to the core indicators are sufficient. The core indicator targets indicated in Table E are realistic.

Cleared

Agency Response

Agency Response 8 June 21:

With regards Core Indicator 6 (GHG):

To 2 a): Avoided deforestation has now been included in the GHG mitigation calculation, which is why emissions are also generally higher. There are also other assumptions that have been slightly changed. See new Appendix 20, which now presents

data that are all supported by 2 ExactTool files: one relates to the 4+1 years scenario, another to the 4+16 years scenario (see below).

To 2 b) & c), see above;

The calculation now strictly follows the Exact-Tool, with a 5 yr period calculated over 4 years project implementation plus 1 year capitalization, and a 20 yr period with 4 years implementation and 16 yrs capitalization (2 separate files). Accordingly, the emission mitigation values have updated in all affected sections and annexes of CEO ER and the ProDoc, including on Core Indicators, GEB and the Results Framework.

With regards Core Indicator 9 Chemicals & PoPs) ? review comment 3):

We have removed putting the 100 tons targeted chemical reduction under 9.5 (portal)

The 100 tons reduced chemicals targeted are now included under 9.6, consisting of an estimated 30% (30 t) of hazardous pesticides of the WHO groups 1 (highly hazardous) and 2 (moderately hazardous), such as insecticides like Methomyl, Omethoate (hh) and Chlorpyrifos (mh), plus possibly also fungicides that are still frequently used in Thailand; with the remainder 70% (70 t) being unclassified yet toxic chemicals used in the agriculture production systems targeted by the project. We could not state the 30% under 6.1 due to the fact the known (highly hazardous) and 2 (moderately hazardous) chemicals are not listed as PoPs nor included in the drop-down menu

CEO Annex F & ProDoc Appendix 4a have been updated in this respect.

We have also corrected these entries on the portal version of the CEO ER.

11 Mar 21

To 1) On Core Indicator 4 - Please refer to chapter 2.7 of the ProDoc, where the areas of the baseline projects are indicated (sections 2.7.3 and 2.7.4). These projects (see also the maps) will contribute the areas of core indicator 4, the sizes of which have been agreed with the provincial authorities and project partners. Additionally, detailed reference is made in chapter 3.3 under every component to which provincial baseline projects the GEF incremental support and interventions will be linked to (related projects and programmes). At the start of project implementation, the exact boundaries of these areas will be determined.

To 2) Core Indicator 6 -This is detailed in Annex 20 of the ProDoc showing the results of applying the Ex-Act Tool and specifying the areas that have been subjected to calculation. Deforestation avoided has been considered in that the associated carbon sequestration potential of reforestation under agroforestry, restoration/assisted regeneration and improved management of HVCF forests has been calculated. Accounting for progress should start with a thorough baseline analysis immediately at the start of the project (when area boundaries have been fixed), followed by a mid-term assessment (e.g., year 3), and concluded at the end of the project phase, when the given 5 yr-forecast could be re-assessed. The CEO ER and ProDoc now state the 5 yr and 20 yr emission values for ease of extrapolation and long-term perspective.

To 3) Core Indicator 9 was originally intended to be included in the project results but was missing in Annex F of the CEO ER and the portal. This has been corrected.

To 4) By design, the project will not target fewer women than men; on the contrary, our gender mainstreaming plan (Appendix 16 of ProDoc) indicated that we aim to have representation of women of at least 50% involved in project activities. However, farm

demography shows that there are currently less women in rice farming than men, which is why we indicated the 40% minimum value. We have now set the target to 50% women in the results framework (core indicator 11) and throughout all other documents.

1. Core Indicator 4 - please provide the name of a third-party certification in the space provided under the box for sub-indicator 4.2.

UNEP Response 28 April 2021: A third-party Certification/Assurance body has been added to the GEF indicator 4.2 accordingly. We also have now briefly detailed the SRP Assurance Scheme in the CEO ER (page 17) and the ProDoc (paragraph 91), including stating it in the GEF Core Indicator sheet.

2. Core Indicator 6 ? GHG emission mitigation: the result seems low and is split between 6.1 (AFOLU) and 6.2 (non AFOLU), which needs clarification as Appendix 20 does not explain a non-AFOLU reduction. The explanation provided for Indicator 3.1.2 makes it clear that the entire estimate is coming from AFOLU activity, which is what we would expect. In addition, in the portal, the anticipated start year of accounting is missing, and the duration of accounting should be 20 years instead of 5.

UNEP Response 28 April 2021: Our apologies, there was confusion about the figures, because we erroneously filled in Indicator 6.2 as emissions avoided (from rice farming), while we filled in Indicator 6.1 as emissions sequestered. However, Ind. 6.2 is non-AFOLU, which is indicated in the Portal, but not in the CEO ER table. In conclusion, mitigated emissions are now only mentioned under Ind. 6.1, and calculated over a 20 yr period instead of the 5 yr period. Please see the corrections made in the Core Indicators sheet of Appendix 4a (ProDoc) as well as Annex F (CEO ER);

A detailed explanation is given below referring to Appendix 20. Additionally, all original EXACT tables (3) and a changed Appendix 20 are attached. These calculations have been done by and re-checked with Reiner Wassmann of IRRI, who is a recognized authority in GHG emissions and a member of the IPCC.

All calculations relate to AFOLU (Core Ind. 6.1) and all steps are detailed in Appendix 20: Albeit, the EXACT tool was used some calculation steps were modified to compensate for the restrictions with the EXACT tool (it mainly calculates yearly CO2 equivalent values and the way it calculates larger periods is not flexible enough), which is why the 20-yr forecast has been detailed in Table 3. It starts with a balance sheet (Table 1, all areas 1-5 relevant to the core indicator listed) presenting the end result (balance) of the incremental calculations of the EXACT tool, that is **305,383 tons CO2 equivalents mitigated per year**. Because this yearly value cannot be achieved in the first years of the project, it is assumed that it is becoming effective in the 5th year (after measures have been all implemented), not at the end of the 4th year of the project (see Table 3). The following 20-yr projection (Table 3: **total 5,496,894 Mio tons CO2e**) is not part of EXACT but was calculated separately to clarify the process of summing up the emissions.

With regards the stated 'low end result'?? The anticipated mitigation for the **Thai Rice NAMA Project** with 100,000 farm households in 6 central lowland provinces of

Thailand over 5 years is 1,730,106 tCO₂e, which makes roughly **288,000 tons/province/5 years**. The cumulative mitigation for the 2 provinces of our **GEF ISRL Project** is **916,149 tons after 5 years** (Tables 2&3), which, per province, is **considerably higher than NAMA** in the same period (of course, this also includes the non-rice mitigations). Here, we are dealing with upland (Chiang Rai) and mainly rainfed rice (Ubon) provinces, so that emissions from rice will be reduced per se. It is considered in this calculation that a), rice is the main emitter of GHG, namely methane, relating to an area of 90,000 ha, and b) that only 50% of the farmers in that area (45,000 ha) use continuous flooding at baseline (which produces the highest methane emissions compared to rainfed condition). This is a realistic assumption in view of Thailand's ongoing drought, a situation that is highly likely to stay for the years to come. The alternative scenario considers introduction of AWD in 50% of the 90,000 ha, which is an equally realistic need as well as assumption since the ongoing droughts will reduce the available water for irrigation (AWD can only be introduced if farmers have water for irrigation). So, both scenarios, baseline and alternative, are conservative estimates paying tribute to the changing climate. In absolute terms, the values are calculated on basis of IPCC reference emission factors. The sequestration part of the measures provides a fair share to overall emission reduction of the alternative scenario, yet, the bulk and most immediate part of emission reduction would come from changes in water management practice and fertilizer reduction.

Core Indicator 6

Indicator 3.1.2

- In annex 20, the numbers are different from the ones reported in the Portal. In the Annex we find 5.5 Mt CO₂e, which was in the previous version of the CER. Please ensure that estimates are consistent across documents.

UNEP Response 28 April 2021: Our apologies for this oversight and wrong uploading. This has been corrected for based on the 20 years calculation period, in both the Core Indicators sheet as well as the Portal.

- Considering the need for clarification, we kindly request the Agency to upload the entire Ex-ACT tool spreadsheet directly to the Portal.

UNEP Response 28 April 2021: The EXACT tables are attached to the submission (and also as part of Appendix 20 ? ProDoc). See also previous response with regards the calculations on 6.1

3. Sub-indicator 9.5 counts number of low-chemical/non-chemical systems implemented, not how much chemicals were reduced. Please clarify how the estimate was produced. If the agency is unclear if it meets indicator 9 than it should remove the estimate.

UNEP Response 28 April 2021: The 100 metric tons toxic chemicals reduced under Core Indicator 9 in the CEO ER document relate to reduction of active ingredients (a.i.) of pesticides through implementation of integrated pest management (IPM) measures under the SRP Standard, **from a baseline of estimated 3.7 kg a.i./ha/yr (ref.1) used on 90,000 ha (333,000 tons) down by 30% (100,000 tons) to 233,000 tons at the end of the project.** Pesticides here include insecticides, herbicides, fungicides, acaricides, rodenticides, fumigants and molluscicides, of which rice has its fair share among other crops. Because use of a.i. of pesticides/ha is highly variable in Thailand, depending on the crop and landscape (up to 13.3 kg/ha; ref. 2), we have chosen a lower baseline since the project mainly targets rice, which generally requires less pesticide input than vegetables or fruit trees for instance. This implies that the baseline needs to be confirmed for the selected areas/crop at the start of project implementation. Because previous attempts at reducing pesticide mis- and overuse have been largely ineffective under Good Agricultural Practice (GAP) schemes (ref. 2 & 3), ISRL Project will attempt this reduction through implementation of the SRP Standard, which is more cautious in terms of pesticide use and provides incentives for substituting pesticides with non-chemical approaches, and promotion of non-chemical crop protection products/ supply chains. That this works has been demonstrated already in IPM-SRP projects of GIZ in Vietnam in cooperation with CropLife (BRIA I project).

1) Suwanna Praneetvatakul, Pepijn Schreinemachers, Piyat Pananurak & Prasnee Tipraqsa (2013) Pesticides, external costs and policy options for Thai agriculture. *Environmental Science & Policy* 27: 103-113.

2) Pepijn Schreinemakers, Sureeporn Sringarm, Aer Sirijinda (2011) The role of synthetic pesticides in the intensification of highland agroculture in Thailand. *Crop Protection* 30: 1430-1437.

3) Javier Montanto, Eiji Nawata & Supamard Panichsakpatana (2016) Do GAP farmers do better than non-GAP farmers?: Pesticide management practices of horticultural farmers in Damnoen Saduak, Thailand. *Trop. Agr. Develop.* 60(1): 1-9.

Part II ? Project Justification

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

. Please note that as the FOLUR Thailand project is a child project of an Impact Program. As there was no PIF, the CEO ER should be a stand-alone document, serving as the primary file through which the project is described. Where feasible please include relevant information in the CEO ER rather than referencing the ProDoc or annexes. Changes that have been made since the concept was developed (as an annex to the PFD)

can be highlighted in the section on changes since PIF. But other information will need to be included in this and subsequent sections.

2. In general, the problems, threats, root causes and barriers are well described in the Prodoc, but we could expect that there is clearer elaboration in the CEO ER than at PFD stage, where these were described in a short concept. Some of the description from the Prodoc can be drawn for this purpose. Please ensure that the description covers the 2 targeted landscapes to demonstrate the proposed alternative scenario is relevant.

03/31/21

1. Context provided in the portal version of the CER should recognize the global nature of the FOLUR program and discuss the contribution of Thailand to the global food system (e.g. as biggest producer and exporter rice, etc.). Details including global GHG emissions come from rice production and the globally important BD potentially lost as a result of land use practices in Thailand, etc would be further clarifying.

2. Details on the targeted landscapes should also be provided in the CER, including descriptions and how the threats and barriers identified play out within these landscapes.

05/03/21

The comments have both been adequately addressed. Sufficient elaboration has been provided on the global environmental problems to be addressed.

Cleared

Agency Response

11 Mar 21

To 2) This section has been expanded in the CEO ER starting at page 12.

2. Details on the targeted landscapes should also be provided in the CER, including descriptions and how the threats and barriers identified play out within these landscapes.

UNEP Response 28 April 2021: This has been expanded on in the CEO ER document at page 15 under the section ?Key Barriers?.

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. There is a good mapping of existing relevant partners and initiatives in the Prodoc and GEF projects and other investments are captured in this baseline description. Nevertheless, the text in the CEO ER is too limited and general. It should include the main relevant elements of the Prodoc, including the baseline activities being implemented by the value chain actors identified in the mapping. In addition, the baseline related to the regulatory framework is unclear in the Prodoc (beyond the role and projects from the institutions). For instance, what are the existing plans and policies to solve the land tenure and rights problems and what are the national/subnational strategies to promote sustainable value chains (i.e. organic rice farming policy)? More elaboration on this aspect would help clarify how the project approach is supported by the existing regulations and plans. Please also ensure that this is included.
2. Figure 10 of the Prodoc: the figure is not easy to read (small text) and it is unclear what the percentages mean?
3. What is the 'New Theory Farming Policy' to which the project intends to contribute? As it is important for the project, it should be presented in the baseline scenario.

03/31/21

Comments have been addressed and baseline is sufficiently clear.

Cleared

Agency Response

11 Mar 21

To 1) and 3) This has been expanded in the CEO ER from page 20 onwards, with the New Theory Farming Policy described on page 21.

To 2) Figure 10 of the ProDoc has been enlarged and description of percentages included.

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

Secretariat Comment at PIF/Work Program Inclusion

/13/21

No. Please address the following:

1. This section is missing in the CEO ER. As this is a critical section it must be completed in sufficient detail including on the components in the CEO ER and include the Theory of Change diagram with a narrative explanation.
2. There should be an explanation of the selection criteria of the landscapes to justify their selection as opposed to other provinces in the country (considering notably a possible major environmental degradation and potential for improvement).
3. Land tenure and rights are identified root causes that need appropriate land management reform. It remains unclear how the project (particularly in Component 1) will address this constraint.
4. The output 2.2 is about implementing landscape management plans. Nevertheless, the main activities seem to be only focused on capacity building (learning, training, M&E, education and awareness). Please clarify how the two spatial landscape management plans will actually be implemented on the ground, including with the necessary investments (leading to improved practices and restoration).
5. While the Agri3 and BAAC funds are not yet confirmed, it would be helpful to understand in the alternative scenario how the project plans to engage with these funds? The agency should share its plans and ideas on how it will work to improve the opportunity for the sites to become potential areas of investment? For example, how will the project help to tap the BAAC funds for small enterprises?
6. Poverty and indebtedness of farmers is mentioned as barriers for the implementation of improved practices. In this context, it is unclear how they will be able and incentivized to make use of the market-based financial instruments developed in component 3 (interest rate of 8% per annum can be high). Is there an example of success elsewhere the project can build on?
7. It is stated that "interactions" will be actively pursued with the Global Platform," but how concretely remains unclear (we note the central role of the SRP in relation with the ASEAN forum which is very welcome to promote sustainable rice production in other rice countries). The WB global project guiding note could be reviewed and referenced to help elaborate further on this.
8. The Theory of Change should demonstrate the causal links between the outputs/outcomes and the threat reduction and impacts that are being sought. These development pathways are critical to understanding whether the approach is designed in a logical and coherent way to achieve the project goal.

03/31/21

1. Comment cleared
2. Comment cleared

3. Comment cleared

4. The explanation provided doesn't sufficiently respond to the comment. Please provide further detail in the alternative scenario section of the CER & Prodoc specific to component 2 and output 2.2.

5. Comment Cleared

6. Comment Cleared

7. The comment can't be cleared based on information found in Appendix 5, which is only on developing a gender success story for the FOLUR GP, Institutionalizing partnership links with the ISRL Project and SRP, and monitoring of FOLUR Global Platform Indicators.

8. TOC is improved. A mention of the project's contribution to sustainability at the global scale, in particular through the GP would be a welcome addition here.

05/03/21

4. It is now clearer that government will implement the management plans with specific support from the project. We note that the project will support the 'SMART Patrol' program of the Thai government for 'strengthening local forest stewardship and to address poaching, illegal logging and fires along forest borders, including protect protected areas.' Given this support relates to an enforcement approach including in protected areas, we request that the Agency revisits the ESF screening checklist, particularly points 1.2 & 4.6 (but others as well that may be relevant) to account for the risk that this activity may pose and to describe how this will be mitigated.

7. This linkage to the global platform is now clearer. Cleared

8. A link to the global project has been made. Cleared

06/21/21

The Agency has now accounted for the risk that enforcement activities may pose and describes how this will be mitigated. Cleared

In addition, please address the following:

- We note that UNEP classified the project ESS risk as moderate, and they attached the Safeguard Risk Identification Form (SRIF). The SRIF said that the project will carry out engagement processes with the objective of obtaining indigenous peoples' free, prior and informed consent (FPIC) regarding project activities that may affect the indigenous peoples' rights, lands, territories, natural resources, traditional livelihoods, tangible and intangible cultural heritage, including any potential relocation and activities

proposing the development, utilization or exploitation of mineral, forest, water or other resources. However, there is no indigenous peoples plan with timeline and financial and human resources.

The ProDoc mentioned that "[t]here are no land use plans (landscape maps, farmer registration zones) that comprise community forests functioning as buffer zones to conservation areas, agriculture lands, and recreational areas for tourism" in Chiang Rai, and there are issues about land tenure and lack of coherent, integrated landscape management policy with an implementation roadmap in Ubon Ratchathani (Section 2.6 Introduction to target provinces, Para 71 & 81). Thus, it is critical to have sound consultation with local and indigenous communities.

However, it is not clear how/if indigenous peoples were engaged in the project so far from the ProDoc. We would expect the detailed plan, timeline and budget for these engagement process would be available in Annex 9 and previous engagement with indigenous communities in the Appendix 19 record of stakeholder consultations during PPG. Please explain and revise documents accordingly.

07/29/21

- Responses to the GEF comments, and revisions made to safeguard 7 of the ESSF, and in the CEO ER and the ProDoc are sufficient. It is now clear that the project will not work with indigenous peoples in the selected sites.

The proposed alternative scenario as described is sound and adequate.

Cleared

Agency Response

Agency Response 23 July 21:

The project confirms ensuring meaningful consultation and participation of indigenous peoples who may be affected by project activities, including through FPIC where needed. However, the PPG team has, during the PPG process, not encountered or discussed target areas in which indigenous peoples - here within the Thailand context, meaning hilltribe or similar people without Thai citizenship, were living (see site descriptions/locations in ProDoc, CEO ER). Instead, based on information from the local authorities and partners, all pre-discussed areas that are inhabited by local upland people relate to community groups/villages with Thai citizenship that receive the common governmental support and are not considered indigenous peoples. Therefore, the PPG team did not develop an "indigenous peoples plan" with timeline and financial and human resources. Besides, consultations with NGOs working with hilltribes in upland areas in Thailand (e.g. RECOFTC, who participated in the PPG inception workshop; see also Appendix 9) revealed early on that working with hilltribes was beyond the scope of this project because this required a different design and approach (i.e., focus on these people with longer-term engagement, ~10 yrs). This e.g. led to selection of intervention sites without indigenous hilltribe communities. In conclusion, engagement with indigenous people is not planned nor anticipated with the project.

However, should more detailed planning during the implementation phase make engagement processes with indigenous peoples necessary, these would need and undergo a risk assessment as outlined in the SRIF document.

We acknowledge that the risk assessment and description in the SRIF (e.g. Safeguard 7) is somewhat exacerbated and wrongly gives the impression that 'indigenous peoples' was an issue of special importance; which however we assessed during the PPG baseline analysis it isn't. As such we have corrected this in the SRIF by a rephrased Safeguard 7 and summary statement.

In summary, as outlined above, indigenous people (here defined as hilltribe people without Thai citizenship) are not applicable in the selected sites and as a result not engaged in the PPG phase for the reasons given. We agree that the SRIF document somewhat transported the wrong impression that indigenous people live in the selected project sites and that engagement with these indigenous people would be an integral part of the project, which it is not. Therefore, we revised the SRIF document accordingly and made also small corrections in the CEO ER and ProDoc explaining what engagement with local people means (see ProDoc paragraph 226, CEO ER: page 107, first paragraph under STAP response regarding local people of targeted areas).

Agency Response 3 June 21:

We have expanded upon the risk and safeguards identification form (UNEP SRIF) as uploaded on the portal; particularly related to risk criteria 1.2, 1.5, 4.4, 4.6 and 6.2.

11 Mar 21

To 1) The section on the alternative scenario has been included in the CEO ER, including the Theory of Change figure, starting at page 23.

To 2) The selection criteria for the two selected provinces/areas have been included in the description of the alternative scenario (CEO ER).

To 3) As now explained in the CEO ER (baseline), the project will not directly involve in land tenure issues, because areas have been selected, where the legal status of local farmers or inhabitants has been clarified or resolved. The project will support eligible farmers to maintain sustainable agriculture practices, SRP standard or organic farming, protect community forest, which are imposed conditions to use allocated land by the government agencies in charge.

To 4) Beyond capacity building, the planning and implementation of landscape management plans will be guided by a strong project team with a technical background in land use planning and landscape management (pls. see budget), in concert with the provincial committees (under the provincial governors, Ministry of Interior) and with feedback from the relevant ministries in Bangkok (pls. see sections 4 and 5 of the ProDoc). So, for both, expansion of the SRP Standard among farmers and development/implementation of landscape management plans, the provincial committees will be the main partner and forum. Additionally, based on the guidance and targets in the landscape management plans, GEF incremental support will be provided to the various provincial baseline programs which will lead to the set targets on e.g. landscape restoration, improved management etc (see section 3.3 alternative scenario in ProDoc).

To 5) As for Agri3 Fund, the project will introduce Urmatt to Rabobank to collaborate on the needed feasibility design and reviews towards a possible investment partnership through the Agri3 mechanisms of de-risking, providing TA and securing the actual capital funds via investors. It is suggested that Urmatt will become their client for financing of the rice straw plate manufacturing facility ? on the assumption an adequate scale of operations can be achieved. The project will provide advice to Urmatt on presenting their borrowing plan to Rabobank. Naturally, Rabobank will be interested in using the risk-sharing functionality of the Agri3 fund to lower Urmatt credit risk to the bank.

On BAAC, they have provided a co-financing letter of securing USD 20 million in Green Loans and/or Green Bonds mainly in the landscape part of the project. The project will also work with BAAC to get their Green Bond proceeds to fund the Euro 7 million capitalization of the revolving fund. BAAC also has agro small and medium-sized enterprise (SME) loan products available for service providers who need to borrow for purchasing land laser levelling and straw baling machines.

To 6) The interest rate charged to farmers will need to cover the costs involved in capitalizing the revolving fund. If the capitalization is from loans, then farmers will only be charged the interest rate that the revolving fund is charged. If some grant funds are available to capitalize the revolving fund, then the interest rate can be lowered proportionally. The revolving fund will not require any collateral, and this will ease farmers financial access burden. As service providers will provide profit-sharing contributions (and hopefully other value chain actors later, i.e. millers, wholesalers, etc.) to the revolving fund, this amount will cover the fund's administrative expenditures and the capitalization of the fund will not be diminished. The Thai Rice NAMA Project's revolving fund is providing the foundation success that the ISRL project can build upon.

To 7) Component 4, in particular Output 4.3 (Concept of integrating the SRP Standard into sustainable rice value chains is extended to two other Asian countries), constitutes a significant contribution not only to ASEAN, but also to the Global Platform, while concrete activities in support of the Global Platform are listed in ProDoc Appendix 5 (workplan and time table) under Output 4.2 (4.2.4/4.2.3), Output 4.3 (4.3.1/4.3.2) and Output 4.4 (4.4.3/4.4.4).

To 8) The TOC has been inserted into the CEO ER (see above) including an explanatory section. The targeted Threat Reduction is included in the ToC, whilst targeted impacts are already stated under both Targeted Project Outcomes, as well as Post-project Impacts.

4. The output 2.2 is about implementing landscape management plans. Nevertheless, the main activities seem to be only focused on capacity building (learning, training, M&E, education and awareness). Please clarify how the two spatial landscape management plans will actually be implemented on the ground, including with the necessary investments (leading to improved practices and restoration).

UNEP Response 28 April 2021: Thanks. This has been expanded on at page 25 of the CEO-ER document under the "Alternative Scenario", highlighted as "landscape management plans".

7. It is stated that "interactions" will be actively pursued with the Global Platform," but how concretely remains unclear (we note the central role of the SRP in relation with the ASEAN forum which is very welcome to promote sustainable rice production in other

rice countries). The WB global project guiding note could be reviewed and referenced to help elaborate further on this.

UNEP Response 28 April 2021: Thanks ? based on WB draft guidance as well as the WB FOLUR PFD, this has been addressed and expanded upon. Although the ?docking? process of ISRL to the Global Platform was highlighted already in the previous version, we have now elaborated more on this subject, describing the components and levels of engagement. Please refer to page 28 of the CEO ER.

8. The Theory of Change should demonstrate the causal links between the outputs/outcomes and the threat reduction and impacts that are being sought. These development pathways are critical to understanding whether the approach is designed in a logical and coherent way to achieve the project goal.

4. The explanation provided doesn't sufficiently respond to the comment. Please provide further detail in the alternative scenario section of the CER & Prodoc specific to component 2 and output 2.2.

UNEP Response 28 April 2021: This has been responded to under previous similar review comments.

7. The comment can't be cleared based on information found in Appendix 5, which is only on developing a gender success story for the FOLUR GP, Institutionalizing partnership links with the ISRL Project and SRP, and monitoring of FOLUR Global Platform Indicators.

UNEP Response 28 April 2021: Appendix 5 mainly contains summarized information spread over various related outputs and activities related to workplanning. This ?docking? process of ISRL to the Global Platform was highlighted already in the previous version of CEO ER; yet in response to the comment we have now elaborated more on this subject, describing the components and levels of engagement. Please refer to page 28 of the CEO ER.

8. TOC is improved. A mention of the project's contribution to sustainability at the global scale, in particular through the GP would be a welcome addition here.

UNEP Response 28 April 2021: The GP contribution has been added to the TOC ? see Appendix 17 in ProDoc, as well as page 29 in the CEO ER.

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. This section is missing in the CEO ER and should be included. Please refer to relevant Prodoc section (paragraph 131-134) and others as relevant.

03/31/21

Yes, there further elaboration on how the project is aligned with the impact program strategies

Cleared

Agency Response

11 Mar 21

This section is now included in the CEO ER under the description of the alternative scenario.

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. This section is missing in the CEO ER and should be included. There are good materials throughout the Prodoc showing a clear articulation and added value of the project with the baseline scenario that can be drawn from the CEO ER. This could include, but not be limited to, the Incremental costs analysis in Appendix 3 and section 3.7.
2. Please provide a summary of the role of the GEF investment in the three suggested financial mechanisms stated in 3.3 and appendix 21 in the prodoc, highlighting the mobilization of private sector finance could not happen with enabling activity and feasibility studies funded by the GEF grant within this project activity.

03/31/21

Yes, the incremental reasoning has been sufficiently elaborated.

Cleared

Agency Response

11 Mar 21

To 1) This section has been included under the alternative scenario, starting at page 23.

To 2) A summary has been included under component 3 of the alternative scenario description. The training on landscape preservation as well as SRP technologies to farmers and service providers funded by the GEF grant will be instrumental in building service providers interest in making investments as well as farmers desire for their services. Additionally, the project would ? as stated, provide modest support to

conducting the feasibility design and reviews, in partnership with the impact financing agencies and corporate partners. If we sum up the GEF-funded costs for project personnel, consultancies, and logistic related to training and linking farmers to markets, we arrive at a sum of 881,448 USD. Saying that, there would be even more interest if GEF actually provided the funding for the capitalization of the revolving fund as was done by the NAMA Facility; yet we are aware that is not allowed under the prevailing GEFTF rules.

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. This section is missing in the CEO ER and should be included. Please draw this from elements of the Prodoc.

03/31/21

1. As mentioned above, CI 6.1 needs to be clarified. The result in this section is not consistent with the Core indicator table in the Portal.
2. For the planned "improved conservation in HCVF 20,000 ha", please clarify if this is the area of forest loss avoided.

05/03/21

1. Please see additional comments on the GHG calculation in Part I, question 7 on Core Indicators above.

06/21/21

The GHG calculations are now clear. There is now better elaboration on the project's expected contribution to global environmental benefits.

Cleared

Agency Response

Agency Response 8 June 21:

Please see our response above related to GHG calculations, and revisions made in the ProDoc and CEO ER

11 Mar 21

This section has now been included in the CEO ER under the alternative scenario.

-
1. As mentioned above, CI 6.1 needs to be clarified. The result in this section is not consistent with the Core indicator table in the Portal.

UNEP Response 28 April 2021: Please see previous response and changes made. CI 6.1 relates to the AFOLU sector, and the 20 yr figure to be inserted here is 5,496,894. CI 6.2 is not relevant here.

2. For the planned 'improved conservation in HCVF 20,000 ha?', please clarify if this is the area of forest loss avoided.

UNEP Response 28 April 2021: Improved conservation is meant to target avoiding further forest loss in the targeted intervention areas, against the known baseline (trend in Thailand). This has been clarified on page 31 of the CEO ER under section 'Global Environmental Benefits?.'

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. Please note that the innovation/sustainability/scale up should be in its own section and request that the agency follows the standard GEF CEO ER template. The section should draw from what is presented clearly in the Prodoc. The inclusion of new financial instruments (eg. issuance and verification of green bonds, monetarization of SRP Standard, etc) in particular should be highlighted as innovative and supportive and promising to leverage and scale-up GEF investment.
2. Scale up should provide a more proactive strategy than what is in the replication section of the Prodoc on how the project will actively pursue broader impact nationally
3. Give the similarity of approach using SRP and geographic closely we would also expect coordination and sharing with the FOLUR project in Vietnam and elsewhere in the portfolio in order to increase the scale of impact.

03/31/21

Yes, innovation/sustainability/scale up of the project have been sufficiently elaborated.

Cleared.

Agency Response

11 Mar 21

To 1) Apologies for our omission of not entirely following the CEO ER template ? now corrected for. A section on innovation, sustainability, and scale up has been included in the CEO ER accordingly.

To 2) In the ProDoc, scale up at the national level has been addressed in various sections. Paragraph 48 specifically addresses scale-up under the New Agriculture Theory Policy. Paragraph 86 expands on scale-up regarding forest restoration and protection of watersheds in the target provinces, and enabled through the ongoing baseline programs by provincial governments. Paragraphs 98 and 120 describe the role of OLAM in upscaling sustainable rice farming. Paragraph 121 provides considerations on scale up under the sufficiency economy theory in Thailand. Scale-up is a central topic in the project rationale described in paragraph 130. Finally, from paragraph 159 onwards, Output 3.3, which is specifically dedicated to scale up, describes how this can be achieved using the financial instruments.

To 3) The GEF-7 Vietnam project is explicitly mentioned as sister project in the ProDoc under section 2.8. Given Output 4.3, expansion of SRP to other Asian countries, this will be conceptually closely coordinated with the Vietnam project. Additionally, the services of SRP would be secured to facilitate replication of the integrated sustainable rice landscapes approach in other ASEAN countries

Project Map and Coordinates

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

Secretariat Comment at CEO Endorsement Request

1/13/21

Maps and coordinates are provided. It would be helpful if the agency would provide legends (Table 5&6 in the prodoc) for green/yellow circles. In addition, the land use maps could also usefully show the protected areas as they are said to be important in the 2 targeted landscapes.

03/31/21

Maps and coordinates have been included with a ledger.

Cleared

Agency Response

11 Mar 21

Detailed legends, including protected areas (pages 40-41), have been included in the CEO ER. Further reference is made to Tables 5 & 6 and the associated figures of the ProDoc where this was indicated.

Child Project

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. This section is missing in the CEO ER and should be included.

03/31/21

All of the GEF template CER sections in the portal must be completed. Please include relevant information under this section heading.

05/03/21

Section now included in CER and is sufficient. There is an adequate reflection of how the project contributes to the overall program impact.

Cleared

Agency Response

11 Mar 21

This section has been included under the alternative scenario

UNEP Response 28 April 2021: Sorry for this omission in the Portal uploading. We have now added this information taken from CEO ER Section 4 at page 30.

Stakeholders

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. This section is missing in the CEO ER and should be included. Please provide summary of stakeholder analysis from Prodoc here, including external stakeholders (regional multistakeholder platforms, etc).

2. The second table in Appendix 9 is unclear as it seems to be related to the PPG phase according to the last column (as the first one). Please make it clear if this is the actual stakeholder engagement plan for the implementation phase.

03/31/21

Please report on stakeholders engaged during the design phase under this section heading of the portal CER. This could take the form of a short summary table.

05/03/21

Tables are now uploaded to the portal version of the CER. The project include detailed report on stakeholders engaged during the design phase.

Cleared

Agency Response

11 Mar 21

This section has been included in CEO ER at Section 2. It is also clarified that ProDoc Appendix 9 relates to stakeholders at implementation stage.

UNEP Response 28 April 2021: Relevant here are the tables in Appendices 9 and 19: Both contain the stakeholders engaged during the design phase, whereby Appendix 19 especially relates to the field visits. We have inserted the tables found in Appendix 19 to the uploaded CEO ER at the relevant section.

Gender Equality and Women's Empowerment

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

Secretariat Comment at CEO Endorsement Request

1/13/21

The gender assessment and action plan is uploaded in the Portal and looks complete, however, please note that Gender has its own designated section in the CEO ER and

request that the agency follows the standard GEF CEO ER template. Please also consider incorporating identified gender disaggregated indicators into the project result framework (e.g. female participation percentage).

03/31/21

Yes, gender has been sufficiently addressed.

Cleared

Agency Response

11 Mar 21

The section on gender has been expanded in the CEO ER- Section 3, accordingly.

Private Sector Engagement

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. The private sector engagement description in the CEO ER is not comprehensive nor structured clearly. The engagement of various private sector stakeholders from across the supply chain (including farmers and forest communities) should be clearly described here.
2. A description of how ISRL will establish 'horizontal' landscape-scale alliances for sustainable management of (rice) production landscapes is missing from the CEO ER and should be included in a description of the components.
3. It is unclear what is meant by 'it's further anticipated that BAAC and Rabobank will facilitate the revolving fund system' means? How will the project actively implement activities and undertake a strategy of engagement to increase the likelihood of this happening?

03/31/21

Yes, private sector engagement has been sufficiently elaborated.

Cleared

Agency Response

11 Mar 21

To 1) and 2) Thanks ? we agree. The section on the private sector engagement of the CEO ER has been improved accordingly.

To 3) This point has been included in the CEO ER. It means that BAAC will provide funds from its Green Bond issuance to capitalize the revolving fund which will probably be at a certain interest rate. The potential contribution from Rabobank will most likely come from this bank working with its commercial clients (e.g. Olam) and Olam's work in turn with farmers who are growing the SRP rice that it desires to purchase. The revolving fund by financing land laser levelling services to its farmers will make this possible.

Risks to Achieving Project Objectives

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. The COVID-19 consideration should factor how the pandemic can affect different important elements of the project implementation, such as the co-financing among others, and some risk and opportunity analysis needs to be undertaken at this stage. In addition to risk the project should detail how it has identified potential opportunities to mitigate impacts and contribute toward a green recovery and building back better with more resilience (for ease of reference, we advise to present the analysis in a specific note after the risk table). For further clarification, the agency may wish to refer to the note "Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics" shared by GEF Secretariat with the GEF Agencies on September 14.

2. In Risk 11, please mention how COVID-19 would affect the global rice value chain, its consequent impacts and potential mitigation measures or opportunity for the project if there is any. Does the government's interest remain the same towards project implementation despite the pandemic?

3. The project needs to include a more detailed climate risk analysis including potential impacts on rice sector based on robust scientific data and mitigation measures. As written now, the climate risk laid out is more general and points mostly to mitigating emissions from the rice sector as opposed to the threat CC poses to crops and

ecosystems. For further guidance, please refer to STAP guidance <https://stapgef.org/sites/default/files/publications/Climate%20Risk%20Screening%20web%20posting.pdf>

03/31/21

Comments 1 &2 on the response to the COVID 19 pandemic are now clear. Cleared

3. The climate risk analysis is very limited and the description mainly about mitigation. An internet search should help the agency to identify several peer reviewed studies in scientific journals and project reports that examine the impacts of climate change in Thailand and its impact on rice production. Findings should be briefly summarized in the CER and Prodoc.

05/03/21

The climate risk analysis provided is clear and sufficiently detailed, as are the strategies to mitigate against the risks posed. The project has sufficiently elaborated on indicated risks, including climate change.

Cleared

Agency Response

11 Mar 21

To 1) - 3) Covid-19 Pandemic and Climate Risk:

We have addressed the Covid-19 pandemic in Thailand as well as in the project strategy and risk management approach regarding direct potential impacts and possible mitigation actions for project implementation in the text under Risk 11 in the CEO ER (page 52) including on our estimated minimum effect of co-financing. Additionally, there is an extra paragraph (128) in the ProDoc dealing with Covid-19 and gender issues. Furthermore, as outlined in the CEO ER, this project has been already noticed and advertised by some government partners (MoAC, MoNRE) as a potential contribution to a 'green recovery' in Thailand, since it directly addresses pressing issues regarding resilience of the rice sector to CC and pandemic events; as well as through its direct investments in sustainable agriculture sector, natural capital and infrastructure such as healthy forested watersheds, improved or sustained farmer income, we directly and indirectly support building back better of affected communities, local economies and production systems in two provinces.

We are not in the position to predict possible changes due to Covid-19 in the global rice value chain since this is influenced by many factors. What we can say is that rice is a politically and traditionally highly valued commodity in Thailand, so that interest in a project would not drop due to price fluctuations in the global rice market caused by Covid-19.

However, rice in Thailand is highly vulnerable to climate change, which is already manifest in the sustained drought and floods that plague Thailand since some years. Unfortunately, there are no robust scientific data on potential climatic impacts and

mitigation measures in the agricultural sector available for Thailand. This is all under development, the Thai Rice NAMA project being one of the pioneering projects in this respect. Yet, the climatic changes today already prescribe a direction, in which agricultural development should go.

In view of this, the ISRL Project incorporates all major elements that have been identified already under Rice NAMA and other projects to improve resilience towards CC and at the same time mitigate emissions. These elements epitomize the ?transformation? of the rice sector in form of the SRP Standard and other tools that are centre stage in ISRL:

- Focus on water management (adaptation, mitigation)
- Focus on soil improvement (adaptation, mitigation)
- Crop diversification (adaptation)
- Focus on market linkage, value chain diversification, socioeconomic benefits (adaptation, economic resilience, inclusion of women)
- Financial mechanisms
- Protection of water sheds and biodiversity (adaptation, mitigation).
- Etc.

All in all, ISRL extends the Rice NAMA approach to the landscape level, clearly designed to increase resilience of the agricultural sector by factoring in the whole landscape to achieve this goal.

2. The climate risk analysis is very limited and the description mainly about mitigation. An internet search should help the agency to identify several peer reviewed studies in scientific journals and project reports that examine the impacts of climate change in Thailand and its impact on rice production. Findings should be briefly summarized in the CER and Prodoc.

UNEP Response 28 April 2021: Thanks. There is now a detailed climate risk analysis and mitigation strategy provided in the CEO ER and the ProDoc; please refer to the risk sections at page 56 and page 118, respectively.

Coordination

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. Written details on the institutional arrangement should be included in the CEO ER, not just the Prodoc.

2. A clearer diagram that shows these four layers more clearly would be clarifying. Moreover, GEF FOLUR isn't an entity involved in the project and as such should not have a line directed to it in the diagram. This should be replaced by the Global Knowledge to Action Platform, led by the World Bank.

3. Further to the point above, in addition to internal project coordination, please consider adding coordination plan with the FOLUR global program and regional projects and multilateral stakeholder platforms in this section. As mentioned above, anticipated costs associated with coordination should be clearly shown in the project budget.

03/31/21

1. Cleared

2. Cleared

3. The agency should fill the last column of the budget with the responsible entities, following GEF budget format.

05/03/21

3. The column has been included. Cleared.

4. In addition, please address the following comments on the budget:

a) Please provide justification to charge Project Manager's costs across all components instead of only PMC, especially if PMC is not proportionate between GEF financing and co-financing.

b) The following two positions should also be usually charged 100% to PMC: 1301-- 1x Contracting, Procurement of goods, Accounting & Administration Specialist (Bangkok) - USD 3000/m; and, 1302 -- 2x Provincial Finance and Administration Assistants (CR & UR).

c) Similarly, the following two items should usually be charged 100% to PMC: 4102 --1 Bangkok office supplies & admin (for RD); and, 4201 -- Computer equipment & software licenses, Bangkok office (at RD).

d) M&E budget of \$645,000, equivalent to 12% of project cost is too high. KM and gender items currently included under this M&E budget can be moved to KM component 4.

e) We request the Agency to make sure sub-totals by each component, M&E and PMC in the budget table match with table B in the Portal entry.

06/21/21

- a) Sufficient justification has been provided: cleared
- b) Positions have been moved to PMC: cleared
- c) The two items have been moved to PMC: cleared
- d) M&E Budget has been reduced significantly: cleared
- e) Cleared

In addition, please address the following:

- Please include the Grand Total \$ amount in the M&E Budget table.
- 'Calculation of GHG' (activity 8 in the M&E Budget) has been charged to the Project Component, so please remove it from M&E Budget to avoid double counting once the Totals are calculated (point above).
- Expenses related to car rental are approved, however, there is a 4k gap between what is included in the agency's review sheet estimate (\$74,900) and what is stipulated in the budget table (\$78,900). Please amend the budget for consistency.
- Terminal Evaluation can be covered by the M&E component ? however \$15,000 for the Terminal Report (high quality printing) seems to be unnecessary ? please reconsider.

07/29/21

- A total amount is now included in the M&E Budget.
- Calculation of GHG has been removed from the M&E budget and the totals now match between the budget template and M&E budget
- The correct amount for the vehicle rental has been clarified as \$78,900, which is reflected in the GEF Budget.
- The costs for the terminal report have been sufficiently explained.

The institutional arrangement for project implementation is fully described.

Cleared

Agency Response

Agency Response 23 July 21:

We refer to the M&E Table in the Portal version of the CEO ER.

Thanks for observing this error. We have corrected for this in the CEO ER portal version.

We have also changed this in the present revision of the ProDoc by populating Appendix 7 with only those cost items that are also listed under cost category 'M&E' in the new GEF-template Budget Table. So now, the grand totals of Appendix 7 and GEF-budget table match. Please also find updated Appendix 7 as well as updated GEF template budget.

The USD 18,000 GHG calculation and related costs have been removed from the M&E Budget table, including the CEO ER portal version as requested.

The review sheet estimate (\$74,900) was a typo - sorry for that. The relevant budget tables both stated the correct amount, which is (\$78,900 in both Appendix 1&2 UNEP and GEF template formats).

In clarification: It is planned to produce the Terminal Report as a well-illustrated and nicely designed 'coffee table' book which will attract more attention and readers on project approach, implementation and its lessons and/or best practise, as compared to a common and rather boring terminal report format. UNEP has done this successfully on a number of previous GEF projects including on the 'removing barriers to invasive species management project' in Africa.

The costs stated do not only relate to printing and/or publishing costs, but also include hiring of a consultant book writer, that will develop the structure and content of the report, do professional text writing, and taking care of the required media, and final high-quality finish. Furthermore, this also includes development of a web-based presentation of the outcomes of this project. Considering all these tasks, the budget is tightly calculated under current market prices.

Agency Response 8 June 21:

a) This has been addressed above.

The functional approach to the project management staff of this project is such that positions 1101 and 1102 are foremost technical positions with an extra coordination function that are primarily targeted at implementation of the landscape approach. Project management in terms of purely administrative functions, is a (smaller) part of the ToR of these staff positions, but administration itself will be overseen by positions 1301 and 1302. Since we have shifted the latter positions and costs into PMC (according to comments b) and c)), we removed the other staff costs from PMC. This also required some adjustments in the ToR (Appendix 11), which we also attach for reference. In summary, the Coordinators need technical knowledge/experience combined with management skills.

b) Has been done. 1301 & 1302 now fully under PMC

c) Largely done. 4102 now under PMC. Please see revised UNEP/GEF and GEF template budgets.

d) Has been done. Costs for KM and gender items have been removed from the M&E budget. See Appendix 7 Costed M&E, which costs have substantially been reduced.

e) We have double checked the entry on the Portal regarding sub-totals by each component, M&E and PMC in the budget table matching with Table B

11 Mar 21

Written details are included in the CEO ER and the diagram has been partially improved. FOLUR global program relevant project activities are indicated and timed in Annex 5 (Workplan) of the ProDoc. Budget item 3311 specifically addresses the collaboration with FOLUR Global. However, to the best of our knowledge, FOLUR Global has not yet proposed a cooperation/coordination plan for its child projects, so that we propose development of a more specific time schedule when this is the case.

UNEP Response 28 April 2021: Apologies for previous omission. This column has been filled now.

Consistency with National Priorities

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. This section is missing in the CEO ER and should be included. The consistency of the project with national strategies and plans related to conventions needs to be described here. A summary can be drawn from Prodoc section 2.4, as well as alignment with national targets set by major environmental conventions (eg. UNFCCC, CBD, LDN, etc).

03/31/21

The alignment with UNFCCC and UNCCD remains very vague in the section and should be improved.

05/03/21

More detail provided on alignment with UNFCCC and UNCCD.

Cleared

Agency Response

11 Mar 21

This section is now included in the CEO ER as section 7.

UNEP Response 28 April 2021: These issues have been strengthened starting at page 63 of the CEO ER document.

Knowledge Management

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

Secretariat Comment at CEO Endorsement Request

1/13/21

Knowledge Management is built into component 4 and presented in the appendix 5 and 6 (please note that appendix 5 is missing in the Prodoc but uploaded in the Portal). Nevertheless, as component 4 is not only about K&M, a summary of the deliverables and timeline should be elaborated in this section of the CEO ER. This could be done in a table format.

03/31/21

The KM approach is adequately elaborated.

Cleared

Agency Response

11 Mar 21

The deliverables and timeline for component 4 have been included in Section 8 of the CEO ER, including a summary of the deliverables and timelines.

Monitoring and Evaluation

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

Secretariat Comment at CEO Endorsement Request

1/13/21

The project does include a budgeted M&E Plan. The M&E Budget should be included in the CEO ER.

03/31/21

The project includes a budgeted M&E Plan.

Cleared

Agency Response

11 Mar 21

The Costed M&E Plan has been included in the CEO ER accordingly, in Section 9.

Benefits

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please address the following:

1. The description is general and extensively considers the GEBs. What's required is further elaboration of the socioeconomic benefits of the project and how they translate to achievement of GEBs.
2. As the BAAC loans are still TBC, is it certain that these benefits will accrue or just a possibility? If only a possibility then it should be clear in what is written in the CEO ER what action the project will take to tap these.
3. Please note that the GEF alternative should be in its own section in the CEO ER and request that the agency follows the standard template.

03/31/21

Socioeconomic benefits resulting from the project at the national and local levels are sufficiently described.

Cleared

Agency Response

11 Mar 21

To 1) The linkage between socio-economic benefits and GEB is now presented in more detail in section 10 (Benefits) of the CEO ER ? section 10.

To 2) BAAC has confirmed its collaboration in a co-financing letter.

To 3) The GEF alternative has been included in its own section.

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

1/13/21

1. Budget table should be included CEO ER.
2. In the 'new GEF format' sheet, the budget doesn't show the responsible entities for reach expense (last column). This needs to be completed.
3. An ESS has been uploaded and the analysis is quite complete. However, the estimated duration of Project, estimated cost of the project, and expected carbon sequestration results in it are not consistent with the project description. Please revise these for consistency.

03/31/21

Required annexes are adequately responded to.

Cleared

Agency Response

11 Mar 21

To 1) The UNEP-Budget table has been included as Annex I to the CEO ER, since it contains the relevant cost-line numbers (whilst the ProDoc contains budgets in both the UNEP as well as recent GEF templates). Due to the size of the GEF-Budget table it was not possible to insert into the CEO ER Word document (for the same reason the UNEP budget only shows the components, not the annual breakdown). However, both table formats are attached as Annex 1&2 to the ProDoc.

To 2) The GEF-format sheet contains full and detailed entries on all BLs; whilst for co-financing this is included in the last column. However, it is impossible to fill in for each expense/BL since the co-financing agreements only relate to selected activities/budget points.

To 3) The project cost of project has now been updated on the front page of the SRIF form. The project duration was rightly stated as 4 years in line with the updated ProDoc and CEO ER. The mitigation figures under 2.4 and 2.6 correctly stated the 4-year (project duration) mitigation target (610,766 tCO₂e), while we now provide the 5-yr and 20-yr estimates in the ProDoc and CEO ER upon earlier request. We have updated the SRIF form to include the 20-yr mitigation target (5,496,894 tCO₂e). All figures are tabulated and explained in Appendix 20 of the ProDoc.

Project Results Framework

Secretariat Comment at CEO Endorsement Request

1/13/21

Please revise the results framework to address the following:

- As written some indicators are not clear
- Indicate GEF sub-core indicators (core indicator 3,4,9) and FOLUR program indicators
- Targets for mid-term review for some indicators
- Units for some indicators are missing
- Include gender indicators within the project results framework.

03/31/21

Cleared

Agency Response

11 Mar 21

These indicator issues have been addressed, see also above at start of review and responses.

On last gender review point: starting with core indicator 11 (beneficiaries), we have set the female gender target to 50% in the results framework and in all other documents. The 40% value was originally modelled upon current farmer demography and represented the minimum figure. Additionally, we provided a very detailed gender action plan that follows through the results framework, with all targets for female inclusion being set at 50% and providing clear guidance on where and when to ensure female inclusion during implementation. Certain interventions are expected to have even higher female participation (e.g. crop diversification, OTOP program).

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

1/13/21

Two comments on Thailand were provided by GEFSEC at PFD technical clearance in the review sheet. These comments are: 1. LD & GHG results appear low considering the STAR and co-financing investment; and 2. While the project will not use CW funds, it would still seem appropriate to include an estimate of metric tons of chemicals eliminated or avoided as this will surely be a co-benefit of the investment. Please indicate that these were addressed.

03/31/21

Cleared

Agency Response

11 Mar 21

Potential for mitigation of GHG was calculated according to the sizes of the target areas, assuming a 5-yr transition period and providing a 20-yr estimate, which is the figure given under Core Indicator 9 (5.496 Mio tons of CO₂ equivalents mitigated). Please see Appendix 20 of the ProDoc for details of the calculation. Whether or not the estimated mitigation potential is commensurate to funding inputs/expectations is beyond our knowledge. However, as outlined previously, the envisaged landscape level adoption of the SRP Standard in rice and the restoration/improved forest management will have mitigation as well as adaptation benefits, so that investment will have a broader impact.

Tons of chemicals (pesticides) eliminated is part of the project approach, as well as a key targeted Core Indicator, as indicated earlier.

Council comments

Secretariat Comment at CEO Endorsement Request

1/13/21

Yes, but the Council's comments should be copied into the section for ease reference.

03/31/21

While the responses found in Annex H of the uploaded word version of the CER are sufficient, this word document isn't a formal submission document like the portal version of the CER or the ProDoc. The information in Annex H should be included in one of these two documents (with reference made to section in the portal version of the CER if in the ProDoc) so that it can be included in the public posting of these two documents.

05/03/21

Responses have now been included in Annex B and uploaded to the portal. These responses are sufficient.

Cleared

Agency Response

11 Mar 21

The actual comments/questions by country council members have been inserted in Annex H. However, they have been shortened to the essential part since they were not specifically addressed towards project.

UNEP Response 28 April 2021: Yet as far as we understand the comment, we have responded by uploading this information of the CEO ER - Annex H on the Portal.

STAP comments

Secretariat Comment at CEO Endorsement Request

1/13/21

Yes, but STAP's comments should be copied into the section for ease reference.

03/31/21

While the responses found in Annex H of the uploaded word version of the CER are sufficient, this word document isn't a formal submission document like the portal version of the CER or the ProDoc. The information in Annex H should be included in one of these two documents (with reference made to section in the portal version of the CER if in the ProDoc) so that it can be included in the public posting of these two documents.

05/03/21

Responses have now been included in Annex B and uploaded to the portal. These responses are sufficient.

Cleared

Agency Response

11 Mar 21

The actual questions/comments by STAP have been included in Annex H

UNEP Response 28 April 2021: See previous response.

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response
CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request
1/13/21

See comments above on PPG Utilization.

03/31/21

Cleared

Agency Response
11 Mar 21

Already clarified

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request
1/13/21

See comment above on project maps.

03/31/21

Cleared

Agency Response
11 Mar 21

Already corrected for and clarified with text on the map legends.

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

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

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

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

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

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

1/13/21

No. Please revise and address the comments. Of particular importance is to generate a completed CEO ER document.

03/31/21

No. Please address remaining comments.

05/03/21

Please address the remaining comments.

06/21/21

Please address remaining comments.

07/29/21

Yes, CEO Endorsement is recommended.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	1/13/2021	
Additional Review (as necessary)	3/31/2021	
Additional Review (as necessary)	5/3/2021	
Additional Review (as necessary)	6/21/2021	
Additional Review (as necessary)	7/29/2021	

CEO Recommendation

Brief reasoning for CEO Recommendations