



# Protection of biodiversity and sustainable land-use in conservation landscapes in South Sulawesi, Gorontalo and East Nusa Tenggara

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10913

**Countries**

Indonesia

**Project Name**

Protection of biodiversity and sustainable land-use in conservation landscapes in South Sulawesi, Gorontalo and East Nusa Tenggara

**Agencies**

UNEP

**Date received by PM**

8/18/2023

**Review completed by PM**

12/18/2023

**Program Manager**

Hannah Fairbank

**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  
NN/HF Sept 2023:

Yes. No significant changes since PIF.

Agency Response  
**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  
HF May 13, 2024:

Clear.

NN/HF December 2023:

Core Indicators in Table B were revised. However, revised Core Indicator worksheet is not uploaded in the portal. Please upload.

NN/HF Sept 2023:

The Indicators for Components 1 and 2 must be harmonized. Please address the following issues:

1. Hectares under improved management (GEF CI 2) seem to be double counted/indicated under both Components 1 and 2. To clarify, please ensure that they are only noted under one of the components, and relatedly see the next point/issue:
2. Please explain why the hectareage targets are linked to Component 1 (policy, planning and multi-stakeholder fora) rather than Component 2 (implementation of plans), keeping in mind that GEF Core Indicator 2 should only capture (direct) results, rather than indirect results. Please see GEF-8 results architecture for further explanation.
3. The indicator (6) notes that it is the same as Core Indicator 2 (see issue referenced above), but the target is different (514,818 ha) while indicator (2) refers to 510,130 hectares (according to Table B; or 587,284 hectares according to Core Indicator table; or 514,898 hectares according to the Core Indicator Worksheet). Please review and ensure: consistency and no overlap between the hectarages targets and numbers.
4. Table B target (12) notes "Agroforest BD & SLM indexes improving at midterm and end of project", however, target remains undefined. In the PIF, this target was indicated as: "specific target is to be defined at PPG stage". Please correct to include the targets as defined during PPG phase. Or explain the lack of target.
5. Component 3: sustainable financing, is classified as Investment. However, while the foreseen project activities might aim at catalyzing sustainable public and private financing, the assumption is such that the GEF project funding will be providing technical assistance in achieving them only rather than using a blended finance/concessional approach? If so, then the Component 3 activities may remain TA.
6. Component 3 Indicator 13 Target refers to 45 % capitalization (for BD-friendly businesses from private sector). Please clarify, what this 45% capitalization is based on? e.g., is it for new businesses? All relevant businesses? And what exactly capitalization here means? certain minimum amount of funding so that the businesses can be registered regionally/nationally? Please explain.
7. Component 3 indicator (15) aims at increased government budget and lending? is this attainable and within the project's manageable interest? Please explain.

Agency Response

Agency response: April 30, 2024

Revised and uploaded

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Agency Response: 11 Dec 23

1. Hectares under improved management (GEF CI 2) seem to be double counted/indicated under both Components 1 and 2. To clarify, please ensure that they are only noted under one of the components, and relatedly see the next point/issue:
  - a. **Agency response:** Change made to Table B so that hectares under improved management is only included in Component 2.
2. Please explain why the hectare targets are linked to Component 1 (policy, planning and multi-stakeholder fora) rather than Component 2 (implementation of plans), keeping in mind that GEF Core Indicator 2 should only capture (direct) results, rather than indirect results. Please see GEF-8 results architecture for further explanation.
  - a. **Agency response:** Table B has been clarified so that hectare targets related to policy, planning and multi-stakeholder fora are only reflected under Component 1, and hectare targets related to the implementation of the ICLP plans are only reflected under Component 2. Thus, hectare targets under GEF Core Indicator 4 only capture direct results, rather than indirect results.
3. The indicator (6) notes that it is the same as Core Indicator 2 (see issue referenced above), but the target is different (514,818 ha) while indicator (2) refers to 510,130 hectares (according to Table B; or 587,284 hectares according to Core Indicator table; or 514,898 hectares according to the Core Indicator Worksheet). Please review and ensure: consistency and no overlap between the hectare targets and numbers.
  - a. **Agency response:** Well noted. All drafts have been amended to ensure consistency and accuracy.
4. Table B target (12) notes 'Agroforest BD & SLM indexes improving at midterm and end of project?', however, target remains undefined. In the PIF, this target was indicated as: 'specific target is to be defined at PPG stage?'. Please correct to include the targets as defined during PPG phase. Or explain the lack of target.
  - a. **Agency response:** Specific targets related to agroforest BD & SLM indexes were not established during the PPG stage, because it was decided that this will occur in the first phase of project implementation, when baselines are defined and affirmed with all project partners.
5. Component 3: sustainable financing, is classified as Investment. However, while the foreseen project activities might aim at catalyzing sustainable public and private financing, the assumption is such that the GEF project funding will be providing technical assistance in achieving them only rather than using a blended finance/concessional approach? If so, then the Component 3 activities may remain TA.

a. **Agency response:** Noted. We have changed this to TA

6. Component 3 Indicator 13 Target refers to 45 % capitalization (for BD-friendly businesses from private sector). Please clarify, what this 45% capitalization is based on ? e.g., is it for new businesses? All relevant businesses? And what exactly capitalization here means ? certain minimum amount of funding so that the businesses can be registered regionally/nationally? Please explain.

a. **Agency response:** First, the term 'investment' has replaced the term 'capitalization,' because this term more accurately reflects the intended activity. Thus, 45 % investment from the private sector for BD-friendly businesses refers to new community-based businesses established as part of the project. Investment refers to the financial requirements needed to establish the business operations, such as purchasing equipment, processing facilities, and running the businesses in the early stages.

7. Component 3 indicator (15) aims at increased government budget and lending ? is this attainable and within the project's manageable interest? Please explain.

a. **Agency response:** The recent Government of Indonesia endorsement and creation of ecological fiscal transfers through the Provincial (TAPE), District (TAKE) and National (TANE) budgets is a unique opportunity. The ecological fiscal transfer mechanism has been defined, but not yet implemented. We view this as an important opportunity to develop and implement new indicators related to biodiversity through the new mechanism. This will hopefully benefit the project jurisdictions, but also have national and broader geographic implications. We will align our work with others supporting GoI to implement the mechanism, such as World Resources Institute, to ensure our activities are additive.

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

Secretariat Comment at CEO Endorsement Request  
NA

Agency Response  
**Co-financing**

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

Secretariat Comment at CEO Endorsement Request  
HF May 2024:

Clear

NN/HF Dec 2023:

- Co-financing from Seniman Pangan, its in-kind contribution of technical support is classified as Investment. In kind assistance is not considered Investment. Please correct it as recurrent expenditure;
- Krealogi's co-financing letters refers specially to in-kind support, and not the capital investment the revised CEO endorsement document indicates. Please correct the classification as in-kind contribution of recurrent expenditure, or provide a co-financing letter that clearly indicates the targeted category of co-financing.
- PT Bank CIMB Niaga is removed from co-financing table, however, reference to PT Bank CIMB Niaga is still retained under co-financing narrative, where it refers to a grant made to EBF. It is not clear how this is relevant to the project, and whether it is considered part of the EBF's co-financing. Please clarify the relevance, expected co-financing during project implementation, or remove otherwise. It also refers to 'grants and loans to the project of \$1.5 million over the 76 years' ? please correct the range of years. Please also clarify what exactly the 'grants and loans to the project' refers here.

NN/HF Sept 2023:

- 1.) No. Please include current and complete co-finance letters that adhere to GEF policy and guidelines for co-finance letters, and upload them to the Portal.
- 2.) Please correct/clarify classification of recurring vs investment mobilized as currently some of it is mixed.
- 3.) The investment already occurred prior to the project launch cannot be counted towards co-financing, i.e., a feasibility study costing USD 40,000 which is already completed, is not be eligible.
- 4.) Private sector co-financing sources are described, however, it is unclear how it relates to the proposed GEF project as co-financing-please provide evidence of this co-financing or explain what is expected over the course of the project in this regard.
- 5.) Please ensure that the description of co-financing from PT Bank CIMB Niaga Tbk matches the amount provided in Table C.
- 6.) Please also explain any major changes in co-finance from PIF.

Agency Response

**Agency response: April 30, 2024**

1. Co-financing from Seniman Pangan, its in-kind contribution of technical support is classified as Investment. In kind assistance is not considered Investment. Please correct it as recurrent expenditure;

**Agency response:** The co-finance table in CEO endorsement and ProDoc has been made accordingly.

2. Krealogi's co-financing letters refers specially to in-kind support, and not the capital investment the revised CEO endorsement document indicates. Please correct the classification as in-kind contribution of recurrent expenditure, or provide a co-financing letter that clearly indicates the targeted category of co-financing.

**Agency response:** The classification in the co-finance table has been changed to 'recurrent expenditure.' The 'Investment Mobilized' section on page 7 of the CEO Endorsement Request and ProDoc have been adjusted to clarify this point.

3. PT Bank CIMB Niaga is removed from co-financing table, however, reference to PT Bank CIMB Niaga is still retained under co-financing narrative, where it refers to a grant made to EBF. It is not clear how this is relevant to the project, and whether it is considered part of the EBF's co-financing. Please clarify the relevance, expected co-financing during project implementation, or remove otherwise. It also refers to 'grants and loans to the project of \$1.5 million over the 76 years' ? please correct the range of years. Please also clarify what exactly the 'grants and loans to the project' refers here

**Agency response:** Noted. References to PT Bank and CIMB Niaga is now removed from both the CEO ER and PRODOC

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Agency Response: 11 Dec 23

1.) No. Please include current and complete co-finance letters that adhere to GEF policy and guidelines for co-finance letters, and upload them to the Portal.

**Agency response:** We have uploaded the letters now, and revised the co-finance amount accordingly

2.) Please correct/clarify classification of recurring vs investment mobilized as currently some of it is mixed.

**Agency response:** Noted and done

3.) The investment already occurred prior to the project launch cannot be counted towards co-financing, i.e., a feasibility study costing USD 40,000 which is already completed, is not be eligible.

**Agency response:** Noted. This has been omitted and letter redrafted.

4.) Private sector co-financing sources are described, however, it is unclear how it relates to the proposed GEF project as co-financing-please provide evidence of this co-financing or explain what is expected over the course of the project in this regard.

**Agency response:** Detail on how the private sector co-finance relates to the proposed GEF project is found in the narrative detail in Outcome 2.2, and Section 7.2 on project co-financing.

5.) Please ensure that the description of co-financing from PT Bank CIMB Niaga Tbk matches the amount provided in Table C.

**Agency response:** While partners in Indonesia anticipated PT Bank CIMB Niaga to be a co-finance partner, they are not ready to sign an agreement committing their resources. We have omitted them from the co-finance table.

6.) Please also explain any major changes in co-finance from PIF.

**Agency response:** The PPG required far more detailed consultation not only with relevant government agencies, but importantly, also the private sector. Table 2 in the ProDoc has been amended to include this additional information on changes in co-finance between the PIF and PPG stages.

#### **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

HF May 2024:

Cleared.

NN/HF May 2024:

2.b.) Noted that the Programme Director is removed from the GEF project budget and Project Director is indicated as co-financed by KSDAE, however, the Project Coordinator at PMU increased in the GEF budget sharply from \$120,000 Total to \$220,000 total. Please explain.

NN/HF Dec 2023:

1.) Table A and Table D figures are now same as the PIF figures in the portal entry. However, the Word doc version still indicates Table D in a mismatching figure. Please correct.

2.) Noting the submission of TORs. Based on a review of the TORs and budget then:

2. a.) The Project Coordinator at EBF is assigned 20 % to PMC and 80 % to project components. The 'technical tasks' indicate under this position are mostly coordinating and monitoring tasks, not exactly technical 'this position, and PMU function in general, needs to be budgeted under PMC. Please correct and revise budget accordingly.

b.) The functions of Project Coordinator and Programme Director, both proposed to be within EBF, appear similar and the need for the latter is unclear. Please explain and revise.

c.) The budget indicates that over \$3 million of the \$7 million in GEF component funds will be to support existing and new positions/staff salaries at Environmental Bamboo Foundation. There is some concern from a cost effectiveness, sustainability and community capacity development perspective. Please describe to what extent and how this is a cost effective project approach to meet project objectives; and what measures are being taken for



project impact sustainability given this project financing/budget arrangement; and/or revise the budget and institutional arrangement accordingly.

NN/HF Sept 2023:

- 1.) Please ensure Tables A, D and any other reference to project financing and BD/LD focal areas are consistent with each other and match the original LOE for this GEF-7 STAR financed project. Currently there are inconsistencies including in Table A allocations.
- 2.) In order to be able to review cost-effectiveness the budget issues must be addressed (see specific questions in budget section below), for instance: only a general figure is provided for personnel budget, without terms of reference or person/days unit cost).

#### Agency Response

**Agency response: May 15, 2024**

Yes, that is correct. In the previous budget, the project coordinator was only budgeted for 3 years (at USD 40k/ year), based at EBF. Under the latest revision, this person will be hired by KSDAE, based at PMU and will be there for the entire duration of the project (for 6 years at ca 36,667/ year). Therefore, the salary is the same (slightly lower than in previous budget ? from 40k to 36,667 per year), but duration is longer (from 3 years to 6 years).

**Agency response: April 30, 2024**

1.) Table A and Table D figures are now same as the PIF figures in the portal entry. However, the Word doc version still indicates Table D in a mismatching figure. Please correct.

**Agency response:** This is now addressed, and figures are the same.

2.) Noting the submission of TORs. Based on a review of the TORs and budget then:

**Agency response 2. a.)** The Project coordinator position is now 100% from PMC

**b)** We have removed the programme director position ? this will be co-financed from the EA.

c.) The budget indicates that over \$3 million of the \$7 million in GEF component funds will be to support existing and new positions/staff salaries at Environmental Bamboo Foundation. There is some concern from a cost effectiveness, sustainability and community capacity development perspective. Please describe to what extent and how this is a cost effective project approach to meet project objectives; and what measures are being taken for project impact sustainability given this project financing/budget arrangement; and/or revise the budget and institutional arrangement accordingly.

**Agency response:** We have now revised the budget, the ToRs and the institutional arrangements accordingly. The PMU will be based at KSDAE and the consultants will be hired on a need basis by KSDAE, following government of Indonesia regulations. There is a greater proportion of the budget now going to project activities, especially sub-contracting of partners to deliver project outputs

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Agency Response: 11 Dec 23

1.) Please ensure Tables A, D and any other reference to project financing and BD/LD focal areas are consistent with each other and match the original LOE for this GEF-7 STAR financed project. Currently there are inconsistencies including in Table A allocations.

**Agency response:** Noted, addressed.

2.) In order to be able to review cost-effectiveness the budget issues must be addressed (see specific questions in budget section below), for instance: only a general figure is provided for personnel budget, without terms of reference or person/days unit cost).

**Agency response:** Noted. ToRs are now provided and budget issues have been addressed.

**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

NN/HF Sept 2023:

Yes.

Agency Response

**Core indicators**

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

Secretariat Comment at CEO Endorsement Request

HF May 2024:

Cleared.

NN/HF Dec 2023:

1.) In Table B, CI 4 Targets are indicated as total of at least 510,130 ha, ?consisting of 208,543 ha (KBA), 158,347 ha of Protection forest (in KBA but lacking biodiversity protection), 120,394 Production forest in or near KBA, plus 190,085 Areas for Other Land Use (APL) included in five ICLP.? These subcategories do not add up to the total of 510,130 ha. Please correct.

2.) Noted. Please highlight where in the Annex A Results Framework they have been added.

NN/HF Sept 2023:

1.) Core Indicator 4 targets provided in Table B, Core Indicators table after F. PPG, and Word doc Core Indicator Worksheet values are all different. Please check and update.

2.) Please consider including the core indicator 6 and 11 and their targets in the results framework (annex A).

#### Agency Response

**Agency response April 30, 2024**

1.) In Table B, CI 4 Targets are indicated as total of at least 510,130 ha, ?consisting of 208,543 ha (KBA), 158,347 ha of Protection Forest (in KBA but lacking biodiversity protection), 120,394 Production forest in or near KBA, plus 190,085 Areas for Other Land Use (APL) included in five ICLP.? These subcategories do not add up to the total of 510,130 ha. Please correct.

**Agency response:** Noted, the figure for APL has been corrected and adjusted. It is now 181,193 ha.  $510,130 = 158,347$  ha of Protection forest (in KBA but lacking biodiversity protection) + 120,394 Production forest + 181,193 Areas for Other Land Use (APL).

2.) Noted. Please highlight where in the Annex A Results Framework they have been added.

**Agency response:** Reference to CI 4 have now been added under outcome 2.2 in the results framework table

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Agency Response: 11 Dec 23

1.) Core Indicator 4 targets provided in Table B, Core Indicators table after F. PPG, and Word doc Core Indicator Worksheet values are all different. Please check and update.

**Agency response:** Thank you, well noted. These have been updated.

2.) Please consider including the core indicator 6 and 11 and their targets in the results framework (annex A).

**Agency response:** Core indicators 6 and 11 and their targets have been added to the results framework (Annex A in CEO Endorsement Request and other relevant section of that and ProDoc)

#### 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

NN/HF Sept 2023:

Yes, the global significance and root causes are elaborated further since PIF. Barrier 4 description is updated.

#### Agency Response

N/A

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

Secretariat Comment at CEO Endorsement Request

NN/HF Sept 2023:

Yes

Agency Response

N/A

**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

HF May 2024:

Cleared.

NN/HF Dec 2023:

Noted. In that case, please include a brief narrative of the Theory Of Change for this project in this section.

NN/HF Sept 2023:

The theory of change diagram #7 seems to be a rearticulation of the project results framework, rather than a theory of change. The text better captures the causal relationships and critical assumptions. Suggest renaming (as a project or results framework) or removing all together. Could consider just leaving narrative description of TOC as a diagram is not required. <https://www.stapgef.org/resources/advisory-documents/theory-change-primer> and [https://www.thegef.org/sites/default/files/council-meeting-documents/EN\\_GEF\\_STAP\\_C.57\\_Inf.05\\_Theory%20of%20Change\\_%20A%20Short%20Literature%20Review%20and%20Annotated%20Bibliography.pdf](https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF_STAP_C.57_Inf.05_Theory%20of%20Change_%20A%20Short%20Literature%20Review%20and%20Annotated%20Bibliography.pdf) and <https://www.unep.org/evaluation-office/our-evaluation-approach/theory-change>

Agency Response

**Agency response April 30, 2024**

**Agency response:** This has now been added below figure 7

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Agency Response: 11 Dec 23

Figure 7 has been renamed to results framework

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

Secretariat Comment at CEO Endorsement Request  
NN/HF Sept 2023:

Yes, the alignment with the focal areas is consistent with the in PIF.

Agency Response

N/A

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

Secretariat Comment at CEO Endorsement Request

HF May 2024:

Cleared.

NN/HF Dec 2023:

1.) Table A and Table D (BD and LD breakout) figures are now restored back to the PIF figures in the GEF portal entry of CER. However, in the uploaded Word version, Table D still has a mismatching figure.

2-3.) Clear

NN/HF Sept 2023:

1.) Section 5) Incremental cost reasoning indicates 5.7 million from BD and 1.8 million from LD, which are same as the PIF values. However, the CEO endorsement request table A indicates 5.3 million from BD and 2.1 million LD. Please update and harmonize throughout the CEO endorsement request document.

2.) In Table B, indicator (11) indicates target of 10 % of population, of which **40% is women**, deriving a portion of their yearly income from BD-friendly businesses. However, in the incremental cost reasoning table, it indicate 10 % of such population, of which **50 % are women**. Please harmonize and update.

3.) Likewise, indicator (14) number of business ventures led by women, target is >30%. Please explain why this specific target has much lower target of women.

Agency Response

**Agency response April 30, 2024**

1) Table A and Table D (BD and LD breakout) figures are now restored back to the PIF figures in the GEF portal entry of CER. However, in the uploaded Word version, Table D still has a mismatching figure.

**Agency response: This is now fixed**

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Agency Response: 11 Dec 23

1.) Section 5) Incremental cost reasoning indicates 5.7 million from BD and 1.8 million from LD, which are same as the PIF values. However, the CEO endorsement request table A indicates 5.3 million from BD and 2.1 million LD. Please update and harmonize throughout the CEO endorsement request document.

**Agency response:** Corrected and harmonized

2.) In Table B, indicator (11) indicates target of 10 % of population, of which 40% is women, deriving a portion of their yearly income from BD-friendly businesses. However, in the incremental cost reasoning table, it indicate 10 % of such population, of which 50 % are women. Please harmonize and update.

**Agency response:** Thank you, this has been amended in the incremental cost reasoning, to state, ?10 % of population, of which 40% is women.?

3.) Likewise, indicator (14) number of business ventures led by women, target is >30%. Please explain why this specific target has much lower target of women.

**Agency response:** This project seeks to work with men and women. In muslim majority areas and traditional areas in rural Indonesia, local custom places significant restrictions on women. As these are community-based businesses, they will include men and women. We believe that the >30% target is reasonable, given the local context.

**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

NN/HF Sept 2023:

Yes, consistent with PIF.

Agency Response

N/A

**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

NN/HF Sept 2023:

Yes, consistent with PIF.

Agency Response

N/A

**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  
NN/HF Sept 2023:

Yes, maps and coordinates provided in Annex D

Agency Response

N/A

**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  
NA

Agency Response

N/A

**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  
NN/HF 2023:

Clear

NN/HF Sept 2023:

1.) In the portal, please check the box for relevant stakeholder categories (e.g., CSO, IPLC, private sector?) who have participated in consultations during the PPG phase.

2.) Please include a detailed report/summary on how stakeholders were engaged during the design and PPG phase.

Agency Response

Agency Response: 11 Dec 23

1.) In the portal, please check the box for relevant stakeholder categories (e.g., CSO, IPLC, private sector?) who have participated in consultations during the PPG phase.

**Agency response:** Table 21 on stakeholder participation has been organized in order to sort stakeholders by category

2.) Please include a detailed report/summary on how stakeholders were engaged during the design and PPG phase.

**Agency response:** This is in the Stakeholder Engagement Plan, which we will reattach again. Also, reference has been added to CEO Endorsement Request.

#### **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

NN/HF Dec 2023:

Clear

NN/HF Sept 2023:

Yes.

Under Output 3.1.4, please ensure that knowledge products including on lessons learned incorporate or feature the gender dimensions.

Agency Response

Agency Response: 11 Dec 23

Confirmed that it is our intention to ensure that knowledge products including on lessons learned incorporate or feature the gender dimensions under Output 4.1.1

#### **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

NN/HF Sept 2023:



Yes

#### Agency Response

N/A

#### **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

NN/HF Dec 2023:

Clear.

NN/HF Sept 2023:

Yes. Under the climate risk, the carbon benefit of 9,955, 871 tCO<sub>2</sub> equivalent over 20 years. This value is different from the Core Indicator total target benefit at 8,733,744 tCO<sub>2</sub> equivalent over 20 years. Please explain or correct.

#### Agency Response

Agency Response: 11 Dec 23

The carbon benefit was recalculated due to changing two project sites between the PIF and completion of the PPG. The updated figure is 8,733,744 tCO<sub>2</sub> equivalent over 20 years. CEO Endorsement Request, Core Indicator Worksheet and ProDoc have been amended to ensure consistency.

#### **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

HF May 2024:

Cleared.

NN/HF Dec 2023:

Regarding the institutional arrangement and EBF execution, further clarification is needed:

1.) The CER doc indicates that EBF will be the co-executing agency under Section 6 "Director General KSDAE will be the Project Executing Agency and Environmental Bamboo Foundation (EBF) will be Co-Executing Agency. Directorate General KSDAE will have an umbrella agreement with EBF to authorize their role as Co-Executing Agency." So, as long as EBF is the/a designated executing agency with all the fiduciary aspects cleared by UNEP and the recipient government, then the current institutional arrangement, flow of funds and budget don't seem well aligned, however if EBF is NOT an EA in their own right, then that needs to be clarified and consistent in the institutional arrangement, flow of funds and in the budget. Please note that changes to project EAs after CEO endorsement require a major amendment and review of GEF Council.

2.) The Terms of Reference attached to the first resubmission of the CEO endorsement request, indicates EBF as IA, which is not possible. If EBF is expected to be EA, please clarify and provide justification and description of consultation process.

3.) The CER indicates that the PMU will be responsible for project implementation. However, implementation is under the responsibility of GEF Implementing Agency, in this case, UNEP. PMU should be responsible for day-to-day execution of the project activities. Please correct and clarify throughout.

**Please note**, that any changes to the Executing Agency(s) of GEF projects after CEO endorsement require a major amendment which must be reviewed and cleared by GEF Council.

NN/HF Sept 2023:

1. In the Section 6 of CEO Endorsement Request, EBF/YBL is not shown in the first diagram of the institutional arrangement. Please further clarify/update. Section 6 Figure 8 shows EBF as executing agency.
2. In Section 6, the role of Burung Indonesia is not fully explained in the implementation arrangement section "please explain why Burung Indonesia is in a separate stand-alone category as opposed to other partners in the Figure 6, such as Javara/Semiman Pangan, Krelogi, PEKKA, Satu Vis Foundation (grouped in the same category "other project partners" in Figure 6 " while Threads of Life is budgeted under subcontract but now shown in the Figure 6).
3. How will the smaller sub-contracts (budgeted for Javara/Semiman Pangan, Kreologi, Buring Indonesia, Status Visi Foundation, and Threads of Life) be handled?

Agency Response

**Agency response April 30, 2024**

1.) The CER doc indicates that EBF will be the co-executing agency under Section 6 "Director General KSDAE will be the Project Executing Agency and Environmental Bamboo Foundation (EBF) will be Co-Executing Agency. Directorate General KSDAE will have an umbrella agreement with EBF to authorize their role as Co-Executing Agency." So, as long as EBF is the/a designated executing agency with all the fiduciary aspects cleared by UNEP and the recipient government, then the current institutional arrangement, flow of funds and budget don't seem well aligned, however if EBF is NOT an EA in their own right, then that

needs to be clarified and consistent in the institutional arrangement, flow of funds and in the budget. Please note that changes to project EAs after CEO endorsement require a major amendment and review of GEF Council.

**Agency response:**

1) Yes, KSDAE is the lead EA, and legal instrument will be between UNEP and KSDAE. KSDAE will get into an umbrella agreement with EBF after the start of the project.

2.) The Terms of Reference attached to the first resubmission of the CEO endorsement request, indicates EBF as IA, which is not possible. If EBF is expected to be EA, please clarify and provide justification and description of consultation process.

**Agency response:** Agree and appreciate identification of this error. This is now corrected.

3.) The CER indicates that the PMU will be responsible for project implementation. However, implementation is under the responsibility of GEF Implementing Agency, in this case, UNEP. PMU should be responsible for day-to-day execution of the project activities. Please correct and clarify throughout.

**Agency response:**

a) Noted and corrected.

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Agency Response: 11 Dec 23

1. In the Section 6 of CEO Endorsement Request, EBF/YBL is not shown in the first diagram of the institutional arrangement. Please further clarify/update. Section 6 Figure 8 shows EBF as executing agency.

**Agency response:** Noted, Figure 9 has been adjusted to be consistent with Figure 8 and narrative in Section 6.

2. In Section 6, the role of Burung Indonesia is not fully explained in the implementation arrangement section ?please explain why Burung Indonesia is in a separate stand-alone category as opposed to other partners in the Figure 6, such as Javara/Semiman Pangan, Krelogi, PEKKA, Satu Vis Foundation (grouped in the same category ?other project partners? in Figure 6 ? while Threads of Life is budgeted under subcontract but now shown in the Figure 6).

**Agency response:** The role of Burung Indonesia has been added to Section 6. Noted that Threads of Life is budgeted for under subcontracts, but not listed in the project partner figure. This is because partners are still in discussion with Threads of Life about their role in the project, and while there is agreement on their role as a sub-contractor, their ability to bring in additional co-finance, or their role as a product off-taker is to be determined.

**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

NN/HF Sept 2023:

Yes.

Agency Response

N/A

**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

NN/HF Dec 2023:

Clear

NN/HF Sept 2023:

The KM budget is indicated in the table, however, it is unclear where in the project budget (in excel file) they fit under. Please explain.

Agency Response

Agency Response: 11 Dec 23

Knowledge management is a part of Monitoring and Evaluation and is under now component 4, specifically under output 4.1.1. The overall budget for MEL activities is 325,000, and a separate column for M&E activities is now indicated in the budget.

**Environmental and Social Safeguard (ESS)**

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

Secretariat Comment at CEO Endorsement Request

NN/HF Sept 2023:

Yes

Agency Response

N/A

**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

NN/HF Dec 2023:

Clear

NN/HF Sept 2023:

Some of the M&E cost is unclear where it fits under the project budget (e.g., surveys). Please explain if it is covered under cost items other than budget clearly indicated as MEL cost.

Agency Response

Agency Response: 11 Dec 23

We have now clearly indicated MEL costs in a new column in the budget sheet

**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

NN/HF Dec 2023:

Clear

NN/HF Sept 2023:

Yes, described in Section 10, mostly on improving the poverty, however, there is insufficient elaboration on how these benefits translate in supporting the achievement of GEBs. Please address.

Agency Response

Agency Response: 11 Dec 23

The project rationale is based upon addressing the drivers of habitat loss, and assumption that if people derive livelihood benefits from biodiversity, they will have an incentive to better steward the land and resources around them. Especially in these sites with high poverty levels, livelihood improvements that are tied to biodiversity and land degradation will not only improve the health and welfare of local people, but will reduce their poaching, tree felling, and other habitat and land degrading activities.

**Annexes**

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

Secretariat Comment at CEO Endorsement Request

HF May 2024:

Cleared.

NN/HF Dec 2023:

TORs included. See previous questions on institutional arrangements and budget.

NN/HF Sept 2023:

- 1.) Please include TORs for all positions proposed for project financing.
- 2.) No co-financing has been allocated to the PMC. If the GEF contribution is kept at 5%, for a co-financing of \$70,117,999 the expected contribution to PMC must be around \$3,505,899. As the costs associated with the project management must be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion.
- 3.) There are differences in the total amounts when looking at the numbers in Table B: Project description summary vs. the budget provided in Annex E. Please review and correct where necessary in all budget tables.
- 4.) Program Director, Senior Advisor and Project Coordinator are being charged to a component. Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC.
- 5.) Two columns are missing in the budget table. The first one is stipulate the name of the executing agency, the other is for M&E expenses. As a results M&E activities have been charged to the PMC. Please make these two corrections ? per the resubmission we will review the budget and provide comments if appropriate.
- 6.) Please include the GEF project taxonomy worksheet

Agency Response

**Agency response April 30, 2024**

We have updated the ToRs, institutional arrangements, and budget

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Agency Response: 11 Dec 23

1.) Please include TORs for all positions proposed for project financing.

**Agency response:** This has been added as a separate annex

2.) No co-financing has been allocated to the PMC. If the GEF contribution is kept at 5%, for a co-financing of \$70,117,999 the expected contribution to PMC must be around \$3,505,899. As the costs associated with the project management must be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion.

**Agency response:** Yes, we have allocated accordingly

3.) There are differences in the total amounts when looking at the numbers in Table B: Project description summary vs. the budget provided in Annex E. Please review and correct where necessary in all budget tables.

**Agency response:** Corrected

4.) Program Director, Senior Advisor and Project Coordinator are being charged to a component. Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC.

**Agency response:** We have allocated these positions to PMC, and also removed the senior advisor position.

5.) Two columns are missing in the budget table. The first one is stipulate the name of the executing agency, the other is for M&E expenses. As a results M&E activities have been charged to the PMC. Please make these two corrections ? per the resubmission we will review the budget and provide comments if appropriate.

**Agency response:** The name of the executing agency has been added to the top of the table. M&E and PMC are now separate

6.) Please include the GEF project taxonomy worksheet

**Agency response:** This is in Annex G of the CEO Endorsement Request, and has been added to the ProDoc as Appendix 15.

#### **Project Results Framework**

#### Secretariat Comment at CEO Endorsement Request

HF May 23, 2024:

Cleared

HF May 2024:

No, as many tables are outside the margins of the CER Portal entry. Please work with the GEF Portal ITS to ensure that the following tables are within the margins of the CER Portal entry: (Summary of Changes in Components, Outcomes and Outputs, Table: Stakeholder participation in project implementation, Knowledge management significance and

contribution to project's overall impact, Costed M&E Plan, Table 19: Amount of income to be generated by project to get above the poverty line, Results Framework, ANNEX B: RESPONSES TO PROJECT REVIEWS, The PPG Team completed the following activities, ANNEX E: Project Budget Table). Please note, some of these might be able to be annexed in the document tab as well.

HF May 2024:

1.) The results framework table in Annex A in the portal goes beyond the margins and is hard to read. Please reformat and resubmit so it is inside the margins.

2.) Cleared.

NN/HF 18 December 2023:

1.) The current results framework table in the Portal is not formatted correctly, is outside the margins and is hard to read. Please fix.

2.) Comment cleared.

NN/HF Sept 2023:

1.) The current results framework table in the Portal is not formatted correctly and is hard to read. Please fix.

2.) Annex A Project Results Framework appears to be showing MEL plan for the project indicators, rather than the overall results framework. Please verify this is complete/correct.

## Agency Response

Agency Response: May, 23 2024

We are not sure why the format did not work but we are now taking the following actions.

All tables have been adjusted from landscape setting to portrait setting and pasted them again in the portal.

•? Summary of Changes in Components Outcomes and Outputs - Done

? Table: Stakeholder participation in project implementation - Done

? Knowledge management significance and contribution to project's overall impact -

Done

? Costed M&E Plan -Done

? Table 19: Amount of income to be generated by project to get above the poverty line -

Done

? Results Framework -Done

? ANNEX B: RESPONSES TO PROJECT REVIEWS - Done

? The PPG Team completed the following activities -Done

? ANNEX E: Project Budget Table - Done



All tables have also been added to the annexes in separate word file and attached in the document section on the GEF portal.

Agency Response: May, 15 2024

Done

Agency Response: 11 Dec 23

1.) The current results framework table in the Portal is not formatted correctly and is hard to read. Please fix.

Agency response: The results framework has been redrafted entirely, now showing GEF Core Indicators at the top of the framework, and the rest of the project results framework in rows below.

2.) Annex A Project Results Framework appears to be showing MEL plan for the project indicators, rather than the overall results framework. Please verify this is complete/correct.

Agency response: The results framework has been redrafted

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

NN/HF Sept 2023:

Yes.

Agency Response

**Council comments**

Secretariat Comment at CEO Endorsement Request

NN/HF December 2023:

Clear

Agency Response

**STAP comments**

Secretariat Comment at CEO Endorsement Request

NN/HF December 2023:

Clear

Agency Response

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request

NN/HF Dec 2023:

Clear

NN/HF Sept 2023:

Please provide details on the activities funded through the PPG as those mentioned in Annex C. As an example, we can't assess what 'sub-contract' are and if these are eligible activities under GEF funding. A brief explanation on each item will help to better understand.

Agency Response

Agency Response: 11 Dec 23

Details have been added to Annex C in CEO Endorsement Request.

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request  
NN/HF Sept 2023:

Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
NA

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
NA

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
NA

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request

HF May 23, 2024:

Yes. PM recommends CEO endorsement. Please note that the 2nd cancellation deadline, as extended, is June 6/23/2024.

#### Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
<b>First Review</b>	9/23/2023	
<b>Additional Review (as necessary)</b>	12/18/2023	
<b>Additional Review (as necessary)</b>	5/13/2024	
<b>Additional Review (as necessary)</b>	5/22/2024	
<b>Additional Review (as necessary)</b>		

#### CEO Recommendation

#### Brief reasoning for CEO Recommendations

The project objective is to protect biodiversity and reduce land degradation in Wallacea hotspot of Indonesia through landscape-based conservation action, sustainable land management, and livelihood benefits linked to conservation outcomes. The project aims to implement integrated conservation landscape plans based on ecological and spatial criteria to strengthen the mainstreaming and area-based biodiversity protection in landscapes identified by the government as Key Biodiversity Areas including under Protected Forest status, Production Forests as well as Conservation Forests under the Forest Management Unit scheme as well as forest under local management jurisdiction (APL), many of which contain proposed social forestry concession areas. Working with local communities the project seeks to build biodiversity stewardship and "other area-based conservation measures" at landscape scales, through People, Public, Private Partnerships (PPPP), connecting commitments to address drivers of biodiversity loss to tangible investments in livelihood improvements through biodiversity-friendly business ventures such as bamboo and other NTFP agroforestry. The project will have five sites in three provinces in Indonesia's Wallacea ecoregion: Popayato-Paguat KBA, Gorontalo, Sulawesi; Gunung Lompobattang, South Sulawesi; Todo-Repok/Ruteng, Flores, East Nusa Tenggara; Alor Island, East Nusa Tenggara; and South-Eastern Sumba, East Nusa Tenggara.

The project aims to restore a total of 8,003 hectares of fallow land in the high-biodiversity habitats; Improve the management of 510,130 hectares (208,543 ha (KBA), 120,394 Production Forest in or near KBA, plus 181,193 ha under Areas for Other Land Use (APL) ?

The project's interventions will focus on: Reducing the 20-year historic deforestation rates across the entire landscape area; Improving the management of the landscapes, including enhancing production, landscape connectivity, and the protection of 100,000 hectares of bamboo agroforestry systems in high-biodiversity habitats; and carbon benefits from avoided deforestation & carbon sequestration (8,733,744 tons CO<sub>2</sub>e); and a total of 55,900 beneficiaries (22,350 females and 33,550 males). GEF implementing agency is UNEP and execution agencies are: Directorate General of Nature Resources and Ecosystem Conservation (KSDAE) of the Ministry of Environment and Forestry (KLHK), Government of Indonesia; Environmental Bamboo Foundation (Co-EA). GEFTF: \$8,400,000 and co-finance \$75,093,185.