

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

### Basic Information

**GEF ID**

10913

**Countries**

Indonesia

**Project Title**

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

**GEF Agency(ies)**

UNEP

**Agency ID**

**GEF Focal Area(s)**

Multi Focal Area

**Program Manager**

Hannah Fairbank

**PIF**

## Part I – Project Informatic

### Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

#### Secretariat Comment at PIF/Work Program Inclusion

April 25, 2022 HF:

Yes.

#### Agency Response

**UNEP response 16 March:** please find a significantly improved and completed PIF; based a.o. on the upstream review by GEFSEC of 5 Dec 2021. Please see separate response sheet as uploaded at the Portal.

### Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

#### Secretariat Comment at PIF/Work Program Inclusion

May 10, 2022 HF:

1.) Comment cleared.

2.) Comment cleared. Please ensure that the project includes a mechanism (screening criteria) to ensure that no investment is made in a (current or previously) GEF-funded project. Please address directly during PPG and project implementation.

3.) Comment cleared. Please ensure that the project includes a mechanism (screening criteria) to ensure that no investment is made in a

(current or previously) GEF-funded project. Please address directly during PPG and project implementation.

4.) Comment cleared.

5.) Comment cleared. Please ensure that the project includes a mechanism (screening criteria) to ensure that no investment is made in a (current or previously) GEF-funded project. Please address directly during PPG and project implementation.

6.) Comment cleared. Please address during PPG: In developing (two) innovative finance instruments under Component three, please ensure that they are clearly assets/instruments that have a principal, a return, a repayment mechanism. The current description of these included in the PIF are not financial instruments per se (e.g. feasibility and market analysis (i) or (ii) sequencing of private investment (iii) PPPP as an important capstone of capacity building) are not financial instruments. These are outputs that are needed for an outcome but are not themselves financial instruments. Please address during PPG.

7-10.) Comments cleared.

April 25, 2022 HF:

### **Component 3:**

- 1.) Could you please simplify the language for Outcome 3.1 and Output 3.1.1? This will clarify and ease understanding of what is envisioned.
- 2.) Output 3.1.1: Please note that the GEF is already investing in TLFF through the & Green Fund (US\$ 2M) MSP. Please advise on how double counting of GEBs would be avoided.
- 3.) Is it AGRI-3 fund or AGRO-3 fund? If the former, the GEF is also investing in AGRI-3 fund, as such, please address how we can avoid investment in the same projects to avoid GEB double counting.
- 4.) Unclear if the business plans to be developed will have TLFF, Agri-3, EBF and the others involved or only “the banks, their financiers (whose?), sustainable sourcing companies and farmers and producers.”
- 5.) It is unclear where the impact investment will be mobilized from (maybe in the co-financing table?). Please explain.
- 6.) Please explain by what is meant by 2 innovative finance instruments.
- 7.) Output 3.1.2: Unclear if the objective is to mainstream BD lending criteria and securing funding, how does those criteria reconcile with building capacity for community enterprises to be investment ready? (Also, in this component, the PIF mentions AGRI-3 fund, thus the previous comment holds).
- 8.) Not sure if we are talking about PPP (Public-Private Partnership Agreements) (extra P typo) or PPPP (4Ps) agreements? Please clarify.
- 9.) The second paragraph is very interesting, but I do not know how the description of the output- or what activities will be needed- to link the objective of the output to the government programs and initiatives. Please clarify/describe.
- 10.) Output 3.1.3: OK- just make sure that this fiscal mechanism is different from the 2 innovative finance instruments mentioned in 3.1.1

## Agency Response

### UNEP response 10 May 22:

1) "Regarding simplifying the language for Outcome 3.1 and Output 3.1.1': We agree this can be simplified and clarified. Revisions have been made in Table B and Component 3 in section 1.3 at page 41.

2) "Regarding Output 3.1.1, we understand the GEF is investing in TLFF": This new project will not invest in TLFF itself, rather, work in collaboration with TLFF, to conduct feasibility reviews and business plan development, and facilitate negotiations between TLFF, government, private sustainable sourcing companies, and banks/lenders, in order to partner with and enable TLFF to leverage new investments in the value-chain development under the GEF project. The GEF investment in this project will also ensure there is commitment throughout the project to attain and monitor biodiversity and environmental outcomes.

Further, the intervention areas are entirely different from the &Green Fund projects in sustainable palm oil and rubber, which occur in entirely different regions in Indonesia. This GEF bamboo agroforestry landscape project is in different geographies from oil palm and rubber growing areas, so there is no sectoral or geographic overlap.

3)" Regarding whether the fund is AGRI3 fund or AGRO-3 fund": There were two typo's in the PIF, which have now been fixed to make clear that it is Agri3 Fund. Kindly refer to the answer above on no overlap or double counting of GEBs with the ongoing GEF support to Agri3.

4) "Regarding actors who have a role in shaping the business plans": This is now clarified in Component 3 in Section 1.3 on page 41 to make clear that key representatives of the PPPP members, aligned investors (e.g. TLFF, Agri3 Fund), banks, sustainable sourcing companies, and farmers/producers will be involved in the completion and adoption of the business plans, in order to operationalize a minimum of 2 innovative finance instruments for biodiversity-friendly ventures (particularly those that are women-led).

5) R"egarding where the impact investment will be mobilized from": The impact investments are anticipated to be organized by TLFF and/or Agri3 Fund/Rabobank, and this will be further refined in the PPG phase, yet only secured during project implementation. This is due to the need to first refine assessment at the landscape level during the PPG phase, depending on the specific sites, marketable commodities and driver pressures. Also, selection of commodities will be corporate- and market driven, given the key factor would be level of market demand of of-take or sourcing sustainable sourcing companies. It is key that business plans are completed during project implementation, by a 'consortium' of both producers (e.g. representatives of the PPPP - farmer groups), sustainable commodity companies, with banks and their investors, which could be coordinated and negotiated by TLFF and/or Agri3 Fund - and with technical assistance by the GEF project. Part of this process is to determine who of the impact investors are both suited and interested to those value-chains and interventions, including the obligatory investment in landscape management, restoration, protection and other related activities with environmental outcomes. Note that impact investment will adhere to the terms of the PPPP agreements and social and environmental safeguards. A slight adjustment was made to the co-finance table, and a footnote added to clarify.

6.) "Clarifying what is meant by 2 innovative finance instruments under the various related outputs": Outputs 3.1.1, 3.1.2, and 3.1.3 are clarified as follows: Output 3.1.1 describes (i) the feasibility and markets analysis, partnership and negotiations towards agreed business plans and based on PPPP agreements regarding livelihood opportunities and agreements to (ii) sequence various forms of private investment to both take care of the additional costs or investment risks related to adhering to sustainable investments as well as securing

investment to both take care of the additional costs of investment risks related to adhering to sustainable investments as well as securing the commercial investments with banks and their financiers to make the commodity business plans operational, and (iii) describes the

private impact financing mechanisms and partnership (producers, financiers/banks and sustainable commodity companies/off-takers) that is an important capstone of the capacity-building and public sector investment, which makes the biodiversity-friendly enterprises bankable. However, we do not consider nor target innovative finance instruments under output 3.1.1.

One of the two targeted innovative finance instruments is expected to come under Output 3.1.2, which seeks to activate new channels of central government finance to unlock new public finance oriented to community-based enterprise that is biodiversity-friendly. Current work underway with the Ministry of Cooperatives and Small and Medium Enterprises holds high potential, but it is still too early to assess full feasibility, and this will be further explored during the PPG and project implementation phases.

The second innovate finance instrument targeted is described in Output 3.1.3, which is the new ecological fiscal transfer mechanism, still in its infancy, which holds great potential to direct some portion of central government budget allocation to villages and districts on the basis of ecological indicators. This is the first time Indonesia is implementing an ecological fiscal transfer mechanism. This project seeks to inform, design and help implement this mechanism. While potentially contributing an only modest source of income to the communities involved in the project, compared to other sources the project will rely on, this mechanism is important for scaling biodiversity and ecological conservation across Indonesia. Through this output, this project helps influence the operationalization of this mechanism, resulting in increased central government budget allocation and lending for regions based on biodiversity conservation and land restoration performance.

7.) “Regarding Output 3.1.2 and if the objective is to mainstream BD lending criteria and secure funding, and how does that relate to building capacity for community enterprises to be investment ready”: Output 3.1.1 focusses on building capacity for community enterprises to be investment-ready, which is a critical basis to build upon, to attract both public (3.1.2 and 3.1.3) and private investment (3.1.1). Output 3.1.1 also captures the activities focussed on cultivating private sector investment, to be largely coordinated by the existing finance facilities (e.g. Agri3 Fund or the Tropical Landscape Finance Facility). Output 3.1.2 focusses on the public sector finance mechanisms that the project could specifically tap into, and the project could also influence. For instance, central government allocations to village and development funds (especially those related to community enterprises and SMEs) currently do not consider biodiversity, climate, or land degradation criteria in their lending practices. Similarly, the regional credit unions lack these considerations and criteria. New potential sources of finance are being identified and piloted by EBF now, with the central government, to identify new sources of government finance, and link it to environmental performance, to unlock new public finance oriented to community-based enterprise that is biodiversity-friendly. The capacity building to occur under Output 3.1.1 enables the community-based enterprises to be ready to commit and deliver on the production, fiduciary and reporting aspects so they can access and utilize these public sources of investment (as part of 3.1.2 and 3.1.3). Additional clarifications have been made in the description of Outputs 3.1.1 and 3.1.2 clarify this.

8.) “Regarding whether PPP or PPPP” – This project will pursue People, Public, Private, Partnerships – *People* refers to local communities and civil society organizations, *Public* refers to all relevant levels of government, *Private* refers to producers, value-chain actors, and investors. A keyword search has clarified this, and all reference is now made to PPPP.

9.) “Regarding the linkage between the objective of the output to the government programs and initiatives, as described in 3.1.3”: This Output seeks to work with the different levels of government to design and implement new indicators related to biodiversity and land degradation through the ecological fiscal transfer mechanism. As mentioned above in 6), this new mechanism holds great potential to direct some portion of central government budget allocation to villages and districts on the basis of ecological indicators, if those indicators could be developed and the mechanism adapted to include this. Currently only indicators exist related to indicators for waste and energy. We do not expect this source to contribute in any significant way to the project implementation, but rather it could be an important source of increased revenue to jurisdictions that demonstrate strong environmental performance over time, thus providing communities with longer-term financial benefits that result from improved environmental and biodiversity stewardship. Further, this is a national-level mechanism, so biodiversity and land degradation indicators advanced through our project can be replicated to other landscapes and jurisdictions across

Indonesia.

10.) As already clarified above; there will be no new innovative instruments being developed under output 3.1.1., yet 3.1.2 and 3.1.3 will each provide incremental support to one innovative finance instrument.

## Co-financing

**3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?**

### Secretariat Comment at PIF/Work Program Inclusion

May 10, 2022 HF:

Comment cleared.

April 25, 2022 HF:

1.) It seems that there are two co-finance entries from BBKSDA (in-kind, recurrent expenditure), but it is not clear what the difference is between these two, other than the dollar amounts. Please clarify or correct.

**Agency Response UNEP response 10 May 22:** In the co-finance table, the two entries for BBKSDA indicate the two different Provincial BBKSDA agencies that will contribute in-kind, recurrent expenditure support. Thus, it is not the same agency listed multiple times, but rather the Provincial KSDAs in East Nusa Tenggara and South Sulawesi Provinces, respectively. Text has been slightly edited in the co-finance table to make that clearer.

## GEF Resource Availability

**4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within**

the resources available from (mark all that apply):

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**The STAR allocation?**

**Secretariat Comment at PIF/Work Program Inclusion**

May 10, 2022 HF:

Comment cleared.

April 25, 2022 HF:

It looks as though there is **\$164,569.14** remaining in the GEF-7 STAR allocation for Biodiversity Focal area (after taking into account all submitted projects-including this one). I recommend coordinating directly with the OFP/staff to ensure that this remainder can be wrapped into this project to avoid losing this amount. Please make sure that this is still allowable within the signed LOE amount and revise the financing tables/budget for this project accordingly.

**Agency Response**

**UNEP response 10 May 22:** There was unfortunately no opportunity to engage with the national GEF OFP in Indonesia on this matter, largely due to the national fasting month as well as Idhul Fitri holidays, including towards a revised LoE.

**The focal area allocation?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**The LDCF under the principle of equitable access?**

**Secretariat Comment at PIF/Work Program Inclusion**

NA

**Agency Response**

**The SCCF (Adaptation or Technology Transfer)?**

**Secretariat Comment at PIF/Work Program Inclusion NA**

**Agency Response**

**Focal area set-aside?**

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion NA

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion

April 25, 2022 HF:

Yes

Agency Response

## Core indicators

### 6. Are the identified core indicators in Table F calculated using the methodology included in the corresponding Guidelines? (GEF/C.54/11/Rev.01)

#### Secretariat Comment at PIF/Work Program Inclusion

May 10, 2022 HF:

All comments cleared.

April 25, 2022 HF:

- 1.) Please "provide additional explanation on targets, other methodologies used and other focal area specifics including justification where core indicator targets are not provided" for the core indicator targets.
- 2.) The expected GHG mitigation is impossible as it is extremely low and certainly not aligned with the areas of intervention. It may be a mistake in the unit. Please correct as needed.
- 3.) The duration of accounting should be 20 years and not 6 as indicated in the core indicator section. Please amend accordingly.
- 4.) The methodology used to calculate the GHG mitigation expected result should be provided. Please indicate the methodology and copy or upload the calculation.
- 5.) We don't find any mention of the GHG mitigation expected result in the project description while it should be reported under the section "Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)" with an explanation of what was the methodology used. Please complete as needed.
- 6.) In the core indicator section, it is unclear where the emissions avoided outside the AFOLU sector are coming from (indicator 6.2). Please explain.

#### Agency Response

##### UNEP response 10 May 22:

- 1) Thanks. We have added clarification and some area statistics under Section F and Annex B on Core Indicators.
- 2) Thanks. We have redone the calculations and this time based on using the EXACT Tool. Please see the uploaded Excel sheets for detailed information as well as the baseline data (e.g. historic deforestation rate), and assumptions used. The total C-benefit may now reach -0.931 819 MtCO<sub>2</sub>e over a period of 20 years (6 project plus 14 beyond)

2,551,019 mtCO2e over a period of 20 years (0 project plus 14 beyond)

3) done, now calculated for 20 years

4) EXACT Excel sheets have been uploaded

5) We have updated the section on GEB, now including the revised C- benefit.

6) Sorry we used an old and wrong version of the CI Table; all C-benefits are now reported under 6.1.

## **Project/Program taxonomy**

### **7. Is the project/program properly tagged with the appropriate keywords as requested in Table G?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

#### **Agency Response**

### **Part II – Project Justification**

#### **1. Has the project/program described the global environmental/adaptation problems, including the root causes and barriers that need to be addressed?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

#### **Agency Response**

**2. Is the baseline scenario or any associated baseline projects appropriately described?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**4. Is the project/program aligned with focal area and/or Impact Program strategies?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

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

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**7. Is there potential for innovation, sustainability and scaling up in this project?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes.

**Agency Response**

**Project/Program Map and Coordinates**

**Is there a preliminary geo-reference to the project's/program's intended location?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

**Stakeholders**

**Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?**

## Secretariat Comment at PIF/Work Program Inclusion

May 10, 2022 HF:  
Comments cleared.

April 25, 2022 HF:

- 1.) Please describe stakeholder engagement to date and include in the Stakeholder section of the CER.
- 2.) Assume that the PPG will engage IP groups and federations? And what about producer groups? Both of these seem relevant given the scope and the location of the project. If so, please include these in the stakeholder table and PPG plans.

## Agency Response

### UNEP response 10 May 22:

- 1) Detail has been added just before the stakeholder table on page 49 to describe in more detail the range of consultations that has occurred to date. Table of page 49 was slightly amended.
- 2).As this project seeks to support indigenous people's access to social forestry concessions, to support their land aspirations, the project has already consulted with AMAN, the federation of indigenous people in Indonesia. Further efforts were coordinated through AMAN to reach federation members at Provincial levels. This work will deepen in the PPG phase, as it is crucial that the project listen to, and respond to, IP goals and aspirations, which are already quite aligned with the PIF intentions. As for producer groups, the bamboo producers are already being coordinated and developed. The project will invest much more effort with other local producer groups in the PPG phase, especially those with strong gender representation. Similar to with IPs, the project has been advised to be very careful not to meet with producer groups until there is more certainty that the project will proceed, so as not to unduly raise expectations.

## Gender Equality and Women's Empowerment

**Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?**

## Secretariat Comment at PIF/Work Program Inclusion

May 10, 2022 HF:  
Comment cleared.

April 25, 2022 HF:

Please include basic/overview information regarding gender equality/women's empowerment dimensions directly relevant to the project's

Please include basic/overview information regarding gender equality/women's empowerment dimensions directly relevant to the project's target sectors and geographies.

### **Agency Response**

**UNEP response 10 May 22:** More detail has been provided in the PIF to describe the work EBF had already undertaken in Ngada, Flores, East Nusa Tenggara, to develop its women's empowerment activities related to social forestry concession access, bamboo propagation, and enterprise development at the village and community level. These activities will be built upon and expanded in the other geographies as part of this PIF, and in partnership with project partners, such as Burung Indonesia. Text has been added to p. 51 to reflect these additions.

### **Private Sector Engagement**

**Is the case made for private sector engagement consistent with the proposed approach?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

### **Agency Response**

### **Risks to Achieving Project Objectives**

**Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?**

## Secretariat Comment at PIF/Work Program Inclusion

May 10, 2022 HF:

Comment cleared.

April 25, 2022 HF:

1.) Please see STAP guidance on climate risk screening (link below) and provide at least a basic climate risk screening at PIF stage. At a minimum, at PIF stage, the climate risks should be identified, listed and described.

This can include:

- a.) Outlining the key aspects of the climate change projections/scenarios at the project location (or as close to it with data available), which are relevant for the type of intervention being financed (e.g. changes in temperatures, rainfalls, increased flooding, sea level rise, saltwater acquirer contamination, increased soil erosion, etc).
- b.) Time horizon if feasible/data available (e.g. up to 2050). Please refer to list of examples from STAP guidance.
- c.) Listing key potential hazards for the project that are related to the aspects of the climate scenarios listed above (describe how the climate scenarios identified above are likely to affect the project, during 2020-2050).
- d.) Describing plans for climate change risk assessment and mitigation measures during PPG.

(<https://stapgef.org/sites/default/files/publications/Climate%20Risk%20Screening%20web%20posting.pdf>)

2.) Mitigation measures identified for "Change of policy in the land use and land use change that favours other sectors" do not seem to respond to the risk identified. Please revise.

## Agency Response

### UNEP response 10 May 22:

1). A summary of climate change projections, screening of expected risks for Indonesia - and for some criteria specific for the three targeted provinces, as well as suggested PPG steps to properly conduct a more detailed assessment, have been added to the Risk Table in the PIF. Much is obtained from the WB Climate Change Knowledge Portal, including the 2021 WB Climate Risk Country Profile for Indonesia; whilst doing so for the period 2020-2039 (coinciding well with the used EXACT calculation period) and based on a SSP1-1.9 CC prediction scenario.

2) Thanks. In fact this is not a significant risk. We have strengthened the response though to this (L) risk at page 54 of the PIF, especially related to the national social forestry program and concessions which is the core of our project, further strengthened by the national FMU system.

## Coordination

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined?  
Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

**Secretariat Comment at PIF/Work Program Inclusion**

May 10, 2022 HF:

Comments cleared.

April 25, 2022 HF:

- 1.) [How] will the Ministry of Agriculture be engaged given the nature of integrated landscape planning?
- 2.) Given the scope of this project and the GEF-food systems portfolio in Indonesia will/how will coordination with GEF-7 FOLUR and GEF-6 commodities IAP occur?

**Agency Response**

**UNEP response 10 May 22:**

- 1) The Ministry of Agriculture will definitely be involved at provincial level, given the integrated conservation landscape planning (developed as part of output 1.1.2) is a multi-sector and multi-agency consultation and decision process; also it being programmatically aligned with the local government Medium-term Development Plans which by nature are multi-sectoral. Also, the various impact investments, local government funding and/or fiscal measures to be developed and secured as part of 3.1.1., 3.1.2 and 3.1.3 are expected to look at feasibility of various BD-friendly (SME) enterprises, not just Bamboo agroforests, which may include intercropping with other marketable crops, food or other products. EBF has already experience with this approach in NTT.
- 2) Thanks, the two key projects have been added to Section 6 of the PIF, including suggested mechanisms to incorporate technical aspects during the PPG, as well as inclusion of key national agencies of joint benefit as part of the proposed Technical Advisory Committee (TAC).

**Consistency with National Priorities**

**Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

## **Knowledge Management**

**Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?**

**Secretariat Comment at PIF/Work Program Inclusion**

April 25, 2022 HF:

Yes

**Agency Response**

## **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 PIF/Work Program Inclusion**

Secretariat Comment at PIF/Work Program Inclusion

April 25, 2022 HF:

Yes

**Agency Response**

### **art III – Country Endorsements**

**Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

Secretariat Comment at PIF/Work Program Inclusion

April 25, 2022 HF:

Yes

**Agency Response**

### **Termsheet, reflow table and agency capacity in NGI Projects**

**Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat Comment at PIF/Work Program Inclusion

**Secretariat Comment at PIF / WORK Program Inclusion**

NA

**Agency Response**

**EFSEC DECISION**

**RECOMMENDATION**

**Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?**

**Secretariat Comment at PIF/Work Program Inclusion**

May 10, 2022 HF:

Yes, PM and PPO have cleared.

April 25, 2022 HF:

No, not at this time. Please revise per comments in review sheet and resubmit.

**ADDITIONAL COMMENTS**

**Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.**

**Secretariat Comment at PIF/Work Program Inclusion**

May 11, 2022 HF:

**Component 3:**

1.) Please ensure that the project includes a mechanism (e.g. screening criteria) to ensure that no investment is made in a (current or previously) GEF-funded project under Component 3. Please address directly during PPG and project implementation.

2.) In developing (two) innovative finance instruments under Component three, please ensure that they are clearly assets/instruments that have a principal, a return, a repayment mechanism. The current description of these included in the PIF are not financial instruments per se (e.g. feasibility and market analysis (i) or (ii) sequencing of private investment (iii) PPPP as an important capstone of capacity building) are not financial instruments. These are outputs that are needed for an outcome but are not themselves financial instruments. Please address directly during PPG and project implementation.

**Review Dates**

	PIF Review	Agency Response
First Review	4/25/2022	
Additional Review (as necessary)	5/10/2022	
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

**PIF Recommendation to CEO**

**Brief reasoning for recommendations to CEO for PIF Approval**

