

Natural Capital Accounting and Assessment: Informing development planning, sustainable tourism development and other incentives for improved conservation and sustainable landscapes

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10386

Countries

Philippines

Project Name

Natural Capital Accounting and Assessment: Informing development planning, sustainable tourism development and other incentives for improved conservation and sustainable landscapes

Agencies

UNEP

Date received by PM

9/13/2021

Review completed by PM

2/25/2022

Program Manager

Jurgis Sapijanskas

Focal Area

Biodiversity

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

JS 3/14/2022

Cleared. The emails from CI and DENR clarifying that all their co-funding is already committed and/or unable to cover PMU staff costs are noted. We also note the extensive terms of reference provided in appendix 14 to the ProDoc.

JS 3/3/2022 -

1. Project information: please correct the implementation start date to a future date, and revise the completion date accordingly:

Submission Date	Expected Implementation Start	Expected Completion Date
10/11/2019	2/1/2022	1/31/2027
Duration ⓘ		Agency Fee(\$)
60		332,782.00
In Months		

2. Co-financing - table C:

- 2a. Please change the line "Protected area budget ? DENR (\$75,000)" to "Grant? & Investment Mobilized?" as per the co-financing letter.

Recipient Country	Protected Area budget (MHRWS	In-kind	Recurrent	75,000.00
Government	RO XI, MIMAROPA)- DENR		expenditures	
Recipient Country	Protected Area budget (MHRWS	In-kind	Recurrent	169,336.00
Government	RO XI, MIMAROPA)- DENR		expenditures	

- 2b. Change the two lines for "Conservation International Philippines" from "Civil Society Organization?" to "Donor Agency?".

3. Budget:

3.a National Project Manager, National coordinator, Finance and Admin Officer, Project admin support have been charged across the components and PMC. 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. In exceptional cases, the project's staff could be charged to the project's components with clear Terms of Reference describing unique outputs linked to the respective component, as already provided. However, for this project, the co-financing portion allocated to PMC is 2.4 million and out of 14.5 million of co-financing, 4.4 million (30%) are grants. As GEF-funded PMC is already at the 5% limit, please cover the staff cost from co-financed PMC or thoroughly justify that all co-finance is already utilized.

3.b Likewise, laptops, equipment and rent for PMU staff should be charged to the PMC.

3.c. Annual Audit can't be charged to the components and should be charged to the PMC

UNEP Budget line	Expenditure by project component/output (US\$)						
	Comp 1	Comp 2	Comp 3	Comp 4	PMC	TOTAL	
1100	<i>Project personnel</i>						
1101	National Project Manager	77,117	80,731	37,574	5,584	22,334	223,340
1105	National Coordinator	21,343	21,343	25,345	0	12,006	80,037
1301	Finance and Administrative Officer	15,104	15,104	15,104	0	24,713	70,024
1302	Project Administrative Support Costs (IDC 10% on selected BLs)	60,272	28,925	43,543	15,164	14,343	162,248
1399	Sub-total	75,376	44,029	58,647	15,164	39,056	232,272
4201	Laptops, 3 PMU Staff (National Project Manager, Finance & Admin, National Coordinator)	0	0	3,294	0	0	3,294
4202	Laptop, 1 PMU staff (M&E/Gender Specialist)	0	0	0	1,647	0	1,647
4203	Laptops, 4 Science Technical Support Team (NCA Specialist/Statistician, GIS/Remote Sensing/Data Specialist and 2 PSA Research Associates for Palawan and Davao Oriental)	3,294	0	0	0	0	3,294
4204	Printer/Scanner and Projector for PMU Office	0	0	1,235	0	0	1,235
4299	Sub-total	3,294	0	4,529	1,647	0	9,469
4300	<i>Premises Rental</i>						
4301	Project Management Unit/Science Team - Office Rent	0	0	39,344	0	0	39,344
4399	Sub-total	0	0	39,344	0	0	39,344
Component TOTAL		3,294	0	53,709	1,647	3,279	61,928
MISCELLANEOUS COMPONENT							
5200	<i>Reporting</i>						
5201	Annual audit	14,158	14,158	14,158	0	0	42,473

JS 10/7/2021 - Cleared. The project remains aligned with BD-1-3 and BD-2-7.

Agency Response

Project information: please correct the implementation start date to a future date, and revise the completion date accordingly:

Response UNEP 12 March 22: Corrected on Portal as well as in the CEO and ProDoc cover pages. Project is estimated to start at 1 August 2022 and completed 31 July 2027

2. Co-financing - table C:

2a. Please change the line "Protected area budget ? DENR (\$75,000)" to "?Grant? & ?Investment Mobilized?" as per the co-financing letter.

2b. Change the two lines for "Conservation International Philippines" from "?Civil Society Organization?" to "?Donor Agency?".

Response UNEP 12 March 22: Corrected on both the file as well as Portal version of CEO ER.

3. Budget:

3.a National Project Manager, National coordinator, Finance and Admin Officer, Project admin support have been charged across the components and PMC. 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. In exceptional cases, the project's staff could be charged to the project's components with clear Terms of Reference describing unique

outputs linked to the respective component, as already provided. However, for this project, the co-financing portion allocated to PMC is 2.4 million and out of 14.5 million of co-financing, 4.4 million (30%) are grants. As GEF-funded PMC is already at the 5% limit, please cover the staff cost from co-financed PMC or thoroughly justify that all co-finance is already utilized.

Response UNEP 12 March 22: the grant co-finance resources budgeted for by government as well as CI concern funds already committed to under other programs and projects as services, technical staff time, tools, governance support, etc (and as such not new cash uniquely made available to the GEF project). Also, the GEF project (management/admin) positions are new staff to be contracted ? and similar with other government-led GEF initiatives, are not eligible under government budgets and funding mechanisms. The lead NEA, BMB - DENR as well as CI Philippines - as service provider, have both issued a clarifying email on this matter as attached with the resubmission.

3.b Likewise, laptops, equipment and rent for PMU staff should be charged to the PMC.

Response UNEP 12 March 22: we have revised the two (templates) GEF budget on this. As a result, adjustments have been made in the CEO ER, ProDoc including its Appendices 1, 2 and 3 (Incremental analysis).

3.c. Annual Audit can't be charged to the components and should be charged to the PMC

Response UNEP 12 March 22: we have revised the two (templates) GEF budget on this. As a result, adjustments have been made in the CEO ER, ProDoc including its Appendices 1, 2 and 3 (Incremental analysis).

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

JS 2/15/2022 - Cleared.

JS 1/4/2022 - Cleared but see comments below on the target for Core Indicator 6.

JS 10/7/2021 - Table B is fully in line with that of PIF stage, with the few changes made well justified. However please add GEF core indicators in the list of outcome indicators in table B.

Agency Response

UNEP response 16 Dec 21: GEF Core Indicators have been added to the list of outcome indicators in Table B as well as Annex A of CEO ER; as well as updated in the Results Framework of Appendix 4 in ProDoc.

UNEP response 20 Jan 22: See changes below and in documents. Core indicators have been updated.

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

JS 2/15/2022 - All cleared, thank you.

JS 1/4/2022

1- Cleared, thank you for the detailed response and revisions. We note the amount of co-finance in the form of grants has increased to \$4.8 million in this resubmission, which is similar to the level anticipated at PIF stage.

2- Thank you for the revisions, However:

2a. Please confirm that the \$500,000 grant from CI is indeed to be considered recurrent expenditures or correct the typo and reflect it as investment mobilized:

Civil Society Organization	Conservation International Philippines	Grant	Recurrent expenditures	500,
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2b. Please explain how investment mobilized was identified under table C. Currently the portal entry states:

Describe how any "Investment Mobilized" was identified

NONE CONFIRMED BY PPG TEAM

4- Thank you but please add USAID in the column "name of the co-financier" for the co-financing related to the SIBOL project.

All the rest is cleared, thank you.

JS 10/7/2021

1- We note the total level of co-financing is overall the same as envisaged at PIF stage but that investment mobilized/grants drastically decreased from \$5,300,000 at PIF stage to \$500,000.

Please clarify why grants from Biodiversity Management Bureau ? DENR; TIEZA-DoT; DoTI - mSME Credit Facility; 2x Local government ? Development Budgets; Development Bank, Land Bank & Center for Agriculture and Rural Development Bank; and Eco-tourism companies did not materialize during PPG.

Please also clarify plans to further leverage grants/investments during project implementation and justify that the project is still viable with co-funding almost exclusively in the form of in kind contributions.

2 - The "Investment Mobilized" column is left blank in the portal . Please fill-in the column and correct the line related to the grant from CI, which should be reflected as Investment mobilized (unless this grant is part of recurrent expenditures).

3- Please clarify why the followings have been labelled as CSO and not recipient government when they seem to be part of DENR:

Civil Society Organization	Knowledge and Information Systems Service – DENR	In-kind	1,217,788.00
Civil Society Organization	Palawan Council for Sustainable Development – DENR	In-kind	221,519.00

4- Please change USAID SIBOL contribution from "CSO" to "donor agency".

5- DENR: The co-finance letter from DENR is not signed and does not provide indications of the timeframe of the co-finance. Please provide letter(s) signed by the appropriate authority(ies). If a single letter is provided like in this submission, please confirm that the signatory as authority on the budgets of all the substructures of DENR listed in the letter. We also note that the letter provided includes both in-kind and investment mobilized when all co-funding from DENR has been reported as in kind in the portal. Please ensure the portal entry is consistent with the co-financing letter at the next submission.

6- The letter to support \$5,399,738 of co-financing from "DENR Central Office for BMB" is not signed and does not provide indications of the timeframe of the co-finance. Please provide an adequate letter to support the co-financing reported in table C.

7- The letter to support \$1,500,000 of co-financing from "Philippine Statistics Authority" is not signed, does not actually confirm co-finance (it states that DENR is working on securing indicative co-financing), and does not provide indications on the nature or timeframe of the co-finance. Please provide an adequate letter signed by appropriate authority within the Philippine Statistics Authority.

8- Same as 7 for the \$1,250,000.00 of co-financing from the Department of Tourism.

Agency Response

UNEP response 16 Dec 21:

1: The PPG team, the BMB, and the GEF Operational Focal Point worked together to reach out to several governmental agencies/potential partners to discuss the project, to seek input, alignment, and ensure synergies between project implementation and the mandate of those agencies. Importantly, that was also done to discuss the need and importance of the co-financing, as identified in the PIF and further elaborated during the PPG. The team faced severe limitations.

First, as discussed at the very early as the PPG inception workshop, national government agencies (e.g. DOT, DTI) had already finished drafting the 2022 fiscal budget and were only allowed to provide co-finance in-kind, as other investments /co-finance are characterized as an actual fiscal transfer. Second, a formal agreement specifying project benefits and deliverables is required for co-finance. That proved challenging to discuss/formalize as project was being designed and baselines established, and scheduling discussion, requiring senior-level management would take months to be arranged, and a response was severely delayed. This process was even more challenging with local government units (LGUs), since communication was severely constrained, and the team had to rely on local partners to physically deliver the requests - such as the case of extremely limited internet connectivity in Davao Oriental.

Despite those challenges, the DENR-BMB sees this project as an important priority and commits to ensure that the in-kind contribution provided will yield successful delivery. As the EA, with offices at the national and local levels, and leading the PMU, DENR-BMB is in a position to ensure this in-kind contribution will materialize as cooperative work/technical support to the project, thus ensuring deliverables are met. As explained elsewhere, finance mechanisms exist ((i.e., the DOT's TIEZA, impact investors) and will be leveraged to ensure implementation of the on-the-ground interventions that demonstrate the important of incentives for the improved management of PAs, and for their continuous provision of ecosystem services.

This said we have increased the total co-financing with USD 500,000 to USD 14,525,247

Please refer to ProDoc Appendix 15 Commitment Letters.

2: The investment mobilized column is now corrected based on the discussions with the project partners; as well as the correct entry made on the Portal.

3: Thanks for finding this error; yes indeed this concerns Recipient Government; we have corrected in the Co-finance tables in ProDoc as well as CEO ER; and subsequently on the GEF Portal.

4: we have corrected in the Co-finance tables in ProDoc as well as CEO ER; and subsequently the GEF Portal.

5. Sorry, we omitted to include the already signed co-finance letter by DENR (we used older draft version) - now corrected for. We also corrected the portal entry to be consistent with the co-financing letters and CEO ER/ProDoc Appendix.

With regards having one signed letter for various directorate/units, we confirm that the person with authority over the budget of the sub-units under DENR that submitted co-financing letters signed and that the GEF OFP consolidated all the letters and submitted in a single letter. The letters were revised to indicate the project period 2022-2027.

6: The BMB contribution has been included in the consolidated letter issued and signed by DENR on their behalf.

7: National Statistician Dennis Mapa, the head of the Philippine Statistics Authority, has submitted the signed letter of commitment and co-financing for the project. Please refer to ProDoc Appendix 15 Commitment Letters.

8: Undersecretary Verna Buensuceso, the head of DOT Tourism Development, submitted the signed letter of commitment and co-financing for the project. Please refer to ProDoc Appendix 15 Commitment Letters.

UNEP response 20 Jan 22:

2.a Yes indeed the cash and in-kind co-financing by CI concern recurrent resources. This has been updated in the documents and will not impact the co-finance letter, so that has been left unchanged.

2.b Sorry, we have now added this info in detail to the portal. It should read ?investments mobilized was identified internally by the department of environment and natural resources sub-offices. The identification was made by the respective planning officers and the finance and accounting officer of each office. The head of the office, after examination, approved the inclusion of the amount as investment mobilized. The General Appropriations Act (GAA) for the Fiscal Year 2022 or the Republic Act No.11639 has appropriated a total budget of Php 2,511,326,000 (USD 50,226,520) for the Protected Area Development and Management Program of the DENR. The DENR Offices involved in the NCA project has committed a total co-financing of USD 11,826,874.71 for the project of which, USD 4,333,304.02 was tagged as investment mobilized which are in the form of Projects, Programs, and Activities of the DENR that will complement the NCA Project during its implementation.?.

4. USAID has been added as ?name of co-financer?, both in the CEO/ProDocs as well as on the Portal

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 JS 10/7/2021 - Cleared.

Agency Response

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

JS 1/4/2022 - Cleared, thank you.

JS 10/7/2021

We note there is a negative amount committed on project personnel shown in Annex C and that the total of the other amounts committed (all the positive amounts) plus the amount

already spent is \$155,449, which is beyond the PPG grant total. Please revise annex C to show only positive amounts and ensure that the total is within the budget limit.

PPG Grant Approved at PIF: USD 150,000			
Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount (\$)		
	Budgeted Amount	Amount Spent To date	Amount Committed
Project Personnel	30,504	35,953	-5,449
Consultant	63,712	45,245	18,467
Travel on Official Business	26,021	265	25,756
Meetings/Conferences	28,000	7,189	20,811
Sundry	1,763	786	977
Total	150,000.00	89,438.00	60,562.00

Agency Response

UNEP response 16 Dec 21: Please see CEO ER with updated and corrected PPG financial report; all funding has been committed to support the final revisions of the ProDoc package. Please see also below.

PPG Grant Approved at PIF: USD 150,000				
Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount (\$)			
	Budgeted Amount	Re-aligned Amount*	Amount Spent To date	Amount Committed
Project Personnel	30,504	80,480.00	40,585.00	39,895.00
Consultant	63,712	60,133.00	53,769.00	6,364.00
Travel on Official Business	26,021	560.00	265.00	295.00
Meetings/Conferences	28,000	7,484.00	7,189.00	295.00
Sundry	1,763	1,343.00	856.00	487.00
Total	150,000.00	150,000.00	102,664.00	47,336.00

*The PPG extension period and subsequent responses/revisions related to the GEF review required additional LOE days of the team, and, due to COVID-19 pandemic lockdowns and restrictions, travel as initially anticipated did not take place. Therefore, the above re-alignment has secured a prior approval from the Implementing Agency to cover these costs.

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

JS 2/25/2022 - Cleared.

JS 2/15/2022

2- The new estimates and calculation are adequate. However, the target for CI6 has not been updated in the portal where it still shows 17,328,513 instead of 4,641,731tCO₂e.

Please correct.

Core Indicators at CEO Endorsement (CEO)

Indicator 6 Greenhouse Gas Emissions Mitigated ⓘ			
Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)
Expected metric tons of CO ₂ e (direct)	0	17328513	0
Expected metric tons of CO ₂ e (indirect)	0	0	0

3c- The surface area of PA and MPA has not been updated in the global environmental benefits section of the portal.

Per the Core Indicators (see above), the Project will generate these global environmental benefits through:

- Improved management of terrestrial protected areas totaling 196,524 ha
- Improved management of marine protected areas totaling 259,567 ha
- Improved management of landscapes (outside PAs) on at least 20,000 ha
- Improved management of seascapes (outside MPAs) on at least 10,000 ha
- Mitigation of Greenhouse Gas Emissions of at least **4,641,731** metric tons of CO₂e
- 100 direct beneficiaries of training and capacity building in government agencies (at least 50% female; 50 male and 50 female)
- 500 direct beneficiaries of incentives and facilitated access to funding for biodiversity-friendly enterprise development (50% female)

Please correct.

All the rest is cleared, thank you.

JS 1/4/2022

1- Unlike for core indicators 1 to 4, the sub-indicators of core indicator 5 are not meant to provide a breakdown of the surface area reported under the main/headline core indicator 5. Instead, they are complementary/contextual sub-indicators that measure other dimensions than that of the headline core indicator 5. In your case, please report all marine hectares outside of MPAs impacted by the project under the headline core indicator 5 without adding anything to the sub-indicators of core indicator 5. No marine area should be reported under core indicator 4.

2- Thank you for the revisions. However, the mitigation target seems rather high given the project's planned interventions. The EX-ACT calculation assumes that most mitigation will come from reduced deforestation : forest loss of 5,200 ha with the project compared to 25,300 ha without the project out of an initial forest area of 180,900 ha, i.e. a 20% reduction in the annual deforestation rate sustained over 20 years. Please justify why it is anticipated that the project will be able to reduce deforestation to that extent over 20 years or consider revising to a more conservative estimate.

3- Difficulties related to COVID are well noted. However:

3a: Please confirm that the baseline METT scores for all protected areas will be completed within the first 6 months of project implementation and add it to the workplan (appendix 5).

3b - We failed to locate the new annex or updated Annex 18 with the tracking tools / METT scores for the protected areas that have a baseline METT scores reported in the portal entry and in the response below. Please upload it with the next submission.

3c- For protected areas that cover both terrestrial and marine areas (e.g. El Nido-Taytay Managed Resource Protected Area; Malampaya Sound Protected Land/Seascape), please break down the total surface area and report terrestrial hectares under core indicator 1 and marine hectares under core indicator 2. Of course, please use and carry out only one METT assessment per protected area, i.e. report the same METT score under CI 1 and 2 for a given PA that has both marine and terrestrial hectares.

4- Thank you for the explanation. Please confirm that the necessary registrations and updates to the WDPA will be carried out as part of project implementation.

JS 10/7/2021-

We are pleased to note that almost all targets have increased compared to PIF except for core indicator 5. However

1- The increase, compared to PIF stage, of the target on core indicator 4 by 10,000 ha and the removal of 10,000 ha on core indicator 5 seems to be a typo, as the ProDoc still mentions some impact in the marine environment outside of MPAs (indicator 5). Please correct.

2- Given the scale of core indicators 1-5, the project is bound to have climate mitigation co-benefits. Hence, please add a target on core indicator 6 with a sound methodology, e.g. FAO's EX-ACT tool, and explicit underlying assumptions.

3- Core indicators 1 and 2: Please add the WDPA IDs and baseline METT scores of the PAs in the portal entry (table F) and provide the completed METT scores as an annex (tracking tool). Only the METT tracking tool for Mount Hamiguitan Range Wildlife Sanctuary is provided in appendix 18 when baseline METT scores are required at CEO endorsement stage.

Name of the Protected Area	WDPA ID	IUCN Category	Ha (Expected at PIF) ⓘ	Ha (Expected at CEO Endorsement) ⓘ	Total Ha (Achieved at MTR) ⓘ	Total Ha (Achieved at TE) ⓘ	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Cleopatra's Needle Critical Habitat		Others		38,693.00					
Mount Hamiguitan Range Wildlife Sanctuary		Habitat/Species Management Area	7,133.00						
Mount Hamiguitan Range		Habitat/Species Management Area		7,133.00					

3- The surface area of several of the PAs is slightly different than what is registered in the WDPA database, (e.g. Mount Matalingahan Protected Landscape WDPA ID 555715015, Puerto Princesa Subterranean River National Park WDPA ID 7289, El Nido Managed Resource Protected Area WDPA ID 71275, Calauit Island Game Preserve and Wildlife Sanctuary WDPA ID 14747) and several PAs (e.g. Cleopatra's Needle Critical Habitat, Coron MPA) do not seem to be registered yet in the WDPA database. Please confirm the surface area reported in the GEF portal and confirm that the WDPA entries will be updated or created as part of the project's implementation.

Agency Response

UNEP response 16 Dec 21:

1- We are not aware that there is any sub-indicator under 5 which fits the type of coastal/near-shore work we do on 'improved marine practices?'; and as such we added this work under Core Indicator 4 instead of Indicator 5; also because it largely concerns hectares of coastal seascape work. As a result, we have maintained the target of 10,000 ha under Core Indicator 4.1 area of landscape under improved management (outside MPAs) both in the Results Framework as well as Annex with Core Indicators.

2- Climate co-mitigation benefits were calculated using FAO's EX-ACT tool. The numbers, method and underlying assumptions have been added to Core Indicator 6,

page 9, in the CEO ER. The numbers we calculated are as follows, -1,067,884 tCO₂-e (5 years) and -17,328,513 tCO₂-e (20 years). A full copy of the calculation pages from EX-ACT have been appended to the ProDoc as Appendix 4.1.1.

3- We have inserted updated METT scores into Appendix 4.1 of ProDoc as well as the CEO ER (page 9) - several coming from literature sources rather than recent PPG field assessment (due to COVID impossible). We have also added a new Appendix to the ProDoc with the ME Tracking Tools of all sites listed where available ? in summary please see the METT scores and WDPAs for the Protected Areas covered in this project below:

Project Site	WDPA ID	METT Score
Mt. Mantalingahan Protected Landscape	555715015	90% (2017)
Puerto Princesa Subterranean River NP	7289	59% (2018)
Mt. Hamiguitan Range Wildlife Sanctuary	555583083	74% (2018)
Malampaya Sound PLS	14753	none
Cleopatra's Needle	not a PA under NIPAS	17% (2017)
Palawan Flora and Fauna Watershed Reserve	306432	None yet
Victoria-Anepahan Mountain Range	not a PA under NIPAS	None yet
Caluit (Basuanga)	14747	None yet
El Nido Managed Resource Protected Area	71275	69% (2019)
Bulalacao (Coron) - Formally declared, but IUCN category not assigned	None yet	None yet

Additionally, we have now 7 of the 10 listed PA/MPAs with WDPA ID numbers.

4 ? As per confirmation with the BMB, only the seven sites with IDs have been registered as of 2018. The other sites are yet to be included in the WDPA database. For the surface area, the values indicated in the ProDoc are the correct values and the data in the WDPA database needs to be updated by the DENR.

JS 1/4/2022

1- Unlike for core indicators 1 to 4, the sub-indicators of core indicator 5 are not meant to provide a breakdown of the surface area reported under the main/headline core indicator 5. Instead, they are complementary/contextual sub-indicators that measure other dimensions than that of the headline core indicator 5. In your case, please report all marine hectares outside of MPAs impacted by the project under the headline core indicator 5 without adding anything to the sub-indicators of core indicator 5. No marine area should be reported under core indicator 4.

UNEP response 20 Jan 22:

1. Core indicators 4 and 5 have been updated in the Prodoc, CEO ER, and Appendix 4 based on instructions here.

2- Thank you for the revisions. However, the mitigation target seems rather high given the project's planned interventions. The EX-ACT calculation assumes that most mitigation will come from reduced deforestation : forest loss of 5,200 ha with the project compared

to 25,300 ha without the project out of an initial forest area of 180,900 ha, i.e. a 20% reduction in the annual deforestation rate sustained over 20 years. Please justify why it is anticipated that the project will be able to reduce deforestation to that extent over 20 years or consider revising to a more conservative estimate.

UNEP response 20 Jan 22:

2. Our team revisited the calculation and found a problem in the EX-ACT tool calculated for 20 years, which has now been corrected. This means, that the result/numbers are different from what was originally submitted and seem very conservative as we originally intended. In 20 years from an initial forested area of 180,858 ha, forest loss would be 18,840 ha with the project compared to 25,425 ha without the project. This means that the mitigation potential of the project for the 20 years period has changed from our previous estimate to a lower number of -4,641,731 tCO₂-e.

Method and assumptions to get to these numbers have not changed: Mitigation potential for 5 years project implementation plus 15 capitalization phases (20 years in total) was assessed using the following EX-ACT tabs: 1. Description, 2. LUC, 7. Coastal Wetlands. For the target landscapes inside protected areas, the size of the actual area of three types of ecosystems (tropical forest, tropical shrubland, and mangroves) was distilled from recent baseline studies and other online resources including management plans stored on the WDPA website (several target landscapes were not considered in calculations due to the lack of information on the actual areas of ecosystems). The land-use change area with and without project interventions were calculated using actual deforestation rates when known and an average rate when unknown. The efficiency to slow down the deforestation rate due to the project implementation was assumed to be 20%. In the target landscapes located outside of protected areas, we assumed that restoration of forest and mangrove ecosystems will take place for 1% and 5% of the total target area after 5 years and 20 years respectively.

Accordingly, changes have been made CEO ER Section E, Page 10 with clarification on CI 6, Annex A (page 79) and in Annex F (page 119)

3- Difficulties related to COVID are well noted. However:

3a: Please confirm that the baseline METT scores for all protected areas will be completed within the first 6 months of project implementation and add it to the workplan (appendix 5).

UNEP response 20 Jan 22:

3a- Yes this is confirmed. It is the mandate and responsibility of the BMB, and the task of finalization of these scores has been incorporated into the project workplan (Appendix 5) and will be completed within the first 6 months of the project.

3b - We failed to locate the new annex or updated Annex 18 with the tracking tools / METT scores for the protected areas that have a baseline METT scores reported in the portal entry and in the response below. Please upload it with the next submission.

UNEP response 20 Jan 22:

3b- Indeed we were not yet able to update and complete all METT scores. The METT scores stated were obtained from documentation made available through the BMB; however, these scores were reported in literature without supporting documentation beyond

that provided in Annex 18 and summarized in e.g. Appendix 4.1. The BMB reports that recovering further supporting documentation (i.e. fully completed tracking tools) may be difficult and require a considerable amount of time. Therefore, along with completing baseline METT scores for all protected areas in the first 6 months of project implementation, the project will verify and update as needed the scores with completed tracking tools for those PAs with reported baseline METT scores. This has been added to the workplan activities. Note: The protected area superintendent of Malampaya Sound Protected Landscape and Seascape informed us that their METT score in 2020 is 69%, however, this has not been verified yet by the BMB; and as such we have not included this score.

3c- For protected areas that cover both terrestrial and marine areas (e.g. El Nido-Taytay Managed Resource Protected Area; Malampaya Sound Protected Land/Seascape), please break down the total surface area and report terrestrial hectares under core indicator 1 and marine hectares under core indicator 2. Of course, please use and carry out only one METT assessment per protected area, i.e. report the same METT score under CI 1 and 2 for a given PA that has both marine and terrestrial hectares.

UNEP response 20 Jan 22:

3c. **El Nido:** The entry under Core Indicator 2 is the marine area. Under Core Indicator 1, added 37,652 ha for the terrestrial area in El Nido. (Calculated by taking the total of 919.55 km² in WDPA, and subtracting the entry under Core Indicator 2.).

METT scores: Yes indeed, the METT scores stated for El Nido now included under marine and terrestrial habitats, as applicable

Malampaya PA: similar type of correction was made in its area under CI 1 (terrestrial) plus CI 2 (marine) habitats. However, the protected area superintendent of Malampaya Sound Protected Landscape and Seascape does not have an established METT score. This will be established during the first 6 months of the project.

As a result of these corrections, we now have a master total of Core Indicator - 1: Terrestrial protected areas created or under improved management for conservation and sustainable use (Hectares) - 487,080 and

Core Indicator -2 : Marine protected areas created or under improved management for conservation and sustainable use (Hectares) - 169,888

Corrections have been made in CEO ER - section E, Annex A, and Annex F; as well as Appendix 4.1 in ProDoc.

4- Thank you for the explanation. Please confirm that the necessary registrations and updates to the WDPA will be carried out as part of project implementation.

UNEP response 20 Jan 22:

4- The Biodiversity Management Bureau has assured us that it will complete the necessary registrations and updates to the WDPA during the first 6 months of project implementation.

UNEP response 25 Feb 22: sorry for these omissions - we have corrected for these now.

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

JS 10/7/2021- Cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

JS 1/4/2022 - Cleared, thank you.

JS 10/7/2021-- NCA roadmap: Please clarify the status of the NCA Roadmap, which was presented as "recently developed" in the PIF. The ProDoc states "as of March 2021 it has not yet been formally adopted, and means for its implementation have not been committed." Yet, this roadmap appears in good part instrumental to the project's success. Why has it not been formally adopted yet and is there reasonable evidence that it will be soon? To what extent the project can achieve its goals without the timely adoption of this roadmap.

Agency Response

UNEP response 16 Dec 21: As documented in Baseline Section 3 and in the ProDoc. NCA, the national plan for institutionalizing Natural Capital Accounting (aka. NCA Road map) has been developed under the leadership of the National Economic and Development Authority (NEDA) and includes critically important information for the implementation of environmental economic accounting in the country, namely i. data; ii. capacity; iii. links to national accounts; and iv. the international frameworks/statistical guidelines and/or standards for the implementation (refer to Baseline 3. pg 47). The road map is currently being reviewed by the Philippine Statistics Authority (PSA) and its adoption is expected soon and thus, in advance of the implementation of the GEF NCA-Phil.

It is important to note, however, that the road map adoption represents the formalization of an ongoing process, and thus unlikely to change with its adoption. For example, the UNSD is currently working with the PSA on the project "Environmental-Economic Accounting for Evidence-Based Policy in Africa and Asia", a three-year project (2020-2022) seeking to address the technical and institutional barriers to the establishment of routinely produced environmental-economic accounts at the national level by national statistical offices (See baseline 3. NCA (pg 58). Key project activities that are aligned with the road map, including i. a national plan for advancing environmental-economic accounting; ii. compilation of one or two account(s); and iii. capacity building.

The national plan is of particular relevance in that it will entail an assessment of statistical capacity for the implementation of SEEA in the Philippines, based on the country's previous experiences and be harmonized with existing initiatives and plans (such as this project). Importantly, the national plan will consider policy need for environmental-economic accounts in the Philippines; availability of data sources and data needs; awareness raising of national agencies; prioritization of the accounts for decision-making; and identification of financing needs for implementation.

In addition, the ongoing implementation of the USAID funded Philippines Sustainable Interventions for Biodiversity, Oceans, and Landscapes (SIBOL) is a clear signal that efforts on NCA are rooted in the country (see Baseline 3. NCA pg 60). SIBOL is a five-

year project with the goal of supporting the government to improve natural resource governance, stimulating public and private investments, thereby improving ecosystem stability and inclusive green growth. One important aspect of the project is the implementation of several SEEA accounts (i.e., forest, fisheries, coral reefs asset accounts, as well as forest ecosystem services) in several provinces, demonstrating approaches to inform policies and scaling up efforts to the national level.

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

JS 2/15/2022 - All cleared

JS 1/4/2022

5- Thank you for the clarification but the corresponding additions announced in the response do not appear to be reflected in the documents that were uploaded with this submission. The description of 2.1.2 is identical to the previous version. Please correct.

All the rest is cleared, thank you.

JS 10/7/2021-

1- Please provide a table that highlights and justifies the few changes made to the alternative scenario compared to PIF stage. In particular, please clarify the changes in core indicator targets, including the additions of two PAs in the scope of the project (Palawan Flora and Fauna Watershed Reserve; Cleopatra's Needle Critical Habitat). We understand from Appendix 12 that the additions of new PAs are partly to avoid overlap with the USAID SIBOL project, which has similar goals than this GEF project but is focused on Mt Mantalingahan Protected Landscape (MMPL), Puerto Princesa Subterranean River National Park, and Cleopatra's Needle Critical Habitat.

2- Output 1.1.2 Please clarify whether the 5 SEEA Ecosystem Accounts to be developed will also include monetary accounts or be restricted to physical accounts. If the latter, please clarify what barriers prevent the production of monetary accounts and how post-accounting analysis will be able to effectively inform policy choices, notably fiscal transfers, without monetary accounts.

3- Output 1.2.1 Please clarify how the different scenarios investigated in the post-accounting analyses will be defined and in particular how end-users, i.e. sector stakeholders, will be involved in their definition. Please also clarify how climate change will be incorporated in these scenarios.

4- output 1.2.4: Please clarify why the project waited on the formal adoption of the national NCA Roadmap to engage with NEDA and PSRTI on this output? What would happen if the roadmap were not adopted in a timely fashion?

5 output 2.1.2: The PIF planned for 2.1.2 to work on a PES mechanism related to water ecosystem services provided by the Puerto Princesa Subterranean River National Park in

Palawan with anticipated co-funding from the PPP center. The only reference to PES in this component is limited to concept notes for the Davao Landscape. Please clarify why the water-related PES mechanism in Palawan has been removed from the scope of the project.

For the development of PES mechanisms during project implementation, the project can usefully refer to STAP's advisory document: https://www.thegef.org/sites/default/files/publications/STAP_PES_2010_1.pdf

6- 2.1.3. Our understanding is that the project does not plan to deliver small grants or other forms of financing from the GEF funding but only to facilitate access to other existing source of financing. Please confirm it is the case and that PPG showed that no seed investments from the project were needed to achieve this output.

7- 3.1.1 and 3.1.2: In line with the PIF, the outputs are focused on unlocking funding for sustainable tourism development (i.e. develop "niche" BD-friendly tourism). However, the PIF did mention the absence of conditionality to generate conservation outcomes in much of available credit and loan facilities as a specific barrier and the "sustainability" section of this CER states that the project will broker adoption of sustainability standards in the tourism sector. Please clarify why there is no explicit project contributions to develop workable conditionality criteria or sustainability standards, which would clarify how the project intends to broker deals in practice, and could contribute to "greening" investments to the tourism sector more generally.

8 - Natural Capital Insurance: Please provide background on, and clarify what the project intends to do in relation to "Natural Capital Insurance". The workplan provided as appendix 5 indeed includes three activities under outputs 2.1.1 and 3.1.1 specifically related to natural capital insurance when neither the CER nor the ProDoc mention it.

9 - 4.1.1: Please clarify how the "GIS/database to systematize NCA data and analysis" will be maintained after project closure.

10- 4.2.2: Please explain why the baselines were not established during PPG.

Agency Response

UNEP response 16 Dec 21:

- **1** - A table has been inserted into the CEO ER that highlights the changes made to the alternative scenario as compares to the PIF stage. It begins around page 24, where the proposed alternative scenario is outlined.

- **2** - The GEF-NCA Phil project will implement a full set of SEEA Ecosystem Accounts (extent, condition, ecosystem services, asset, and thematic accounts) in both Palawan and Davao Oriental. In Palawan, Ecosystem Accounting Area (EAA) - which refers to the geographic territory for which an ecosystem account is compiled - will cover the Protected Area landscape only (I.e., Mt. Hamiguitan Range Wildlife Sanctuary (MHRWS)), whereas Palawan, the EAA will be the entire province. Ecosystem services flows will be measured in **biophysical units**, recording the flows

of benefits in **biophysical units** (e.g., m³) and in **monetary units** (e.g., \$/m³), as well as recording flows of benefits in monetary terms (e.g., \$ per unit value).

- The measurement on ecosystem both in biophysical and monetary terms allows the generation of asset accounts, which records the information on the value of stocks and changes in stocks (additions and reductions) of ecosystem assets, considering degradation and enhancement. It also supports numerous post-accounting analytical work, including the ability to generate NCA-derived indicators (or an index) to inform e.g., the criteria, design and implementation of resource allocation and investment on PAs.

- **3- Re: Output 1.2.1.--** There are several ways to ensure a participatory approach to the implementation of scenario analysis. One specific approach that is quite compatible with accounting is Multi-Criteria Evaluation (MCE) using Environmental Benefit Index (EBI), which leverages the account information (e.g., the relative benefits that ecosystem provide to people from a given area), which are combined with other information (e.g., risk of deforestation, etc.) in a map. Such an exercise enables the identification of important areas for a given policy outcome, as well as assessment of trade-offs associated with different interventions, all in accordance to stakeholders' stated preferences (such as preference for a given ecosystem service). These scenarios are jointly developed with multiple stakeholders and implemented with several spatially explicit layers of information of ecosystem benefit indicators, which are scaled to the same range, weighted according to preferences, combined, and summed to create scenarios. Stakeholders designed scenarios driven by different preferences and choices, e.g., a specific service-driven scenario (e.g., prioritization of coastal protection by coastal ecosystems, such as mangroves), assessed against different risks (e.g., rising sea level, risk of deforestation, etc.). Stakeholders can visualize and compare different scenarios and are able to appreciate general patterns as well as regional differences. This information can be used to numerous applications, including, e.g., the identification of where new conservation PAs can be implemented to ensure the continuous provision of a given service, to maintain the highest benefits for biodiversity in a changing climate, etc.

- **4- Re: Output 1.2.4.** The language was not intended to indicate that there had not been any prior engagement, only that upon Roadmap adoption there will be a specific set of activities undertaken through which to align and collaborate. Text in the CEO ER has been adjusted to capture this. Please also see our previous response with regards the Roadmap being a process and already having fully committed government for follow up.

- **5- Re: Output 2.1.2--** The GEF NCAA project shall complement and build on the work to be started by USAID Sibol in late 2022 on the PES mechanism related to water ecosystem services to be provided by the Puerto Princesa Subterranean River National Park in Palawan. The GEF NCAA Project shall be coordinating with the USAID Sibol Project Team on the PES work. The Palawan Council for Sustainable Development (PCSD) has recently released a policy on PES and would want to see

this mechanism implemented and expanded in Palawan. The GEF NCAA project will work closely with PCSD and its partners in accessing funding from PPP Center among others and this will be tasked to the Sustainable Development Specialist. (This information has also been added to paragraph 152 page 68 of the ProDoc.)

- Re: PES Mechanisms- This remains envisioned as part of the project activities, even if it was not explicitly addressed. A PMU-contracted specialist with expertise in financing mechanisms (the Sustainable Finance Specialist) will conduct the feasibility assessments. They will use the results to prepare investment proposals to potential financing sources (i.e., the DOT's TIEZA, impact investors); concept notes for PES arrangements (anticipated for the MHRWS landscape and Puerto Princesa Subterranean River site) for consideration by LGUs and the PPP Center; and draft Conservation Agreements to structure incentives for local communities (Output 2.1.3), for consideration by CI, REECS and implicated PAMBs. These tasks have been assigned to the project Sustainable Finance Specialist (see Appendix 14).

- **6-** We confirm that the project does not plan to deliver small grants or other forms of financing from the GEF funding. Rather, we will put in place a Sustainable Financing Lead who will coordinate work and help facilitate access to other sources of financing available. The project shall complement existing CI projects in Palawan that involve the private sector. Among these are current CI private sector funded support for the Natural Climate Solutions Project for MMPL and support from the insurance sector through the implementation of CI's Restoration Insurance Service Company, a social enterprise that aims to create new revenue streams for mangrove conservation and restoration by incorporating mangroves' risk reduction value into insurance products and monetizing the climate mitigation value of mangroves through blue carbon credits. Both CI investments shall complement the GEF NCAA project, and this has been included as part of CI's co-financing. Additionally, we will endeavour to bring in the Palawan Chamber of Commerce and Industry to support the NTFPs in key geographies in Palawan, including impact investors, TIEZA, and the PPP Center as necessary. Co-financing will come in the form of facilitation and assistance from DENR in applying for loans. For example, DENR is the recommending unit for loans application from Landbank's Lending Program for Economic Zone (Tourism Economic Zone) Developers and can possibly devote manpower to focus on expediting the access to this loan package.

- **7 ?** The project always intended to apply criteria to investments to ensure compatibility with social and environmental sustainability standards; as well as to guarantee positive BD and NC outcomes. GEB. This has been made more explicit in the CEO ER (page 36) as well as in the ProDoc section 3.3. project description Output 3.1.1. (paragraph 157 page 69) and 3.1.2 (paragraph 159 pg. 69).

- **8-** Re: Natural Capital Insurance: The following language related to Natural Capital Insurance has been added to Output 2.1.1 in the CEO ER (page 34) as well as Section

3.3. in ProDoc (paragraph 147 page 68):.

- o *Natural capital insurance is receiving growing attention as a means to unlock private sector financing for nature-based solutions to climate change mitigation and adaptation. Increasing emphasis on green infrastructure (e.g. mangroves to protect coastlines against extreme weather events; reefs as core tourism assets) has highlighted the need for innovative insurance solutions to protect investments in natural capital. An example is parametric insurance products applied to coral reefs in Mesoamerica. Such tools can help overcome risk-related obstacles to private sector financing for nature-based solutions. The market for these instruments is still young, requiring considerable attention to feasibility assessment and creative adaptation of tools, in collaboration with the private finance/insurance sector.) Training on access to and the use of these instruments financing mechanisms will be provided to PA management and Local Government Units (LGUs), as a precursor to working with PAs to develop business plans that incorporate best practices for sustainable finance. Finally, the project will work with PAs, LGUs and other stakeholders to deploy suitable financing mechanisms, identified through feasibility assessments to be conducted under this Output.*

- **9** - Post project, the data outputs that will be generated will be stored to the DENR Knowledge and Information Systems Service (KISS) as the Central data clearing house of the DENR, in coordination and with the support of the BMB Biodiversity Planning and Knowledge Management Division. The DENR-KISS office serves as the overall focal unit for integrating the DENR's various environmental statistics and information collected/generated from the Project. The DENR KISS will also support in the implementation of the technical assistance, training and protocols provided to national and selected subnational governments on NCA compilation using SEEA Ecosystem Accounts (SEEA EA) implemented for Palawan (provincial level) and Davao Oriental (Mt. Hamiguitan Range Wildlife Sanctuary (MHRWS)). The office will also house the results of the post-accounting analysis is implemented to inform key priority sectoral policies, the reports on NCA-based indicators used for monitoring provincial contributions to the Philippines Development Plan, Philippines Biodiversity Strategy and Action Plan, and Sustainable Development Goals. In terms of the project monitoring and evaluation, KISS will also be a repository of the project lessons captured and disseminated to project stakeholders and to other GEF and non-GEF projects and partners, and the M&E system established for tracking sustainable tourism, enhanced finance and PA management effectiveness, gender aspects, and community welfare. The DENR-KISS shall also be a member of the NCA Project Technical Working Group.

- **10** ? The timing of the PPG coincided with much of the most intense period of the COVID-19 pandemic in the Philippines. This presented an obstacle to the kinds of fieldwork needed. Moreover, the pandemic itself had substantial impacts on tourism, PA management, and community welfare (including differential gender impacts). Understanding these impacts is important and will be addressed by the Project, but these circumstances also obscured some baseline conditions (e.g., temporary suspension of tourism-related enterprises, giving a skewed sense of baseline level of activity in this sector). During the PPG stage, the baselines that were obtained are on landscapes characteristics, stakeholders and gender dynamics, and previous and current efforts on natural capital account in the country and the two sites. These baselines were used to inform the full-size project implementation.
- The PPG team has collected baseline information to inform the project document and results framework. However, baseline values of the core indicators from the two sites expected for Output 4.2.2 has not been established. This will be prioritized during the first two quarters of the project implementation.

UNEP response 20 Jan 22: Please find the clarifications and corrections below, on:

No 4: No change made in output 1.2.4 statement, yet text on page 35 of CEO ER (and par. 145 at page 65 of the ProDoc) have been adjusted as follows: ?In addition to ongoing engagement of NEDA and PSRTI, the Project will work with NEDA and PSRTI upon formal adoption of the national NCA Roadmap to explore synergies between the Project?s communications campaign, the Project?s investments in capacity building (Output 1.1.1), and training and awareness programs under the Roadmap, with potential topics including:??

Response No 5: The edits related to PES mechanisms have been made in output 2.1.1 in the ProDoc paragraph 148 and on page 37 in the CEO ER (instead of the wrongly quoted 2.1.2).

Response No 7: Our apologies. The revised text on outputs 3.1.1 and 3.1.2 is stated at page 39 of CEO ER (not 36)

Response No 8: Our apologies again, the revised text on 2.2.1 is found at page 36 (not 34) of CEO ER; as well as page 66, par. 147 in ProDoc. Output 3.1.1 has also been updated to reflect natural capital insurance in ProDoc paragraph 156 and page 39 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

JS 10/7/2021- Cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

JS 1/4/2022 - Cleared, thank you.

JS 10/7/2021- Please detail more specifically in this section the project's increment compared to the baseline USAID SIBOL project and the "Ecosystem-based management and application of ecosystem values in two river basins in the Philippines (GIZ/BMU) project.

Agency Response

UNEP response 16 Dec 21:

Please see page 22 in CEO ER related text.

Below please see a table comparing SIBOL and the GEF NCAA with respect to goals, proposed framework, scope, scale (Baseline Report 3. NCAA, page 62). There are some obvious synergies and complementarity between the two projects, particularly with respect to methodological approaches for accounting related measurements, which should be explored in more in-depth in advance at project inception to inform priorities and planning of work. We note that there is an ongoing DENR-led process to further clarify complementation and we expect that to be finalized by early 2022.

That said, it is important to note that the GEF NCAA expands on SIBOL both on a. the comprehensive of its scope with respect to SEEA Ecosystem Accounts, with full set of SEEA EA (i.e., extent, condition, ecosystem services and asset accounts ? as well as thematic account (e.g., biodiversity), compared with subset proposed by SIBOL, which focuses on a few ecosystem services flows from forest (carbon storage including sequestration, water, NTFPs), ocean (fisheries) and coral reefs (recreation). Another important distinction is the scale of implementation: the GEF NCAA which adopts the entire province of Palawan as the proposed Ecosystem Accounting Area, compared to SIBOL's work on a selected PAs in the province (Puerto Princesa Subterranean River National Park, Mt. Mantalingahan Protected Landscape), coral reefs and ocean. The GEF NCAA will also deliver SEEA Central Framework Tourism Satellite Accounts for the province.

The proposed GEF NCAA scope and provincial boundary accounting allows for measurement of all Palawan ecosystem assets (including all ecosystems classes in Palawan) and their contribution of a broader set of ecosystem services to be measured (e.g., eco-tourism, climate, water, sediments, etc.). Most importantly, it enables such accounting information to be incorporated into the Palawan Provincial Product Accounts. For example, GEF NCAA will be able to deliver information on ecotourism from all ecosystems in Palawan, regardless of the type of ecosystem or conservation status. That will help to demonstrate the linkages between ecosystems and their services to the economy, including to the tourism economy.

Table 15. PHIL-GEF NCAA and SIBOL: Proposed frameworks, scope and scale of intervention

SIBOL Goal: To improve natural resource governance, stimulating public and private investments, thereby improving ecosystem stability and inclusive green growth ¹			Phil-GEF NCAA Goal: To improve financial sustainability of PA by mainstreaming the values of biodiversity and natural capital in government planning			
Framework	Scope	Scale	Framework	Scope	Scale	
SEEA Central Framework	<ul style="list-style-type: none"> • Forest asset accounts • Fisheries asset accounts • Coral reef asset accounts 	National	SEEA Central Framework	<ul style="list-style-type: none"> • Tourism Satellite accounts 	Palawan	
SEEA Ecosystem Accounting	<ul style="list-style-type: none"> • Forest ecosystem services, e.g., carbon, fish and other products • Coral reefs extent, condition, recreational services 	Sub-national scale in select sites including in PA(s) in Palawan	SEEA Ecosystem Accounting	<ul style="list-style-type: none"> • Extent accounts • Condition accounts • Ecosystem services accounts • Monetary asset accounts • Thematic accounts 	Palawan/ Davao Oriental	

Like the Ecosystem-based management and ecosystem services valuation in two river basins in the Philippines (E2RB), the GEF NCAA project seeks to inform more effective conservation and improved management of natural resources, by accounting for biodiversity and ecosystem service and using such information for policy and decision-making including, e.g., improved water resources management. However, unlike E2RB, which is an assessment implemented to inform specific policy intervention (watershed management in a specific area at a specific time), the GEF NCAA focus on accounting - a systematic process for incorporating the value of ecosystems and their benefits to the economy into accounts (in the case of Palawan, the sub-national level of accounts, I.e., the provincial accounts). The greatest benefit of accounting is that it enables the integration of nature's information into accounting systems that governments already use in their decision-making, and ability to connect to other statistics - especially economic statistics. Accounting is also intended to be repeatedly done following standards, classifications on par with the System of National Accounts, and the goal is to demonstrate that in Palawan, and provide lessons and momentum for national scaling up.

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

JS 2/25/2022 - Cleared.

JS 1/4/2022 - Thank you for the response and additions. See comments above on the mitigation target.

JS 10/7/2021- Please add climate mitigation co-benefits (see comment on core indicator 6 in the dedicated comment box of this review sheet). The rest is cleared.

Agency Response

UNEP response 16 Dec 21:

We calculated climate mitigation co-benefits using the EX-ACT tool for a) 5 years project implementation phase and b) 5 years project implementation plus 15 capitalization phase (20 years in total) using assumptions described below. Estimates are: -1,067,884 tCO₂-e (5 years) and -17,328,513 tCO₂-e (20 years). These data have been added to the relevant tables related to Core Indicator 6 such as Appendix 4.1 to ProDoc and the CEO ER.

Method and assumptions: Mitigation potential for a) 5 years project implementation phase and b) 5 years project implementation plus 15 capitalization phase (20 years in total) was assessed using the following EX-ACT tabs: 1. Description, 2.LUC, 7.Coastal Wetlands. For the target landscapes inside protected areas, the size of actual area of three types of ecosystems (tropical forest, tropical shrubland, and mangroves) was distilled from recent baseline studies and other online resources including management plans stored on the WDPA website (several target landscapes were not considered in calculations due to the lack of information on the actual areas of ecosystems). The land use change area ?with? and ?without? project interventions was calculated using actual deforestation rates when known and an average rate when unknown. The efficiency to slow down the deforestation rate due to the project implementation was assumed to be 20%. In the target landscapes located outside of protected areas, we assumed that restoration of forest and mangrove ecosystems will take place for 1% and 5% of the total target area after 5 years and 20 years respectively.

We note that the project implementation of SEEA Ecosystem Accounting can be used to inform several policies, strategies, and/or interventions that have global environmental benefits, including climate change adaptation and mitigation. For example, SEEA extent accounts and carbon accounts can be used to inform coastal climate adaptation policies and interventions, allowing the identification of critical areas to be protected based on both climate risk and potential for nature-based climate solutions (e.g., protection of mangroves for coastal protection), which can be used to inform criteria for ecological fiscal transfer and other mechanisms, thus considering climate benefits as a priority for intervention.

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

JS 1/4/2022- Cleared.

JS 10/7/2021- Please add an elaboration on innovation, which is neither present in the CER, nor in the ProDoc. The rest is cleared.

Agency Response

UNEP response 16 Dec 21:

There are numerous aspects of innovation this project provides: The implementation of environmental economic accounting, following the principles and classifications

underlying the system of national accounts, will generate statistics on natural capital, thus improving understanding of the contribution of nature to the economy, its role in supporting economic growth, and combined with other socio-economic data, allow for better-informed cross-sectoral economic policy, planning, monitoring and reporting.

Importantly, the spatially explicit based information on ecosystems, and their contribution to benefits as proposed by SEEA Ecosystem Accounting, can pinpoint critically important areas for more sustainable conservation, use and restoration, informing, e.g., more systematic, and cost-effective resource mobilization for biodiversity. For example, post-accounting analytical work is expected to be used in this project to inform the criteria, design and implementation of resource allocation and investment on PAs (e.g., through ecological fiscal transfer and other mechanisms) that considers the range of benefits as informed by the generated accounts. The same is true for more sustainable business, and ecotourism in particular. NCA-derived indicators are also expected to inform regional plans as well as the Investment Plan for Sustainable Business and Tourism in the National Integrated Protected Area System (NIPAS), another important innovation resulting from the project implementation.

Just as importantly, we expect NCA to inform key relevant planning and initiatives at the provincial level, and to test indicators for monitoring and reporting to several national and international policies, including the national and regional development plans, and Multilateral Environmental Agreements (MEA). On the latter, an effort will be made to use SEEA to inform the post 2020 GBF monitoring framework headline and component indicators, and the Paris Agreement, among others.

We also inserted a paragraph into the CEO ER regarding the innovative nature of the project at page 47.

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

JS 10/7/2021- Cleared.

Agency Response

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

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

JS 1/4/2022 - Cleared.

JS 10/7/2021- We note the Stakeholder analysis (appendix 19), which notably includes the detailed report of stakeholder engagement during PPG, and Stakeholder Engagement plan (Appendix 10). However:

1- Please tick the boxes in the portal entry:

2. Stakeholders ⓘ

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations ⓘ

Indigenous Peoples and Local Communities ⓘ

Private Sector Entities

If none of the above, please explain why:

2 - The Stakeholder engagement plan is relatively weak on the private sector and financial institutions compared to the intentions of the project, notably in components 2 and 3. There is very limited mapping of the private sector actors and no mapping of relevant financial institutions, when Appendix 20 shows that many relevant stakeholders have been identified. There seems to be no plans to engage with finance institutions (public and private) beyond communication. On the private sector side, "Project Actions" seem restricted to invitation to participation in fora, when the project should have a more proactive engagement in order to succeed. The Public-Private Partnership Center, the Department of Industry, which according to the description of the project will be important partners, are also not mentioned in the SEP.

Please clarify what was done in relation to private sector and financial institutions engagement during PPG and explain how the projects intends to engage with the private sector and public and private financial institutions to ensure the proper delivery of components 2 and 3.

Agency Response

UNEP response 16 Dec 21:

1: This has been corrected on the Portal

2: During the PPG stakeholder engagement outreach, conducted through a series of workshops in Palawan and Davao Oriental (January and February 2021, respectively),

numerous private institutions attended and engaged in discussions on project goals and their potential involvement. Broadly speaking, there was great enthusiasm to participate and a recognition that individual roles should be better identified following the workshops. These results are synthesized in the Baseline describing the Stakeholder Engagement Plan, and below (Table 1) is a list of private sector representatives who participated in project document development. Severe COVID-19 travel restrictions during the PPG, precluded further engagement with individual business, and thus an in-depth determination of individual roles is relegated to early stages of project implementation, with the support from the National Project Manager as well as the Sustainable Business and Finance Specialist (see ToR and GEF budget).

That said, and based on the workshop results, it is clear that key private sectors stakeholders include, e.g., tourism/travel operators, accommodations, dining, business chambers such as millers and mining groups, and microfinance institutions, so an effort ought to be made to identify additional business and alignment between project goals and their respective enterprises. A scoping exercise combined with an inception workshop at early stages of project implementation, as proposed deliverables by Financial Specialist should focus on that, followed by a detailed implementation workplan documenting activities/interventions with private sector and financing institutions. We note that proposed interventions shall complement the work of existing DENR-BMB (and other government agencies) work with private sector and natural resources, as well as other ongoing projects.

For example, coordination is envisioned with USAID SIBOL and its intended work on PES in Palawan, scheduled for late 2022 (based on discussion with Sibol's Chief of Party 11/18/21). SIBOL is a key co-financier of the GEF NCAA project both at a national level and site level (Palawan). In Davao Oriental, one particular opportunity of a business that could play a roles as a financier, includes the one with Sarangani Energy Corporation (SEC), a coal-fired power plant, which has expressed interest in renewable energy and on investing in MHWRs, and which is in current discussions with BMB toward that end.

Table 1. Private Businesses Engaged during the stakeholder consultations in Palawan

Attending Institution	Mandate	Partnership with the Project	Summarized workshop discussion on the role during implementation
Local Private Transport Group Business	<ul style="list-style-type: none"> - Improved welfare and better transport facilities and transportation system - Transport business development 	<ul style="list-style-type: none"> - Assist in the identification of investment opportunities with potential for growth - Provide on-the-ground information relevant to the project 	The support of the private business sectors varies depending on the organization's interest and is largely based on the benefits that would accrue from the project. The respective impact to the project will also

Community-based Sustainable Tourism (CBST) Business Group	<ul style="list-style-type: none"> - Improved welfare and better livelihood opportunities - Environmental conservation 	<ul style="list-style-type: none"> - Assist in the identification of appropriate strategies, business, and investment opportunities - Provide on-the-ground information relevant to the project 	depend upon their influence on other key stakeholders that have high influence on the project. Opposition and conflict may arise if vested interest will not be addressed.
Puerto Princesa City Subterranean River National Park (PPSRNP) Tourism groups	<ul style="list-style-type: none"> - Improved welfare and better livelihood opportunities - Environmental conservation - Promotion of tourism as an income generation activity 	<ul style="list-style-type: none"> - Assist in the identification of appropriate strategies, business, and investment opportunities - Provide on-the-ground information relevant to the project 	

Table 2. Private Businesses Engaged during the stakeholder consultations in Davao Oriental

Attending Institution	Mandate	Partnership with the Project	Summarized workshop discussion on the role during implementation
Mt. Hamiguitan Lodge House	Business development and income generation	<ul style="list-style-type: none"> - Provide support to the project by promoting tourism through its business activities - Provide statistical data on tourists 	The support of the private business sectors varies depending on the organization's interest and is largely based on the benefits that would accrue from the project. The respective impact to the project will also depend upon their influence on other key stakeholders that have high influence on the project. Opposition and conflict may arise if vested interest will not be addressed.
Philippine Chamber of Commerce and Industry- DO Chapter	Business industry development and better business opportunities	<ul style="list-style-type: none"> - Provide support to the project by promoting tourism through organizational activities - Provide statistical data on commerce and trade - Provide assistance to noble ideas on tourism in the area 	

DARRPORRT	Business development and income generation	<ul style="list-style-type: none"> - May serve as potential beneficiary of the project - Provide statistical data on tourists
Asiaticus Mining Corporation/ Hallmark Mining Corporation/ Austral-Asia Link Mining Corporation	Business development and income generation	<ul style="list-style-type: none"> - Provide support in the conduct of project activities - Provide data relevant to the project - Provide assistance to noble ideas on tourism in the area

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

JS 2/25/2022 - Cleared.

JS 2/15/2022- Thank you, however, please revise the portal entry to make it understandable on its own. It is currently a copy-paste of the response in the review sheet:

2: Yes, all activities included will be undertaken. The PPG team budgeted for these activities across multiple GEF budget lines, assuming mainstreaming the gender action plan will cut across many of the positions budgeted. Please see a table below with the estimated costs included under these budget lines to support the gender action plan implementation.

Position Title	Estimated %	Total
National Project Manager (NPM)	2.50%	\$5,584
Monitoring and Evaluation/Gender and /Stakeholder Engagement Specialist	10%	\$9,166

JS 1/4/2022

1. Please include in the portal entry both (i) the justification provided below for the limited gender analysis carried out at CER stage, and (ii) the plans outlined below for the project to compensate this delay in the very first stages of implementation. Please also include the activities corresponding to these plans in the workplan (Appendix 5).

2-4 cleared.

JS 10/7/2021- We note the gender analysis provided in section 6 of Appendix 19 and the Gender action plan provided as Appendix 11, which notably state that a gender specialist will be be involved during implementation. We further note that appendix 19 reports that COVID-related restrictions prevented in-depth gender analysis. However:

1: The gender analysis provided is entirely generic, with no information specific to the project's activities or sites and many baselines missing for the indicators of the Gender Action Plan. Please either (i) provide a proper gender analysis; or (ii) justify thoroughly why the gender analysis is so sparse at CER stage when the PPG was able to conduct consultations and provide a clear plan on how the project will compensate this delay in the very first stages of implementation.

2: Please confirm that all activities and indicators included in the Gender action plan (section 4 of Appendix 11) will be undertaken. Some indicators are indeed not reflected in the Results framework (e.g. % of female respondents under output 1.1.2).

3: Please cross-reference Appendix 11, and not just appendix 19, in the portal entry.

4: Please confirm that, compared to PIF stage, the project is no longer expected to improve women's participation and decision making or to generate socio economic benefits for women or tick the boxes in the portal entry:

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? ⓘ

Yes

Closing gender gaps in access to and control over natural resources; Yes

Improving women's participation and decision making ⓘ

Generating socio-economic benefits or services or women ⓘ

Does the project's results framework or logical framework include gender-sensitive indicators? ⓘ

Yes

Agency Response

UNEP Response 16 Dec 21:

Unfortunately, due to the lockdown restrictions in the Manila Metro area, it was difficult for the PPG team to go onsite to conduct gender analysis. Although local stakeholder workshops were held, limited information was obtained by the local facilitators. Thus, inadequate gender analysis and only a generic mainstreaming plan was created. Given this situation, two actions were taken by the PPG team:

1: CI Philippines has been able to build on some gender analyses performed previously in the landscapes whose results have helped to inform project development to this point. CI Philippines conducted a thorough gender analysis last year (fall 2020) as part of the proceedings towards the Protected Area Management Plan of MMPL 2021 in Palawan. The analysis examined access to and control of land and resources; access to training, information, and technology; access to credit; decision-making and productive and reproductive activities for four sites throughout Palawan. The analysis found that, for example while women can own and inherit land males have more direct access to forest products (NTFP are their main source of income) as they can handle tasks that require staying in the forest for several days. It also shows that while women are allowed in some decision-making processes, low levels of literacy and overall education limits their

capacity to participate, as well as often makes them more hesitant to do so. For this reason, they prefer to have separate, smaller meetings so that they feel more comfortable contributing to the discussion. Women are able to participate in trainings only if they're held near their home. Additionally, women are not allowed to be Panglima ? the main politico-judiciary authority in the village and a status that is passed down through families, though only to male members.

The project has developed a plan to institute a gender analysis and gender mainstreaming plan during the inception phase of the project (month 1-6) that will be integrated into project activities and overseen by the PMU via the Project Director, Project Manager and M&E/Gender Consultant.

The development of the gender analysis and mainstreaming plan will use the CI, GEF compliant, Gender Mainstreaming Plan Template, attached. The steps to completing integration are as follows:

? Gather key insights and information on gender dimensions relevant to the project themes through review of secondary sources. Additionally, conduct focus group discussions with key stakeholders in sites in Davao and Palawan (or virtually if travel is unfeasible). Deliverables will include documentation of dates, times, stakeholders in attendance and a transcript/summary of focus group discussions.

? Review and summarize findings in drafting of a gender assessment/analysis following the guidelines provided in the CI-GEF/GCF Gender Mainstreaming Plan Template. Include within the gender assessment/analysis an explanation of the main barriers that men and women face to actively participate and benefit from the project and identify any opportunities to minimize those barriers.

? Reference the gender assessment/analysis to draft a gender action plan following the guidelines provided in the CI-GEF/GCF Gender Mainstreaming Plan Template that mitigates identified barriers and maximizes opportunities for men and women to participate in and benefit from the project. Include gender-sensitive indicators and set appropriate targets for men and women.

? Present gender action plan to PMU for adoption and integration

? Launch gender action plan and integrate actions/indicators into project workplan

2: Yes, all activities included will be undertaken. The PPG team budgeted for these activities across multiple GEF budget lines, assuming mainstreaming the gender action plan will cut across many of the positions budgeted. Please see a table below with the estimated costs included under these budget lines to support the gender action plan implementation.

Position Title	Estimated %	Total
National Project Manager (NPM)	2.50%	\$5,584
Monitoring and Evaluation/Gender and /Stakeholder Engagement Specialist	10%	\$9,166
Resource/Environmental Economist	5%	\$6,637
Information, Communication and Education (ICE) specialist	5%	\$4,250
Sustainable Finance Specialist (REECS)	5%	\$6,162
Ecotourism specialists [Davao Oriental and Palawan]	5%	\$729

Sociologist/gender specialist (Davao Oriental and Palawan)	100%	\$18,297
Community development specialist/PA Specialist (Davao Oriental and Palawan)	10%	\$957
Total:		\$46,198

3: We have now cross-referenced Appendix 11 (same as with Appendix 19) in the portal entry.

4: The projects intention is indeed to improve women`s participation and decision making or to generate socio economic benefits for women. We have corrected for this on Portal by properly ticking these boxes.

UNEP response 20 Jan 22:

Thanks, we have added the additional text on (i) justification for the limited gender analysis carried out at the CER stage, and (ii) the plans outlined for the project to compensate for this delay in the very first stages of implementation, to the CEO Portal entry.

Additionally, Appendix 5 - Workplan has been updated/expanded with additional activities with regards conducting baseline analysis for all METT scores during the first 6 months (output 3.1.4), the proposed final impact study as those parts of the M&E Plan (4.2.1) related to a proper gender assessment and gender mainstreaming plan (output 4.2.2)

UNEP response 25 Feb 22: revised and newly uploaded text on Portal submitted

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

JS 1/4/2022 - Cleared, thank you.

JS 10/7/2021- Yes, but see comment on the stakeholder engagement plan. The "focus on the business community" should not be restricted to a "Communication Strategy".

Agency Response

UNEP Response 16 Dec 21:

Beyond communications and awareness raising, we will use a consultative process to pinpoint the specific roles of tourism and natural resource dependant businesses (i.e. hotels, restaurants, ecotourism operations) in the project, particularly as it relates to project interventions in and adjacent to protected areas. This is an important step that will be

combined with the development and update of business plans for PAs in project sites. These plans will identify opportunities for new and/or improved profitable sustainable businesses to be supported by the project.

The NCA component of the project will be critically important in informing the PAs business plans, as it will generate information on the value of key ecosystem services, their spatial distribution, and beneficiaries. An identification of willingness to pay for PAs benefits is the next important step, allowing for the determination of profitable investments to ensuring continuous provision of PA benefits. We anticipate that those would likely include carbon, biodiversity for ecotourism, watershed services, among other. A value chain analysis and business case development for community-level, nature-compatible enterprises will demonstrate (analytically) the viability of investment for the businesses and appropriate project partners will be identified for technical assistance.

As part of the project's implementation, agreements will be made with private sector financial/investment actors to pilot/demonstrate investments. NGO partners will provide targeted capacity-building to local enterprises; local government units will work with enterprises to ensure understanding of regulations, such as permitting and taxes; academia will inform best-practices for sustainable resource use; and the DoT will inform tourism standards. These technical inputs will culminate with agreements with financial investors providing credit and financial support as planned. Such demonstrations and lessons learned will be critically important in informing scaling up efforts beyond project sites, in support of financial sustainability of the NIPAS through national replication of best practice and Investment Plan for sustainable business and tourism for improved NC and biodiversity outcomes.

Below are a few examples of potential roles the private sector could play based on CI's experience in Palawan. We envision that the Sustainable Finance Specialist will draw from the broader conservation world for tools and expertise, such as the Coalitions for Private Investment in Conservation (CPIC). CPIC has developed investment blueprints of conservation finance business or investment models that could be explored for business/investment models to be replicated in the project sites. For more info on CPIC here is the website - <http://cpicfinance.com/>

? Climate mitigation: Interventions seeking development of Natural Climate Solution mitigation efforts through carbon credits (see, e.g., CI's work in Southern Palawan through its Community, Conservation and Natural Climate Solutions Project supported by a private sector partner). As part of the Natural Climate Solutions Project for MMPL and support from the insurance sector, CI-P is working on the implementation of CI's Restoration Insurance Service Company, a social enterprise that aims create new revenue streams for mangrove conservation and restoration by incorporating mangroves' risk reduction value into insurance products and monetizing the climate mitigation value of mangroves through blue carbon credits. Both CI investments shall complement the GEF NCAA project, and this has been included as part of CI's co-financing.

? Ecotourism: As part of a green recovery process, bridge loans to help small businesses through a period of severely reduced ecotourism revenues caused by the pandemic, with conditions that the businesses improve their governance and long-term financial management. This could be accessed from Landbank, DOT-TIEZA, and SMSEs support-program of DTI. Landbank, the largest state-run bank, offers the Lending Program for Economic Zone Developers. This is a loan package, in partnership with PEZA, to finance the development of Economic Zones to encourage growth, promote exports, create employment, and encourage foreign direct investments. Eligible borrowers are private entities and local government units.

?Tourism ecozone? is a specific ecozone identified and supported by the Landbank. A possible mechanism to promote access to this is streamlining the required documents and partnering endorsing units (e.g. DENR). For the DOT, the terms of the interest-free soft loans under the Bayanihan 2 Act have been relaxed even more to encourage more micro, small and medium enterprises (MSMEs) in the tourism industry to avail themselves of the loan facility managed by the Small Business Corp. (SB Corp) of the Department of Trade and Industry (DTI). The SB Corp said it had approved the extension of the grace period for loan payments from one to two years for tourism MSMEs accredited by the DOT or registered by the Barangay Micro Business Enterprises (BMBE). Under the amended guidelines, the loan amount shall not exceed 15 percent of annual sales of the business or 20 percent of asset size, whichever is higher?and not lower?as previously required by SB Corp.

? Watershed services, learning from CI?s work on Blue Energy, which is a sophisticated effort at driving payments from hydro companies (e.g. Water district in MHWRS and in Palawan) for the value they receive from watershed services of sedimentation and water regulation, may be considered. However, the project could propose a simpler water fund model to derive revenues from private sector water beneficiaries. Also, USAID SIBOL intends to build a PES scheme on Watershed services for Puerto Princesa City, Roxas and San Vicente Municipalities that are beneficiaries of ecosystems services coming from the Puerto Princesa Subterranean River National Park and Cleopatra?s Needle Critical Habitat Area (based on discussion with Sibol?s Chief of Party 11/18/21)

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

JS 2/15/2022 - Cleared

JS 1/4/2022

1- Cleared. Thank you for the response and additions on Risk 6 in the portal.

2- Thank you for outlining government plans related to COVID in your response but it does not respond to the need for the project to demonstrate a strategy or action framework for the COVID-19 pandemic. Please refer to "Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics" (<https://www.thegef.org/documents/project-design-and-review-considerations-response-covid-19-crisis-and-mitigation-future>) and revise the COVID risk analysis and/or other parts of the CEO endorsement request accordingly. In particular, please include a more detailed elaboration on

(i) how the project plans to mitigate the risks posed by its focus on the tourism sector giving the uncertain prospects of tourism recovery within the projects' timeframe (e.g. through its work on other mechanisms such as PES for water?), and

(ii) the project contribution to a green recovery.

JS 10/7/2021-

1- Climate: We note Risk 6 in the portal entry as well as the climate section of the SRIF and the additional climate risk assessment for the specific sites in Appendix 12. However, please be more specific on how climate change risks will be integrated in the project activities to ensure that the project outcomes, and in particular the business and financial mechanisms/agreements of component 2 and the investment plan for sustainable business and tourism of component 3, are indeed climate-proof (e.g. would climate change scenarios be included as inputs to the NCA scenarios that will be explored in the project to inform these specific outputs and outcomes?).

2- COVID: We note Risk 10 and the mitigation measures proposed. Please note however that the GEF expects all new PIFs and CEO Endorsements to demonstrate a strategy or action framework for the COVID-19 pandemic. This should include an analysis of emergent risks and opportunities relative to specific context for the project. Please refer to "Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics" (<https://www.thegef.org/documents/project-design-and-review-considerations-response-covid-19-crisis-and-mitigation-future>) and revise the COVID risk analysis and/or other parts of the CEO endorsement request accordingly. In particular, please include a more detailed elaboration on

(i) how the project plans to mitigate the risks posed by its focus on the tourism sector to unlock biodiversity financing giving the uncertain prospects of tourism recovery within the projects' timeframe (e.g. through its work on other mechanisms such as PES for water?), and

(ii) the project contribution to a green recovery.

Agency Response

UNEP response 16 Dec 21:

1 - We propose to incorporate climate change on post-accounting analytical work through the development of an Environmental Benefit Index (EBI) that allows scenario analysis associated with climate change. The EBI leverages the account information (e.g., the relative benefits that ecosystem provide to people from a given area), which are combined with other information (e.g., rising sea level) in a map, enabling the assessment of trade-offs associated with different interventions, given stakeholders' stated preferences (such as preference for nature-based climate solutions). For example, climate change can be added to that analysis, with the addition of a climate risk layer, that conveys the climate velocity of a given landscape (i.e., the speed and direction of climate movement at such area), and then used to prioritize (or disincentivize) certain areas that are most likely to change. Such an effort can assess climate risk of a portfolio of interventions, and to identify opportunities to mitigate, minimize and/or adapt, including through determination of where adaptation is needed. This is especially relevant for the spatial planning of business and financial mechanisms/agreements at the provincial level, where interventions are discouraged, and disaster insurance warranted. From a biodiversity perspective, the assessment could include spatial information on biodiversity climate corridors or climate refugia as an input to incentivize adaptation and improved management and conservation for such areas, thus serving as an important criterion for investment plan for sustainable business and tourism nationally.

2 ? COVID19 response

In order to mitigate risks posed by the COVID pandemic, the Project shall strictly adhere to the various guidelines issued by the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF) of the Philippine Government. Among which is the Guidelines on the Implementation of Alert Levels System for COVID-19 Response for implementation nationwide. The New Community Quarantine Classification for dealing with COVID-19 covering entire cities, municipalities and/or regions aims to manage and minimize the risk of the disease through system indicators, triggers and thresholds determined by the IATF to specify public health and social measures to be taken in relation to the COVID-19 response, as may be updated based on new scientific knowledge, information about the effectiveness of control measures in the country and overseas, and its application. In the implementation of the Project, online platforms shall also be utilized as alternative modes in the conduct of meetings, workshops, consultations, and other activities.

Relative to the accounts that will measure sustainable tourism and its dependencies on ecosystem services, and by supporting ecotourism development in PA landscapes under the various components of the Project, the Tourism Response and Recovery Plan (TRRP) formulated by the Philippine Department of Tourism in close coordination with other national government agencies and the stakeholders through the Tourism Congress of the Philippines (TCP) will be taken into consideration. The TRRP intends to (i) ensure and protect workers and business survival during and post ECQ; (ii) enable government and private sector to work cohesively towards a sustainable and resilient tourism industry for the future; and (iii) provide policies and guidelines for the new normal.

The Project will also adopt policies/guidelines to be issued by the government on green recovery towards achieving decent jobs, healthy and resilient societies and building back better and greener economic recovery. This will contribute to overall improvement of the environment and natural resources while reviving affected livelihoods, jobs, and industries.

UNEP response 20 Jan 22:

Item 2 above: Text below has been edited to address the additional request for (i) tourism specific information, as well as (ii) its contribution to a green recovery.

Importantly, the PSA which is now fully engaging with the project has contributed the revised tourism data to this response. Changes from the last version have been highlighted below in italics. This plan is dictated by the government response which is monitoring the COVID situation and adapting as needed.

In order to mitigate risks posed by the COVID pandemic, the Project shall strictly adhere to the various guidelines issued by the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF) of the Philippines Government. Among which is the Guidelines on the Implementation of Alert Levels System for COVID-19 Response for implementation nationwide. The New Community Quarantine Classification for dealing with COVID-19 covering entire cities, municipalities and/or regions? aims to manage and minimize the risk of the disease through system indicators, triggers and thresholds determined by the IATF to specify public health and social measures to be taken in relation to the COVID-19 response, as may be updated based on new scientific knowledge, information about the effectiveness of control measures in the country and overseas, and its application. In the implementation of the Project, online platforms shall also be utilized as alternative modes in the conduct of meetings, workshops, consultations, and other activities.

Relative to the accounts that will measure sustainable tourism and its dependencies on ecosystem services, and by supporting ecotourism development in PA landscapes under the various components of the Project, the Tourism Response and Recovery Plan (TRRP) formulated by the Philippine Department of Tourism (DOT) in close coordination with other national government agencies and the stakeholders through the Tourism Congress of the Philippines (TCP) will be taken into consideration. The TRRP intends to (i) ensure and protect workers and business survival during and post ECQ; (ii) enable government and private sector to work cohesively towards a sustainable and resilient tourism industry for the future; and (iii) provide policies and guidelines for the new normal.

Added text to the Risk section in CEO ER: *?(i) The project determined that the number of foreign tourists in the Philippines was at 1.32 million, the same figure the DOT reported in 2020. This is an 83.97% plunge from the 8.26 million in 2019. With this decline, risk mitigation measures were done by DOT and hence will be adopted by the project.*

In 2021, The World Travel and Tourism Council (WTTC) has given the Department of Tourism (DOT) a 'SafeTravels' stamp in recognition of its adoption of 'health and hygiene global standardized protocols' that will ensure safe travel during the COVID-19 pandemic. SafeTravels is the stamp of approval given by the international organization to certify compliance with its global health standards to allow for safe travels. The tourism sector intensified the accreditation of establishments, continuing thorough inspection and assessment, to ensure that only those accredited with the Department of Tourism, and issued with a Certificate of Authority to Operate, are allowed to open and receive guests. This will further restore tourist confidence and serve as an assurance to guests that it is safe to travel in the Philippines. The way forward to the recovery is marked by strengthened partnerships with the private sector, our stakeholders and with other national government agencies. As a user of the stamp, the DOT will have the opportunity to assume the role of a SafeTravels ambassador to the stakeholders, advocating the implementation and full compliance of protocols. Eligible companies such as hotels, airlines, restaurants, tour operators, attractions, transportation, and airports will use the stamp as a guarantee that they conform to health and safety protocols required by the WTTC. As an example, the DOT has provided the necessary training to 30,680 tourism professionals as part of their continued commitment to support the tourism industry towards its recovery and sustainability. During implementation, the project shall

1. Ensure that only accredited establishments will be initially contacted to mitigate the risks of COVID19 exposure
2. Explore opportunities for non-accredited establishments to be apply for accreditation in order to be engaged with the project and be informed with the use of NCA for the sustainability of their sector.

(ii) In terms of green recovery, the project will also adopt policies/guidelines to be issued by the government on green recovery towards achieving decent jobs, healthy and resilient societies and building back better and greener economic recovery. This will contribute to the overall improvement of the environment and natural resources while reviving affected livelihoods, jobs, and industries. As an example of the government action, recent reports cited that BSP has invested close to \$200 million on green bonds in 2020 'bonds that invest in green, sustainable and renewable investments' making the Philippines the third largest green bond issuer in ASEAN with over \$2 billion.

Further, ensuring a green recovery requires the need to introduce support to unlock the potential of micro, small and medium enterprises (MSMEs) in the Philippines 'those most impacted by COVID-19' and increase their participation in green and inclusive recovery. MSMEs are the backbone of the Philippine economy. With the aim of the project to produce a memorandum of agreements (Output 2.1.1) in the project sites and with national agencies, innovative financing, as well as reviewing business plans (Output 2.1.1) and providing information on accounts to establish biodiversity-friendly livelihood among locals while ensuring gender equity in access to opportunities (Output 2.1.2), these will

enable planning and transition to sustainable and more resilient economic opportunities for the stakeholders.?

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

JS 10/7/2021- Cleared.

Agency Response

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

JS 10/7/2021- Cleared.

Agency Response

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

JS 10/7/2021- Cleared. We note that the timeline for knowledge management activities is embedded in the work plan (Appendix 5).

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 CEO Endorsement Request

JS 10/7/2021- Cleared. We note the project has a low risk rating and the attached Safeguard Risk Identification Form.

Agency Response

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

JS 2/25/2022 - Cleared, thank you.

JS 2/15/2022 - Apologies for the calculation error and corresponding incorrect guidance provided, the 5% M&E budget ceiling is actually \$166,808 for this project. Please correct in the next submission.

The rest is cleared.

JS 1/4/2022

1 to 4: The M&E budget has not been updated in the portal entry :

Long-term outcomes Impact Evaluation	Independent 3 rd party contractor	22,000.00	Partner staff time to provide inputs and review methodology and data collection	One to two years Post-project
TOTAL indicative COST based on the GEF budget (7%)		US\$ 306,924		

*Some of this will be drawn from technical components, not only PM and Output 4.2 on M&E

Also, it seems no updated version of appendix 7 (Costed M&E plan) were uploaded with this resubmission.

Please correct.

4- Please clarify what is the "long-term outcomes impact evaluation" referred to in the response. While we encourage impact evaluation, the scope and approach is not described at all in the CEO endorsement request when an impact evaluation should be planned for in more details prior to project implementation to be able to define appropriate indicators, identify comparison groups, and set baseline values. Also, the budget (\$20,000) seems very limited. If a budget is to be dedicated to "consolidated impact evaluation/assessment/survey in the last 6 months of the project", please justify its

feasibility when it has not been designed during PPG, describe the corresponding activity under outcome 4.1, explaining the anticipated scope and approach.

JS 10/7/2021-

1-M&E budget is \$ 306,924, which is 8.8% of GEF project financing, considerably above the 5% average observed across the GEF portfolio. Since this project does not seem to face particular M&E challenges, please reduce the M&E budget to 5% (ca. \$175,150).

2-Please note that some costs charged on the M&E budget are actually related to the project execution itself (e.g. Tracking system & assessment for tourism data) and not to its monitoring or evaluation. They should thus be removed from the M&E budget. Please refer to the guidelines on project and program cycles (GEF/C.59/Inf.03).

3- Please note that the project steering committees are charged for \$50,000 on the M&E budget and, in the GEF budget template, for \$53,091 on PMC. Please correct and ensure the M&E budget and the overall budget are fully consistent.

4-Please remove the "Long-term outcomes Impact Evaluation", which was supposed to occur 1 to 2 years post project, as the project's financial closure is to occur within 12 months following the TE.

Agency Response

UNEP response 16 Dec21:

1 - The M&E budget has been reduced to the allowed 5% cap. Please refer to Appendix 1 and Appendix 2; as well as corrected Appendix 7 Costed M&E Plan.

2 -The M&E budget has been reduced to the allowed 5% cap. Please refer to Appendix 1 and Appendix 2.

3 -The amount reported in the budget is \$53,091 on PMC as well as in the M&E summary Budget

4 -The project intends to conduct consolidated impact assessment/survey in the last 6 months of the project outcomes. Moreover, the allocation aims to prepare the project for the long-term outcomes impact evaluation.

JS 1/4/2022

1 to 4: The M&E budget has not been updated in the portal entry :

Also, it seems no updated version of appendix 7 (Costed M&E plan) were uploaded with this resubmission.

Please correct.

UNEP response 20 Jan 22:

Sorry for this unfortunate omission. Appendix 7 as well as the CEO ER has been updated with new lower costs ceiling for M&E - now set at US\$ 175,148 and its subsequent corrected ?cost? entry on the Portal.

4- Please clarify what is the "long-term outcomes impact evaluation" referred to in the response. While we encourage impact evaluation, the scope and approach is not described at all in the CEO endorsement request when an impact evaluation should be planned for in more details prior to project implementation to be able to define appropriate indicators, identify comparison groups, and set baseline values. Also, the budget (\$20,000) seems very limited. If a budget is to be dedicated to "consolidated impact evaluation/assessment/survey in the last 6 months of the project", please justify its feasibility when it has not been designed during PPG, describe the corresponding activity under outcome 4.1, explaining the anticipated scope and approach.

UNEP response 20 Jan 22:

We have revised the corresponding summary text in Appendix 7 Costed M&E Plan; added text on paragraph 256 page 120 of the revised ProDoc; revised the CEO ER at page 80; as well as corrected the entry in ProDoc Appendix 1 Budget Line 31 (GEF Template) & line 95 (UNEP-GEF Template), based on the following response and clarification to the GEFSEC review, as follows:

?The long-term outcomes impact evaluation? should correctly be labelled as *?Consolidated outcomes impact evaluation and reporting?* This activity will form part of the overall project monitoring and evaluation plan ? focused on the main outcome indicators in the Results Framework, METT as well as GEF Core Indicators, and has as prime purpose to standardize and consolidate methods, data enumeration as well as reporting at midterm and end of the project. The budget allocated is intended for the TA costs towards the establishment of agreed methodology, conduct capacity building of the partner agencies and data enumerators, data analysis and evaluation, as well as consolidated reporting at midterm and end of the project, to feed into the midterm review as well as independent terminal evaluation. The major consolidated M&E report at end of the project would be done in the last 6 months of the project. The report at the Midterm will concern the preliminary data capture and analysis but not yet the full evaluation of results. This activity may also consider additional indicators, if needed and feasible with the available resources. Lastly, the establishment of an agreed methodology, as well as capacity building of the partner agencies and data enumerators, will take place during the first 12 months of the project, including re-confirming baseline values of the Results Framework indicators and targets. The M&E Plan and any revisions will be reviewed by UNEP as well as the project steering committee during the inception of the project. As such we believe that with this approach the suggested GEF allotment of USD 20,000 will be adequate to produce useful consolidated M&E results and reports for the project.

UNEP response 25 Feb 22: we have corrected PMC and total MEE costs to the 5% ceiling or USD 166,808. Please see revised CEO ER and ProDoc, including Appendix 1 GEF budget, Appendix 3 Incremental analysis, Appendix 7 Costed M&E Plan. This also led to

some changes in the co-financing allocations per Outcomes - yet with similar Component allocation as 2nd re-submission (Appendix 2).

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

JS 10/7/2021-Cleared.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

JS 2/25/2022 - Cleared.

JS 2/15/2022

Apologies for the calculation error and corresponding wrong guidance provided, the 5% PMC ceiling is \$166,808 for this project. Please correct in the next submission.

The rest is cleared.

JS 1/4/2022

1- To be reassessed once the M&E budget is revised in the portal entry.

3 and 4- Thank you for the revised appendix 14. However:

3a- two consultants are reflected as "allocated to the PMU" in appendix 14 but do not appear in the budget, neither in the consultant section nor under the National level Sub-Grants and Sub-Contracts: Sustainable Finance Specialist, SEEA Ecosystem Accounting Expert. Please clarify how these positions are to be funded.

3b- Only when PMC is exhausted may staff be charged to components. PMC currently stands at 4.5% of GEF project financing. Noting that a good share of PMC is already funded by co-finance, GEF funding of PMC should thus be increased to 5% (\$175,148) in the next submission before staff can be charged to components.

JS 10/7/2021-

Budget:

- 1- Please see comments on M&E budget and correct the overall budget accordingly.
- 2- Please clarify what are the "Project administrative support costs", which total \$162,247.
- 3- Please be more specific on what outputs/activities corresponds to the subgrants "Subgrant to National Level c/o PMU (Component 1)", "Subcontract/Subgrant for Components 3&4 - National Level (c/o PMU)", "Subgrant PMU for National Level Policy-related and Learning-related activities" and revise the corresponding ToRs in appendix 14. They are many ToRs provided at the end of Appendix 14 but they are not organized in a way that enables the reader to reconcile the budget, the outputs and activities and the ToRs. Please correct.
- 4- Per policy and guideline, if project staff are charged to both PMC and project components (i.e. not only to PMC), clear Terms of Reference (ToR) describing unique outputs linked to the respective components are required at the time of CEO Endorsement/Approval. Several PMU staff are charged across components when their ToR provided in appendix 14 do not link them to specific outputs under these components (e.g. National Project Manager, Finance and Administrative Officer are not linked to any components; the Natural Capital Accounting Specialist/Statistician and the GIS specialist are also charged on components 2 and 3 when, according to the ToR, they are supposed to contribute to component 1 only). Please correct the ToRs and/or revise the budget so that they are fully consistent.

Agency Response

UNEP response 16 Dec 21:

- 1 The M&E Budget has been updated accordingly and reduced to the 5% cap in line with the GEF limitations.
- 2 Project Administrative Support Costs (PASC) are costs such as office rent, utilities, office supplies, certain office equipment, and support staff that benefit the country office's portfolio of projects. PASC is allocated to projects using a consistent 'best practices' methodology as described below in order to equitably allocate the costs to Donors. Applying this 'best practices' methodology, PASC is utilized for the delivery of all project components including providing technical oversight for the delivery of the Green House Gas (GHG) data management for the GHGI and MRV system, facilitating strategic engagement, and project monitoring. These costs do not fall under the staff costs that are directly charged to the projects and they are based on the level of effort of those positions charged across all technical components, M&E and PMC. This is an essential cost that directly relates to supporting the delivery of the project. by each executing partner staff person.

- a. The Calculation of the ratio of PASC is done by comparing the administrative costs of the previous fiscal year to the country program's total non-administrative salary expenses for the same period.
- b. Allocation of PASC is done each month by multiplying the ratio calculated above by the non-administrative salary charges.
- c. Monitoring of the rate throughout the year is done by CI's HQ Finance staff and adjustment of the rate is done as necessary
- d. Currently CI charges full PASC rate on programs of similar scope and size with GEF funding such as the FOLUR program which is overseen by UNDP and charges the full PASC rate in addition to a 10% IDC. CI is also in the final stages of starting a program under the WWF-GEF agency in Ecuador that includes the full PASC rate.

3 Please see the revised budget and Appendix 14 for additional detail on the National level Sub-Grants and Sub-Contracts.

4 The TORs have been aligned with the Budget, revised by specifying which outputs contributed to by each post, and reorganized to reconcile with the pro-contribution to technical outputs. (See Appendix 14)

3a- two consultants are reflected as "allocated to the PMU" in appendix 14 but do not appear in the budget, neither in the consultant section nor under the National level Sub-Grants and Sub-Contracts: Sustainable Finance Specialist, SEEA Ecosystem Accounting Expert. Please clarify how these positions are to be funded.

UNEP response 20 Jan 22:

3a. The budget for the Sustainable Finance Specialist, and the SEEA Ecosystem Accounting Expert are in the budget for the partners in Davao Oriental and Palawan respectively, given both sub-contractors lead on these programs and thematic focus. Developing more detailed ToR and contract requirements are the responsibility of the PMU, including monitoring of compliance and quality control. These posts and their budget have both been noted in Appendix 14 and the footnote on page 10 of this appendix has been updated.

3b- Only when PMC is exhausted may staff be charged to components. PMC currently stands at 4.5% of GEF project financing. Noting that a good share of PMC is already funded by co-finance, GEF funding of PMC should thus be increased to 5% (\$175,148) in the next submission before staff can be charged to components.

UNEP response 20 Jan 22:

3b. M&E budget has been updated to ensure the 5% ceiling (here set at USD 175,148) is met and the PMC costs have been increased to maximize the 5% ceiling (also at 175,148). Please see the revised GEF budget (in the two formats provided) in Appendix 1 to ProDoc; as well as the CEO ER Portal version.

UNEP response 25 Feb 22: see response above.

Secretariat Comment at CEO Endorsement Request

JS 2/15/2022 - Cleared.

JS 1/4/2022 - While the Results Framework will have to be revised according to comments on core indicators 1,2,4,5 and 6 above, all previous comments are cleared, thank you.

JS 10/7/2021-

1-Indicator 0.1: Please add "to benefit biodiversity" in the title of the indicator and please be more specific on how the "improved practices to benefit biodiversity" will be assessed in practice in this particular project. "Project reports on land and resource use trends in areas around (M)PAs" remains vague, with no baseline provided and no demonstrated link to biodiversity, when this project will generate plenty of information that is more biodiversity relevant than trends in resource use.

2- Please add GEF core indicator 1 as an headline indicator 0.X

3- Indicator 2.1.1: Please measure actual financial flows to PAs instead of measuring new financing through the METT. The METT will have to be reported on anyway.

4 - Indicator 2.1.2: Please clarify how "sustainable business practices" are defined in the context of this indicator.

Agency Response

UNEP response 16 Dec 21:

The Results Framework has been updated to reflect all the above requested changes ? tracked changes are visible in the Results Framework Annex and an updated Results Framework has been added to the CEO ER as well as Appendix 4 of the ProDoc.

UNEP response 20 Jan 2022: Annex A to CEO ER as well as Appendix 4 (Results Framework) and 4.1 (Core Indicators) of the ProDoc have been updated accordingly.

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

JS 1/4/2022 - Cleared, thank you.

10/7/2021-

1- Comment by Germany:

- Please clarify the engagement with DENR ERBD during PPG and be more specific on the plans to engage with them during implementation.

-Please also clarify what steps were taken during PPG to initiate a collaboration with the E2RB project (Ecosystem-based management and application of ecosystem values in two river basins in the Philippines) and what are the plans for ensuring synergies and avoiding overlaps.

The other German comments are adequately addressed.

2- The following Council comments were not addressed. Please address them in the resubmission:

Norway/Denmark comments

The project has an interesting connection between natural capital accounting, sustainable tourism and biodiversity finance, with a strong link to the national development plan. The link to established initiatives such as BIOFIN, WAVES and SEEA seems strong.

The project is certainly interesting, but it would be good with some more details on the link between improved Natural Capital Accounting- improved access to biodiversity finance ? and then improved biodiversity conservation and natural resource management. It seems almost like the project assumes that improved Natural Capital Accounting would lead to increased biodiversity finance- but it isn't necessarily so. Establishing good working relations with BIOFIN and building on their knowledge would be key to the success of this program. Increased details should be included on the part related to how the project will implement activities related to access to finance.

USA

We support this project, and additionally recommend that program implementers coordinate closely with Fish Right (currently cited as a baseline program in the proposal) as well as USAID Manila as appropriate.

Agency Response

UNEP response 16 Dec 21:

All responses can be found in Annex B of the CEO Endorsement Request

STAP comments

Secretariat Comment at CEO Endorsement Request

JS 1/4/2022- Cleared

10/7/2021-.See previous comment on climate risks. The rest is cleared.

Agency Response

UNEP response 16 Dec 21:

- Done as part of previous related responses

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 See comments in similar comment box above.

Agency Response

UNEP response 16 Dec 21:

Responded above

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request Cleared.

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

JS 3/14/2022 - The project is recommended for CEO endorsement.

JS 3/3/2022 - Please address the last three comments (start date, co-finance labels, budget) of the first comment box and resubmit.

JS 2/15/2022 - Not at this stage. Please address the remaining comments above and resubmit.

JS 1/5/2022- Not at this stage. Please address the remaining comments above and resubmit.

JS 10/7/2021- Not at this stage. Please address the comments above and resubmit. Please contact jsapijanskas@thegef.org for clarifications.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	10/7/2021	

**Secretariat Comment at
CEO Endorsement**

**Response to
Secretariat comments**

Additional Review (as necessary)	1/5/2022
Additional Review (as necessary)	2/15/2022
Additional Review (as necessary)	2/25/2022
Additional Review (as necessary)	3/3/2022

CEO Recommendation

Brief reasoning for CEO Recommendations