

Improved Financial Sustainability and Strengthened Resilience of Protected Areas Through Development of Sustainable Recreation and Partnership With Private Sector

Review PIF and Make a recommendation

Basic project information

GEF ID

10344

Countries

Bosnia-Herzegovina

Project Name

Improved Financial Sustainability and Strengthened Resilience of Protected Areas Through Development of Sustainable Recreation and Partnership With

Private Sector

Agencies

UNDP

Date received by PM

9/13/2019

Review completed by PM

11/25/2019

Program Manager

Ulrich Apel

Focal Area

Biodiversity

Project Type

FSP

PIF

Part I – Project Information

Focal area elements

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

Indicative project/program description summary

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Not fully.

- Please explain TRA index and spell out abbreviation when first used.
- Clarify how component 1 and 2 complement each other and what are the synergies in addressing them both in one concept.
- While GEF supports the development and integration of adaptation and resiliency measures as part of protected area (PA) management, challenges remain as there is limited understanding and technical basis for informed decision making. Therefore, by CEO endorsement stage, the proposed measures need to be presented in further detail and to be discussed with GEFSEC.
- If adaptation and resiliency measures are part of the project design, please select the appropriate Rio Markers.

11/04/2019 UA:

Adequately addressed.

Cleared

Agency Response

1 Nov 2019:

1. The following footnote is added to explain the TRA index: The [Threat Reduction Assessment \(TRA\) index](#) is a summary indicator of the degree to which a project has succeeded in reducing the threats to conservation at a particular site. It is calculated as a result of identifying threats, ranking them according to specific criteria,

and assessing progress in reducing each of them. The standard TRA approach will be modified to become more specific with the concrete effects of climate-change induced threats, during the PPG stage

2. Thank you for the comment. The following text has been added to the PIF:

The 2-component structure of the project addresses the two most pressing needs in the area of nature conservation in BiH in the next 7 years. One is associated with the climate-induced threats that, according to the latest country communication to the UNCBD, pose a key (if not the only one) **external** risk. Failure to incorporate resilience solutions for PA functioning would in the long run render the PA system unable to support the biodiversity it hosts and attract people to it. While addressing the climate resilience issue, the **key internal risk** and the associated important area of focus is the administrative and financial capacity of the nature conservation industry itself (as noted in the WWF PA benefit assessment report quoted in the PIF), which requires innovative solutions including private-public partnerships and other measures proposed in this GEF project. Implementing just the climate resilience without strengthening the financial viability of the PAs would deprive the conservation sector of long-term resources to sustain itself. Ignoring the climate risks and focusing solely on financial and administrative capacities of PAs in a small country such as BiH would pose the ecosystems at risks of losing their ecological qualities/functions/services and ultimately disabling the conservation industry from attraction people to it. Therefore, the two components of the project will work in synergy to address the most imminent needs and gaps of PA management in the country.

3. The adaptation and resiliency measures for PA management and informed decision making will be elaborated in more detail at the PPG phase, whereby the team is going to consult closely with the GEF Secretariat.

4. A Rio-Marker for CC Adaptation put to "1".

Co-financing

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes. However, for a project that has the objective to create private sector partnerships, there is not an adequate amount and potential partners identified. Please clarify.

Please provide more details on the mentioned "governmental grant programmes" and whether they have been considered in the co-financing of this project.

04/06/2020 UA:

Please select "investment mobilized" for all co-financing that is identified as "public investment". A public investment is usually investment mobilized. Or, the type of co-financing has to be changed in "in-kind" if it is not a "public investment".

04/08/2020 UA:

Addressed.

Cleared

Agency Response

1 Nov 2019:

1. At the PIF stage, it is difficult to agree with private sector entities on more robust commitments, due to uncertainty of whether the project is going to be accepted by GEF and when it can tentatively start. So far, the key focus has been on the “concessions” mechanisms, and discussions have been held with Tourism Cluster Una-Sana, Tourism Cluster Herzegovina, VisitSarajevo Tourism Association, Kozara Ski Resort, and Whitewater Rafting. There has been agreement to cooperate on firming partnerships during the PPG phase. During the PPG phase, the co-financing contribution for the concession pilot will be accessed more carefully and pledged through co-financing letters. The PPG phase stakeholder engagement process will also ensure outreach to, and consultations with, other possible private sector partners, including mountain ski tourism operators and whitewater rafting operators in three national parks, as well as the small enterprises along the Via Dinarica trails in Bosnia and Herzegovina that operate in or nearby target protected areas.
2. We have reviewed and re-tagged some of the government grants as they better fit with the definition of “recurrent expenditure”. We have also added clarification on relevance of various government co-financing to project activities under the co-financing table.

07April2020

Thank you for the clarification. We have made necessary re-classifications in the co-financing table.

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: It is understood that the OFP of Bosnia and Herzegovina plans to utilize its available STAR of \$4 million for two projects. This proposal should therefore not be utilized more than \$3 million STAR in total. Please revise Table D (and Tables A, B) accordingly.

11/04/2019 UA:

Addressed / figures revised. Please also upload the revised Letter of Endorsement, which is referred to in the response box as available.

11/25/2019 UA:

Revised LoE has been submitted / uploaded.

Cleared

Agency Response

1 Nov 2019:

Thank you. The project was discussed with the GEF OFP. The updated LoA is available. Tables A, B and D have been revised with the corrected budget figures. Following the budget revision, the content of project components has also been slightly revised based on consultations with the national counterparts.

15 Nov 2019

The revised LOE has been uploaded.

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response
Project Preparation Grant

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response
Core indicators

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA:

The number of targeted direct beneficiaries is missing. Please insert.

11/04/2019 UA:

Addressed.

Cleared

Agency Response The number of targeted direct beneficiaries has been reflected in the Core Indicator Worksheet.
Project/Program taxonomy

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

Part II – Project Justification

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Please elaborate on the (globally important) biodiversity values that will benefit as a result of the project's interventions in in what way.

11/04/2019 UA:

Adequately addressed.

Cleared

Agency Response

1 Nov 2019:

The project will help to improve the conservation status of the Key Biodiversity Areas, wetlands of international importance, important lake systems, unique cave systems, important ecological corridors, priority habitat types, flora and fauna species. More than 50,000 ha of Ramsar sites and KBAs will benefit from project

interventions as well as some 30 globally important threatened/vulnerable/endangered flora and fauna species, such as Serbian Spruce (*Picea Omorika*), Fen Orchid (*Liparis loeselii*), Dalmatian Scilla (*Scilla litardierei*), Large Blue butterfly (*Phengaris arion*), Bechstein's bat (*Myotis bechsteinii*), Olm (*Proteus anguinus*). Additional clarifications have been added to relevant sections in the PIF.

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

Project/Program Map and Coordinates

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

Stakeholders

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: The information on stakeholders engagement is very much focused on government institutions while CSOs, NGOs, local communities and private sector stakeholders are neglected. Given the emphasis of the project to work on ecotourism and agrotourism in cooperation with local municipalities, these stakeholders need to be involved from the outset and not only "where feasible". Please clarify further the planned approach to stakeholder engagement.

11/04/2019 UA:

Adequately addressed.

Cleared

Agency Response

1 Nov 2019:

We have improved the stakeholder engagement description as far as feasible at the PIF stage. The PPG process will be built around extensive and comprehensive stakeholder consultations aimed at identifying all relevant stakeholders and ensure adequate engagement and representation of various stakeholder interests. A comprehensive Stakeholder Engagement Plan will be one of the key outcomes of the PPG stage.

Gender Equality and Women's Empowerment

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: While not a requirement at PIF stage, the specific project's objective to work on eco- and agrotourism requires a more careful attention to gender dimensions relevant to the project at this stage. Please elaborate in section 3 of the portal (PIF) template.

11/04/2019 UA:

Adequately addressed.

Cleared

Agency Response

1 Nov 2019:

The following amendments have been made to the Section 3:

A detail gender analysis will be carried out during the PPG phase to fully consider the different needs, roles, benefits, impacts, risks, differential access to and control over resources of women and men given a project's context, and to identify appropriate measures to address these and promote gender equality and women's empowerment. The analysis will form the basis of a Gender Action Plan and Budget to guide gender mainstreaming during project implementation.

Development of ecotourism products and involvement of the private sector in the PA management work will primarily impact more remote rural communities where women are traditionally underrepresented where it comes to the economic and empowerment opportunities. The project will ensure that the decision-making, local capacity development and economic incentives are sensitive to these gender issues and will actively promote women and girls participation in relevant project activities in the field. The project will also use gender-sensitive criteria to encourage women application under project's support schemes.

The project will seek to enhance social inclusion in all stages of the implementation, thus contributing to the creation of equal opportunities when it comes to access and use to natural values, public infrastructure and services in protected areas, employability and access to knowledge. The socially excluded groups in Bosnia and Herzegovina are unemployed women and youth and long-term unemployed people, persons with disabilities, returnees and internally displaced persons.

Private Sector Engagement

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: The planned private sector engagement needs to be outlined in more detail in view of the objective of the project to foster a partnership with the private sector. Please elaborate in section 4 of the portal (PIF) template.

11/04/2019 UA:

Adequately addressed.

Cleared

Agency Response

1 Nov 2019:

The following amendments have been made to the Section 4:

While the concrete mechanisms for private sector engagement will be explored and suggested at the project PPG stage, the general directions for private sector engagement will be a) through testing of a first ever concession model for the eco-tourism development within a model protected area (Sutjeska National Park), and b) PA partnership with regional tourism clusters (Herzegovina and Krajina regions), mountain ski tourism operators, and whitewater rafting operators and small

businesses along the Via Dinarica that operate in or nearby pilot protected areas. The tourism sector stakeholders will be engaged to encourage sustainable tourism development and income generation for PA management authorities and people living in the vicinity of protected areas. The project will also foster promotion of investment opportunities in 4C tourism activities in cooperation with the local investors, and encourage the emerging creative and tech industry in Bosnia and Herzegovina to engage more actively with PA management authorities in finding innovative ways for partnership. For example, there is an ongoing effort to establish a tech park nearby a protected area in the Sarajevo region to avoid urban air pollution and secure better working conditions for the employees. Some of the preliminary discussions with concrete private sector stakeholders have been now reflected in the updated table on stakeholder engagement.

Risks

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

04/06/2020 UA: ADDITIONAL INFORMATION REQUESTED:

We recognize that some environmental and social risk screening and identification has taken place, but the project should provide, if available, (1) the overall, preliminary, overall environmental and social risks category of the project; (2) information on the types and levels of risk identified; and (3) measures to address any identified risks. (see Guidelines on GEF's Policy on Environmental and Social Safeguards (page 4, para 6, Box.2). Alternatively, it should attach or provide a link to the completed risk template for the project. If no ESS information is available, please indicate in the PIF that it is not available at this stage and provide reasons and plan to conduct environmental and social screening and assessment prior to CEO Endorsement.

04/08/2020 UA:

Addressed. SESP provided and uploaded into the portal document section.

Cleared

Agency Response

07April2020

We are submitting a separate annex (SESP) for information. The SESP indicates the overall risk category and provides further details as seen at the PIF stage. The SESP will be reviewed and revised at PPG following indepth project preparation.

Coordination

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: A standard application of the Direct Implementation Modality (DIM) is not in line with GEF policies, which prefers national execution of projects. If governments wish to apply for exceptions, they have to do that in form of a OFP signed letter attached to the project proposal, making a justified case to grant such an exception. Please note that such exceptions are only granted in exceptional cases.

Please also clarify if the mentioned UNDAF allows for national implementation modality.

11/04/2019 & 04/06/2020 UA:

UNDP has clarified the situation as below and the OFP of Bosnia and Herzegovina has provided additional clarification per email (uploaded to documents under this project ID).

Due to the exceptional circumstances in the country, as described in the PIF and in the email of the OFP (uploaded to the documents section), we are open to examining the IA/EA arrangements with the OFP and agency during the PPG with a view of finding the most adequate solution. These alternatives should be presented to the GEFSEC as per GEF guidelines (with a clearly described and justified proposal made by the country, also including a budget for proposed support services) early in the process so that the best and more adequate solution can be found before potential CEO endorsement. The technical clearance of this PIF in no way endorses or encourages any alternative execution arrangement.

Since UNDP, at the request of the OFP, intends to provide execution support, please enter UNDP in Part I as Executing Partner and select the appropriate type. Both fields are currently blank.

04/08/2020 UA:

Addressed as per response below and drop down menu selected accordingly.

Cleared

Agency Response

1 Nov 2019:

The current UNDAF allows for national implementation modality; however, the current Country Programme Document calls for application of the DIM in the case of GEF funded projects. The UNDP Country Programme Document 2015-2020 specifies that the projects supported by vertical funds will use the direct implementation modality. UNDP was informed that the GEF OFP addressed the GEF Secretariat directly on this subject.

7 Apr 2020

Thank you. We have entered UNDP in the Executing Partner field and will be contacting GEF Secretariat early during PPG to discuss and agree on the most appropriate execution modality.

Consistency with National Priorities

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

Agency Response

Knowledge Management

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: The knowledge management approach should incorporate learning and exchange beyond the national boundary as the project works in one transboundary PA and also uses the Via Dinarica as part of the concept, which would allow to involve neighboring countries in a knowledge management concept. In this context, please also clarify if the project approach has been tested in other Via Dinarica countries and what the experiences are.

04/06/2020 UA:

Plans to develop and implement a communications plan/strategy is a requirement at PIF stage. Please elaborate accordingly and/or indicate the intent to develop and implement a communications strategy.

04/08/2020 UA:

Addressed.

Cleared

Agency Response

1 Nov 2019:

The project is offering an increment to the current sustainable tourism development pattern in the region, allowing for wider and more beneficial representation of the national protected areas in the tourism development agenda and innovative financing. The project approach to strengthening the PA management and financial capacities via tourism destination management opportunities is relatively new for the region. It has not been in the focus either in BiH or in other countries where Via Dinarica project is implemented. This approach will be shared with surrounding countries and also tested on a transboundary PA, as noted in the PIF.

07April2020

Thank you we have added a paragraph and edits in Component 3 to make the communication strategy explicit. It will be developed in full during the PPG stage and implement under Output 3.1

Part III – Country Endorsements

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: Yes.

11/04/2019 UA: CORRECTION required: The name of the OFP is incorrect. Mr. Gradevic is the OFP of Montenegro, not of Bosnia-Herzegovina.

11/25/2019 UA: Has been corrected.

Cleared

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

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

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA: No. Please address comments.

11/04/2019 UA: Please correct name of OFP in part III of the PIF and upload the revised OFP letter of endorsement, upon which the PIF can be technically cleared.

04/06/2020 UA: Minor issues to be addressed.

04/08/2020 UA: All issues addressed. Program Manager is recommending the project for CEO clearance.

ADDITIONAL COMMENTS

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

Secretariat Comment at PIF/Work Program Inclusion

10/02/2019 UA:

By CEO endorsement, please provide further detail on the proposed management measures to increase climate change adaptation and resiliency in PAs.

11/04/2019 UA:

Due to the exceptional circumstances in the country, as described in the PIF and in the email of the OFP (uploaded to the documents section), we are open to examining the IA/EA arrangements with the OFP and agency during the PPG with a view of finding the most adequate solution. These alternatives should be presented to the GEFSEC as per GEF guidelines (with a clearly described and justified proposal made by the country, also including a budget for proposed support services) early in the process so that the best and more adequate solution can be found before potential CEO endorsement. The technical clearance of this PIF in no way endorses or encourages any alternative execution arrangement.

Review Dates

	PIF Review	Agency Response
First Review		

	PIF Review	Agency Response
Additional Review (as necessary)		

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

The UNDP/GEF project GEF ID 10344 “Improved Financial Sustainability and Strengthened Resilience of Protected Areas through Development of Sustainable Recreation and Partnership with Private Sector” in Bosnia and Herzegovina has the objective to improve protected area management leading to a better biodiversity status through strengthened resilience of key biodiversity values. The project will offer a sustainable alternative to the current functional model for the protected area system in Bosnia and Herzegovina, aiming to reduce newly emerging climate change threats to key biodiversity values and providing for sustainable management options and increased funding for protected areas. The project will conduct a climate threat assessment covering the entire protected area system in the country to identify the key climate impacts on biodiversity and developed adequate response scenarios. The project will also develop and test mechanisms for increased revenues from sustainable tourism and provide tools and instruments aimed at diversifying and improving the sustainable tourism options in targeted protected areas. Public-private partnerships will be developed to boost income streams from legal natural resource use activities. The project will improve management in 56,000 ha of PAs, bring 500 ha of wetlands under restoration, and benefit 315,000 people.