

# Seventh Operational Phase of the GEF Small Grants Programme in Egypt

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10360

**Countries**

Egypt

**Project Name**

Seventh Operational Phase of the GEF Small Grants Programme in Egypt

**Agencies**

UNDP

**Date received by PM**

4/30/2021

**Review completed by PM**

9/1/2021

**Program Manager**

Patricia Marcos Huidobro

**Focal Area**

Multi Focal Area

**Project Type**

FSP

## PIF

### CEO Endorsement

#### Part I ? Project Information

#### Focal area elements

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

**No.** Please note that bike-sharing is not eligible under the GEF-7 Climate Change Mitigation strategy, and as such cannot be funded with GEF resources. However, bike-sharing activities can still be part of the project and covered with the co-financing resources. Please revise the CEO endorsement request accordingly.

**PM&JS: 8/28/2021**

**Cleared.**

Agency Response

**21 July 2021:**

We based our support to the bike-sharing idea on the understanding that mitigation benefits associated with sustainable transportation interventions can be included under GEF Core Indicator 6, specifically Sub-Indicator 6.2 (Emissions avoided). The definition of Sub-Indicator 6.2 in the Guidelines on Core Indicators and Sub-Indicators (ME/GN/02, updated on March 11, 2019) reads as follows: "This indicator captures the amount of GHG emissions expected to be avoided through the interventions of the GEF project in sectors other than the Agriculture, Forestry, and Other Land Use sector. These therefore may include GHG benefits from energy efficiency, renewable energy, transportation, and urban projects or project components. These benefits should be measured above a baseline value."

SGP supported a successful bicycle-sharing project under OP6 at Fayoum University, with reports of the results being widely disseminated. During development of the OP7 project document, stakeholders expressed interest in replicating bicycle-sharing by, among other things, advocating for relevant policies to incentivize scaling up. Sustainable community-level transportation, such as the indicative bicycle-sharing intervention described in the project strategy, is an important element of the low-emissions development strategies in the project landscapes, particularly those with urban dimensions. The SGP landscapes in Egypt are complex, containing both rural and urban environments, and the potential climate change mitigation interventions are quite different.

The description of the indicative intervention has been revised as follows: "Bicycle sharing programme(s), as part of community level climate change mitigation actions, particularly within the urban parts of the project landscapes."

Each SGP grantee is requested to provide co-financing; co-financing resources will be leveraged to cover different aspects of any bike-sharing interventions.

**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  
**PM&JS: 5/18/2021**

**No.** PMCs are in line with the GEF Project and Program Cycle Policy. However, please address the following comments:

- 1- Changes to table B are not justified. Please explain and justify:
  - The addition of output 1.1.2 and why the similar 1.2.2 "Partnership building and policy advocacy for facilitating broader adoption of renewable energy and energy efficient applications" is different from the PIF 1.4.2 "Partnerships and business models established and demonstrating renewable energy and clean energy applications". At PIF level, the establishment of business models and financial partnerships to leverage funding were emphasized, which seems more appropriate for SGP projects than focusing on policy advocacy.

- Why PIF ?Output 2. 1.4. Typology of community level projects developed and agreed by multistakeholder groups together with eligibility criteria? has been deleted.

2- Amounts in the budget template do not correspond to table B, e.g. component 1 is \$1,693,154 in the template vs \$1,694,728 in tab B; likewise, components 2 and 3 M&E do not match. Please correct.

**PM&JS: 8/28/2021**

**Cleared.**

**9/15/2021 PM:**

**No. Please address the additional comments below:**

1. Component 1 is dedicated to community projects. As such, under Table B the financing type should be ?Investment? instead of ?Technical Assistance?.

2. On the Budget:

- National Coordinator and Program/Technical Assistant shall be covered by the GEF portion and the co-financing portion of PMC, rather than the general budget. Please update the budget accordingly.

- Please provide additional information of what rental-maintenance means. As it is, it could not be approved (if this is the office rental, it has to be covered by PMC ).

- Unspecified Miscellaneous expenses can?t be covered by GEF resources ? please remove this item.

**10/15/2021 PM:**

**No.** Office rental is part of the project?s execution cost, reason why it has to be charged to the GEF portion + the co-financing portion allocated to PMC. Ultimately all project related expenses support the project implementation in one way or another. That is why the reason presented below to charge the rental-maintenance costs to the project?s components (*certain facilities, including meeting rooms, are used to directly support project implementation, e.g., some of the capacity building trainings are held at the CPMU premises*) cannot be accepted. In line with what is presented above, office rental is inextricably linked with the project?s execution costs, so it has to be charged to PMC. Please amend the budget accordingly.

**10/27/2021 PM:**

**Cleared.**

## Agency Response

22 October 2021:

The rental-maintenance (Atlas 73100) line item under Component 1 has been removed. The costs in this line item have been allocated under Training, Workshops, Conferences (Atlas 75700). This budget line item is associated with costs for training venues, organizing and hosting workshops and trade fairs, participating in conferences, etc.

4 October 2021:

1. Table B has been updated accordingly.

2. On the budget:

- As outlined in the terms of reference annexed to the Project Document (Annex 7 ?Overview of technical consultancies/subcontracts?), the support provided by the National Coordinator and the Program Assistant are twofold: i) they are responsible for the overall coordination and administration of the project, ensuring an effective management and administration of the SGP Small Grants Programme and ii) they provide substantive technical support across the components (e.g. supporting SGP grantees in preparation of concepts, maintain close working relationships with national and landscape stakeholders, advocating for co-financing contributions, assisting in delivery of capacity building services, facilitating knowledge exchange, among others). As a result, the first category of duties is covered by the PMC while the second is covered by the corresponding component to reflect the cross-cutting nature of the NC and PA assignments.

- The rental-maintenance costs are associated with the premises of the National Host Institution where the SGP Country Programme Management Unit (CPMU) is based. The entry in the budget template has been adjusted to read ?rental-maintenance premises?. Part of the rental-maintenance costs is considered under the components since certain facilities, including meeting rooms, are used to directly support project implementation, e.g., some of the capacity building trainings are held at the CPMU premises. The civil society organization Arab Office for Youth and Environment (AOYE), the host institution for the Small Grants Country Programme Management Unit in Egypt, has committed in-kind (recurrent expenditures) co-financing of USD 40,000, contributing to the rental-maintenance costs, utilities and a share of the miscellaneous expenses over the four-year duration of the project. It should be noted that the total value of the GEF grant for this full-sized project is very close to the threshold for a medium sized project. If the project were categorized as a medium-sized project, the entire amount for rental-maintenance premises could be allocated under project management (10% for medium-sized projects).

- The ?miscellaneous expenses? have been re-categorized under Atlas 72400 (Communication and Audio-Visual Equipment), including mobile telephone

charges, connectivity charges, email subscriptions, postage, courier charges. The line item in the GEF budget template (Annex 1 to the Project Document), as well as the Total Budget and Work Plan and associated budget note have been revised accordingly.

21 July 2021:

1. Further justification of changes to Table B:

? The phrase 'establishment of business models for leveraging funding' has been added to the titles of Outputs 1.1.2 and 1.2.2, and the activities under these outputs updated. The types of partners and potential partnerships are generally different between the BD-LD and the CCM interventions and, therefore, separate outputs on partnership building were included under Outcomes 1.1 and 1.2. Policy advocacy is an integral part of the process of strengthening participatory conservation and ecosystem restoration, as well as broader adoption of community level RE and EE solutions. Whilst the emphasis under SGP OP7 may be on partnership building and facilitating establishment of business models, we believe that policy advocacy can be a valid and effective activity as well, which will be guided by the priorities set forth by the National Steering Committee and the landscape level multi-stakeholder platforms.

? The typology of community level projects is included in each landscape strategy, and therefore considered better integrated into Output 2.1.2. The landscape strategies will be updated under OP7 in close coordination with the multi-stakeholder landscape platforms. Proposed Activity 2.1.2.4 has been revised, indicating that the updated and new landscape strategies will include typologies of community level projects.

2. The component totals match between the entries in Table B and the budget template, following the revisions to the budget, including an increase in the total allocation of grants, adjustment to the allocation of strategic grants, and some corresponding revisions to some other line items. The revisions are reflected in the GEF budget template (Annex 1 to the Project Document), the UNDP Total Budget and Work Plan (TBWP) in the Project Document and the associated budget notes, and the component totals have been updated in Table B of the CEO ER.

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

Secretariat Comment at CEO Endorsement Request  
PM&JS: 5/18/2021

N/A

## Agency Response

### Co-financing

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

### Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

**Yes, with suggestions.** The total co-financing for this project is relatively low and decreased compared to the PIF levels. While we understand the difficulties in raising extra-financing, especially with the COVID-19 pandemic, we would very much appreciate if you can document/justify in the proposal the efforts done to date to come up with co-financing, as well as potential co-financing sources that are being explored/under discussion.

**PM&JS: 8/28/2021**

**Cleared.**

## Agency Response

**21 July 2021:**

As described in the CEO ER, co-financing contributions have been confirmed from each of the partners listed in the PIF. Additionally, USD 420,000 of co-financing from UNDP has been mobilized, corresponding to the GCF-financed project ?Enhancing Climate Change Adaptation in North Coast and Nile Delta Project in Egypt? that is being implemented by the Ministry of Water Resources and Irrigation.

An additional USD 40,000 in co-financing has been mobilized since the first submission of the CEO endorsement request. The civil society organization Arab Office for Youth and Environment (AOYE), the host institution for the Small Grants Country Programme Management Unit in Egypt, as committed in-kind (recurrent expenditures) co-financing of USD 40,000, contributing to the rental-maintenance costs, utilities and a share of the miscellaneous expenses over the four-year duration of the project. The co-financing letter from AOYE has been added to the package.

Consultations with other potential co-financing partners were conducted during the PPG phase and will continue during project implementation, to mobilize additional

contributions and to strengthen partnerships with governmental entities, civil society, the donor community, and the private sector.

**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  
**PM&JS: 5/18/2021**

**Yes.**

**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  
**PM&JS: 5/18/2021**

**Yes.**

**Agency Response**  
**Core indicators**

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

**No.** GHG emissions have been reported in the project document under "*Indicator 6.1. Carbon Sequestered or Emissions Avoided in the AFOLU sector*". However, from the project document it is our understanding that the 21,900 tCO<sub>2</sub> emissions avoided will come primarily from energy efficiency and renewable energy projects, which shall be considered under "*Indicator 6.2 Emissions Avoided Outside the AFOLU Sector?*". Please update accordingly.



PM&JS: 8/28/2021

Cleared.

Agency Response

21 July 2021:

The estimated GHG emissions avoided will come from energy efficiency and renewable energy projects (Sub-Indicator 6.2: Emissions avoided), which are outside the AFOLU sector. This has been clarified in the Project Document (in the Global Environmental Benefits description) and CEO ER (in the descriptions following Table E: Project's Target Contributions to GEF 7 Core Indicators).

The design of the provisional CCM interventions was aligned with the GEF-7 CCM-1-1 focal area outcome: "Promote innovation and technology transfer for sustainable energy breakthroughs for decentralized power with energy storage."

The 6,000 tCO<sub>2</sub>e of GHG emissions mitigated reported in the PIF was split between Sub-Indicator 6.1 (3,000 tCO<sub>2</sub>e) and Sub-Indicator 6.2 (3,000 tCO<sub>2</sub>e). The figures reported in the CEO ER and recorded in Annex 15 (GEF 7 Core Indicator Worksheet) to the Project Document are listed only under Sub-Indicator 6.2, at an estimated 20,700 tCO<sub>2</sub>e lifetime direct and 1,200 tCO<sub>2</sub>e lifetime indirect emissions mitigated

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  
PM&JS: 5/18/2021

Yes.

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  
PM&JS: 5/18/2021

Yes, with request for clarification.

- 1- Under the baseline for the EE and RE sectors, in page 38 the CEO ER indicates that at the end of 2017 there were only 120 MW of renewable distributed energy installed in

the country. Could you please provide an updated figure? The biggest distributed energy developments worldwide have taken place in the latest couple of years.

Please explain how the recommendations of the OP6 MTE have been incorporated in the design of this proposal:

#### 4.2 Recommendations

No.	Recommendation	Responsibility
1.	<b>Strengthen the landscape strategies.</b> The landscape strategies should be considered as living documents, with regular updates as additional information is available and progress is made with respect to implementation. A few recommended improvements include: (a) breaking out the consolidated landscape strategy into four separate documents, one for each landscape; (b) delineating the project interventions onto landscape level maps, showing other key features such as significant biodiversity areas, land use distribution, etc.; (c) elaborating the strategies by including stakeholder analyses, partnership opportunities, more information on local and national development strategies, etc.; and (d) facilitating validation of the landscape strategies by local government units.	CPMU, NSC, landscape stakeholders
2.	<b>Enhance the composition of the National Steering Committee.</b> The composition of the NSC should be reviewed and enhanced in order to: (a) ensure majority representation by CSOs; (b) address representation of the beneficiaries within the target landscapes; and (c) include enabling development partners, such as the Ministry of Local Development, National Council of Women, as well as donors and private sector organizations.	NSC, UNDP, CPMU

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PM&JS: 8/28/2021

Cleared.

Agency Response

21 July 2021:

1. The reference to 120 MW, included in the baseline discussion on Page 19 of the CEO ER, is in regard to the development of small and medium-scale PV (see full paragraph below). This is a segment of the renewable sector where SGP is capable of making a distinct contribution.

?In order to enable the transition towards a more diversified energy mix and an increased share of renewables, the Government of Egypt has launched a number of

substantive financial and regulatory energy reforms. The reforms started in 2014, with a stepwise reduction in fuel subsidies and later developed and completed under the IMF supported economic reforms package. The full fuel subsidies removal has been recently extended till 2024/2025. The percentage of fuel subsidies has fallen from 20% of the state budget in 2012/2013 to an estimated 11% in 2017/2018. The reform was completed in Q4 2019. In parallel, the Renewable Energy Law (No. 203/2014) and the new Electricity Law (No. 87/2015) established several schemes for the private development of renewable energy projects and a fully competitive electricity market (in contrast to the previous single buyer model). Together, these financial and regulatory reforms have incentivized efficient energy consumption and allowed alternative fuels to become economically viable options for industries as is reflected in the growing number of wind and large-scale photo-voltaic and wind energy projects that took place in the last 5 years. In contrast, there has been limited development in small and medium-scale PV (up to 20 MW) with only 120 MW of capacity has been installed by the end of 2017, with on-grid accounting for 30 MW, and the remaining 90 MW for off-grid (MoERE Solar Plan 2021/2022). A current pipeline of an additional 65 MW on-grid PV exists (NREA website).?

The recommendations from the midterm review have been reflected in the design of the OP7 project.

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? Regarding strengthening of the landscape strategies, the baseline assessments will be aided with the use of landscape maps and updated stakeholder analyses, separate documents will be prepared for each of the four landscape strategies, and local government entities will be proactively engaged, including requesting their validation and endorsement of the strategies. These points have been clarified in the descriptions of the indicative activities under Output 2.1.2.

? Regarding the National Steering Committee, the description included under the Governance and Management Arrangements section in the Project Document and the Institutional Arrangements and Coordination section of the CEO ER, the appointment of the NSC members will follow the SGP Operational Guidelines. There has been a concerted emphasis placed on ensuring NSC members are representative and are rotated in accordance with the Guidelines.

**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  
**PM&JS: 5/18/2021**

**No.** Please address the following questions:

- 1- Please clarify what is ?3.1.1.10 Prepare a sustainability plan?. What is it supposed to contain, when is it supposed to be implemented in the course of the project (development and implementation not show in the work plan in the ProDoc) and why it is not included in the project design rather than added as a separate layer.
- 2- Please clarify what is meant by ?Community-supported ecotourism? in this project and explain, in concrete terms, how support to it would translate in benefits for biodiversity of global relevance.

**PM&JS: 8/28/2021**

**Cleared.**

Agency Response

**21 July 2021:**

1. The description of the sustainability plan has been elaborated under the narrative description of Output 3.1.1. Indeed, the landscape approach embedded in the project design is inherently meant to increase the likelihood that results achieved are sustained. The sustainability plan will provide guidance on ensuring the durability of the multi-

stakeholder platforms, e.g., through advocating for 'champions' in the project landscapes, facilitating mainstreaming of the landscape strategies into local planning and budgetary frameworks, and promoting continued collective action among CBOs through participation on the multi-stakeholder platforms and networking with other enabling partners.

The timing of the sustainability plan in the multi-year work plan (Annex 3 to the Project Document) has been moved earlier in the project implementation timeframe, coincident with updating of the landscape strategies.

2. The community-supported ecotourism interventions identified as provisional SGP project grants include, but are not limited to (a) promoting citizen science initiatives connected with ecotourism activities, thus providing direct support to the monitoring of globally significant biodiversity, as well as increasing the awareness of biodiversity values; (b) reducing damage to critical habitats by tourists by increasing awareness, e.g., through training of community biodiversity guides; facilitating establishment of community-level business models that involve CBOs producing handicrafts for tourists that provides alternative livelihood options for local communities and reduces pressure associated with unsustainable activities in habitats of globally significant biodiversity.

This information has been added to the CEO ER and ProDoc, under the Global Environmental Benefits sections.

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

Secretariat Comment at CEO Endorsement Request  
PM&JS: 5/18/2021

Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
PM&JS: 5/18/2021

**Yes, with request for clarification.** The document will benefit from a cross-reference to Annex 18 or a brief explanation on the expected projects (i.e. % of EE, % of RE, etc.) based on the consultations conducted and provided in the baseline reports under Annex 18.

**PM&JS: 8/28/2021**

**Cleared.**

Agency Response

21 July 2021

The following addition has been made to the Incremental/Additional Cost Reasoning section of the CEO ER and the Incremental Cost Reasoning discussion in Section III (Strategy) of the Project Document:

Based on baseline analyses and stakeholder consultations conducted during the PPG phase of the OP7 project, as documented in Annex 11 to the Project Document (Baseline Report on Climate Change Mitigation Measures) and in Annex 14 to the Project Document (Estimations of GEF 7 Core Indicator end targets); provisional CCM interventions include off-grid solar PV systems for surface water and/or groundwater pumping for irrigation, on-grid solar PV systems for lighting for residential, schools, or commercial units; biogas for cooking and generation of digestate to reduce artificial fertilizer use; composting of agricultural residues; energy efficient LED lamps, replacing incandescent units; and transport modal shifts, reducing reliance on fossil fuels. The Bio Energy Association for Sustainable Development (BSRDA) has committed to USD 250,000 in co-financing, for providing technical assistance, facilitating green entrepreneurship, financing of biomass technologies, and raising awareness (see Annex 18: BSRDA co-financing letter).?

**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

**PM&JS: 5/18/2021**

**No.** Please clarify how beekeeping and agriculture waste to animal feed and organic fertilizer would relate to global biodiversity benefits or consider moving all SLM practices to the LD section.

**PM&JS: 8/28/2021**

**Cleared.**

Agency Response

21 July 2021.

The indicative beekeeping and organic fertilizer small grant projects have been reclassified as BD and LD interventions.

Indeed, beekeeping can be an integral part of sustainable land management practices, e.g., promoting durable forage crops that in turn help to improve soil fertility. Through promotion of agroecological practices, including diversifying on-farm production, pollination by bees can help facilitate diversity and provide improved and expanded habitats for fauna and flora, thus generating biodiversity benefits. Beekeeping has also been used in multiple SGP initiatives as an economic alternative to unsustainable use of important habitat.

Increased utilization of organic fertilizers and an associated decrease in chemical fertilizers improve the diversity and integrity of soil biodiversity. The myriad of organisms that make up soil biodiversity contribute to a wide range of essential ecosystem services, such as nutrient cycling, regulating soil organic matter, soil carbon sequestration, etc. Through adoption of good agroecological practices, not only will the functioning of ecosystems be enhanced, but habitats for flora and fauna will be improved, generating biodiversity benefits.

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

**No.** Please address the following comments:

- 1- The document will benefit from a clarification on the innovativeness aspects of the proposed project compared to previous SGP projects in Egypt. What is different and innovative in the proposed project compared to previous SGP projects in Egypt?
- 2- Scaling up:
  - a. Only 202 k\$ are budgeted for strategic grants, which seems low for a second phase of SGP in mostly the same landscape. The focus in OP7 should be on up-scaling and ensuring sustainability without an additional SGP phase. While revising the total envelope for grants (see comment on budget further down), please in particular consider revising the amount allocated to strategic grants.
  - b. The last paragraph is incomplete in the portal entry. Please correct:

Resources have been allocated in the OP7 budget for SGP strategic grants, primarily to help facilitate upscaling. According to SGP Operations Guidelines (see *Annex 17* to the Project Document) funding can be awarded up to USD 150,000 in value per grant. Envisaged support to be received through strategic grants include mainstreaming of the landscape approach among key landscape stakeholders, advocating for policy reform and mechanisms that would strengthen the enabling environment for participatory conservation, restoration, and sustainable livelihood initiatives. calls for



Resources have been allocated in the OP7 budget for SGP strategic grants, primarily to help facilitate upscaling. According to SGP Operations Guidelines (see *Annex 17* to the Project Document) funding can be awarded up to USD 150,000 in value per grant. Envisaged support to be received through strategic grants include mainstreaming of the landscape approach among key landscape stakeholders, advocating for policy reform and mechanisms that would strengthen the enabling environment for participatory conservation, restoration, and sustainable livelihood initiatives. calls for

**PM&JS: 8/28/2021**

**Cleared.**

Agency Response

21 July 2021:

1. The project landscapes for the Egypt OP7 project are expansive and complex, e.g., including both rural and urban environments. The concept of integrated landscape management was introduced under OP6 in three of the four OP7 landscapes, namely Greater Cairo, Fayoum, and Upper Egypt. Building upon the foundational work undertaken in OP6, the OP7 project provides an opportunity to strengthen the enabling environment for integrated landscape approaches, including enhancing stakeholder involvement, engaging local communities in decision-making associated with natural resource management, and mainstreaming priority issues into local planning and governance frameworks.

The indicative small grant projects described for the OP7 project emphasize multi-focal area interventions, particularly associated with sustainable management of agroecological systems across the project landscapes. For example, applying efficient irrigation practices on lands where organic fertilizers have reduced the dependency on chemical fertilizer and water is supplied through solar PV pumps will provide innovative and scalable best practices for replicating within the limited arable land in the country.

Engaging local communities in the protection of coastal ecosystems through partnership with the GCF project provides innovation opportunities by complementing hard measures of coastal zone protection with community-driven protection and restoration of wetlands and other coastal ecosystems.

Participatory conservation and community ecotourism interventions will consider promotion of citizen science activities, facilitating youth and tech-savvy community members to engage with ongoing biodiversity monitoring and assessments.

The additional points outlined above have been incorporated into the description of innovativeness.



2a. The allocation for strategic grants has been increased to \$300,000 (\$318,000 with the UNOPS fee).

2b. The full sentence reads as follows: ?Separate calls for proposals will be formulated for the strategic grants, in consultation with the NSC and landscape level stakeholders.?

The portal entry has been corrected.

#### **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  
**PM&JS: 5/18/2021**

**Yes.**

#### **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  
**PM&JS: 5/18/2021**

**N/A.**

#### **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  
**PM&JS: 5/18/2021**

**Yes.**

Agency Response  
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  
PM&JS: 5/18/2021

**Yes.**

Agency Response  
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  
PM&JS: 5/18/2021

**No.** Engagement with the private sector seems key for the sustainability of the project. Although private sector engagement is mentioned across the document, the specific section on private sector shall be further elaborated.

PM&JS: 8/28/2021

**Cleared.**

Agency Response

21 July 2021:

The private sector engagement section has been further elaborated, as copied below and updated in the CEO ER.

The private sector will be engaged in multiple ways in this project. For example, private sector partners will have an important role in regard to establishing and strengthening marketing links, business planning, consumption, distribution and packaging for value

chains of agrobiodiversity produced goods, as well as establishment and/or strengthening of local business ecotourism business models. Private sector enterprises will also be engaged in the development and upscaling of renewable energy (RE) and energy efficiency (EE) interventions, providing training and potential linkages to technological solutions, distribution channels, financing access, etc.

As part of the project efforts to facilitate establishment of business models for leveraging funding, local and national financial institutions will be engaged, including but not limited to the Commercial International Bank, Banque Misr, Ahly National Bank, and Alexandria Bank.

The SGP will also explore possible linkages with business associations and with private sector corporate social responsibility (CSR) initiatives, e.g., the Egyptian CSR Forum, for wider resource mobilization for grantee partners and for upscaling or replicating best practices.

#### **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  
**PM&JS: 5/18/2021**

**Yes.**

Agency Response  
**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  
**PM&JS: 5/18/2021**

**Yes.**

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  
**PM&JS: 5/18/2021**

**Yes.**

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  
**PM&JS: 5/18/2021**

**Yes.**

Agency Response  
**Environmental and Social Safeguard (ESS)**

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

**Yes.**

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  
PM&JS: 5/18/2021

**Yes, with request for clarification.** Please add a cross reference to Annex 4.

PM&JS: 8/28/2021

Cleared.

Agency Response

21 July 2021:

A cross reference to Annex 4 has been added

**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  
PM&JS: 5/18/2021

**Yes.**

Agency Response

**Annexes**

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

Secretariat Comment at CEO Endorsement Request  
PM&JS: 5/18/2021

The audit response template submitted with this endorsement request has been reviewed and cleared from a technical and programmatic perspective. The financial, operational, and policy due diligence may reveal issues that may still need to be addressed by UNDP.

**No.** Please address the following comments:

1. Budget:
  - a. Components? totals do not match between table B and the budget template. Please correct.

- b. Grants to CSO are \$1,261,400 and actually \$1,185,716 once UNOPS 6% fee is accounted for. This means that grants to CSO are 59.4% of GEF project financing and 51.7% of GEF total grant (including agency fees), which is too low, especially as this is a follow-up SGP in most landscapes. Please revise so that grants are at least 70% of GEF project financing.
- c. Please clarify what are the \$127,000 of ?rental and maintenance? and justify why they are charged for half on components. Please notably justify why most of these costs are not covered in the 6% fee that is already attributed to UNOPS.
- d. The budget ? Annex E is off margins in the portal. Please correct. If needed, one option is to aggregate the budget at component level, instead of outcome level, in the portal while keeping the detailed version in the attached Excel file.

**PM&JS: 8/28/2021**

**Cleared.**

Agency Response

21 July 2021:

a. The component totals now match between the entries in Table B and the budget template, following the revisions made as described below.

b. The total allocated for grants to CSOs has been increased by \$21,200, to \$1,282,600 (including UNOPS fee), which is 61.2% of the total GEF grant. Considering the fixed costs for the programme in Egypt in the context of a decreased overall STAR allocation to SGP OP7, it is not financially feasible to adjust the allocation of grants to CSOs to 70% of the total GEF grant. The proportional decrease in STAR allocation from OP6 to SGP OP7 cannot be matched with a proportional decrease in fixed costs, given their nature; therefore, the proportion of the overall budget to grants is forced to decrease. UNDP and SGP Egypt will make every effort to mobilize co-financing during OP7 thereby improving the grant to fixed costs ratio. In the past, UNDP and SGP Egypt have been able to increase grant financing by mobilizing resources from other donors like the European Commission.

c. The rental-maintenance costs are associated with the premises of the National Host Institution where the SGP Country Programme Management Unit (CPMU) is based. The entry in the budget template has been adjusted to read ?rental-maintenance premises?. Part of the rental-maintenance costs is considered under the components since certain facilities, including meeting rooms, are used to directly support project implementation, e.g., some of the capacity building trainings are held at the CPMU premises. At the same time, the civil society organization Arab Office for Youth and Environment (AOYE), the host institution for the Small Grants Country Programme Management Unit in Egypt, has committed in-kind (recurrent expenditures) co-financing of USD 40,000, contributing to the rental-maintenance costs, utilities and a

share of the miscellaneous expenses over the four-year duration of the project. The co-financing letter from AOYE has been added to the documentation package. It should be noted that the total value of the GEF grant for this full-sized project is very close to the threshold for a medium sized project. If the project were categorized as a medium-sized project, the entire amount for rental-maintenance premises could be allocated under project management (10% for medium-sized projects). The costs associated with rental and maintenance of the SGP CPMU premises is not covered by the UNOPS 6% fee. UNOPS is the executing agency and operational costs for the project are covered by the project budget. The UNOPS fee is related to the support services that UNOPS provides related to project execution.

d. The budget (Annex E) has been corrected.

#### **Project Results Framework**

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

**Yes.** Please add a cross-reference to the exact page in UNDP Project Document where the Project Results Framework can be found.

**PM&JS: 8/28/2021**

**Cleared.**

**9/15/2021 PM:**

**No.** In addition to provide the Project Results Framework as part to the Agency's Project Document, our Policy team is asking to add the Project Results Framework under Annex A of the CEO Endorsement document of the GEF Portal.

**10/15/2021 PM:**

**Cleared.**

Agency Response

**04 October 2021**

**The Project Results Framework has been added under Annex A of the CEO Endorsement document in the GEF Portal.**

21 July 2021:

A cross-reference to the exact page number in the UNDP Project Document has been added.

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

N/A.

Agency Response

**Council comments**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

**No.** To Germany's comment: *To ensure the long-term success and durability of the project activities, Germany recommends including a dedicated strategy for knowledge management and follow-up financing into the theory of change. Especially the maintenance of the governance platforms needs to be planned beyond the duration of the project?*, please elaborate further on the exit strategy after the project. Is this related to the *Sustainability Plan?* briefly mentioned under Output 3.1.1?

**PM&JS: 8/28/2021**

**Cleared.**

**9/15/2021 PM:**

**No.** Comments made by the Council Member from Canada were not responded by the Agency in Annex B. Please address Canada's comment under Annex B:

Canada Comments:

*This project is very timely due to the fact that the Egyptian government is cognizant of the need for a sustainable change in the country's energy mix towards renewable energy to both address these challenges and move to a more environmentally sustainable and diverse renewable energy sector.*

*Scaling up private sector/community based climate finance is an urgent priority to rapidly put Egypt a mitigation path leading to climate-resilient*



development, through an innovative combination of financial support, capacity building and technology transfer and supported by a deep level of country ownership.

**10/15/2021 PM:**

**Cleared.**

Agency Response

**04 October 2021**

**Responses to the comments made by the Council Member from Canada have been added to Annex B to the CER.**

**21 July 2021:**

The narrative description of the project sustainability plan under Output 3.1.1 has been elaborated, as copied below and updated in the CEO ER and Project Document.

?This output also includes preparation and initial implementation of a sustainability plan for the project, providing guidance on ensuring the durability of the multi-stakeholder platforms, e.g., through advocating for ?champions? in the project landscapes, facilitating mainstreaming of the landscape strategies into local planning and budgetary frameworks, promoting continued collective action among CBOs through participation on the multi-stakeholder platforms and networking with other enabling partners, and identifying follow-up funding continued implementation of the knowledge management strategy and action plan, as a key component of the landscape strategies.?

The response to Germany?s comment has also been updated in Annex B to the CEO ER.

**STAP comments**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

N/A.

Agency Response

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

N/A.

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

N/A.

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

N/A.

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request

**PM&JS: 5/18/2021**

**Yes.**

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

**PM & JS: 5/18/2021**

**Yes.**

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

N/A.

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

N/A.

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
**PM&JS: 5/18/2021**

N/A.

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request  
**5/18/2021:**

The GEF SEC is returning the CEO Endorsement Request to the Agency to address additional comments/requests for clarifications.

**8/28/2021:**

As the PM , I recommend the "Seventh Operational Phase of the GEF Small Grants Programme in Egypt" for CEO Endorsement.

**9/15/2021 PM:**

**No.** Please address the additional comments below:

1. Component 1 is dedicated to community projects. As such, under Table B the financing type should be "Investment" instead of "Technical Assistance".

2. Please, in addition to provide the Project Results Framework as part of the Agency's Project Document, add the Project Results Framework under Annex A of CEO Endorsement document of the GEF Portal.

3. On the Budget:

- National Coordinator and Program/Technical Assistant shall be covered by the GEF portion and the co-financing portion of PMC, rather than the general budget. Please update the budget accordingly.

- Please provide additional information of what rental-maintenance means. As it is, it could not be approved (if this is the office rental, it has to be covered by PMC ).

- Unspecified Miscellaneous expenses can't be covered by GEF resources ? please remove this item.

4. Comments made the Council Member from Canada were not responded by the Agency in Annex B. Please address Canada's comment under Annex B: Canada Comments

" This project is very timely due to the fact that the Egyptian government is cognizant of the need for a sustainable change in the country's energy mix towards renewable energy to both address these challenges and move to a more environmentally sustainable and diverse renewable energy sector.

" Scaling up private sector/community based climate finance is an urgent priority to rapidly put Egypt a mitigation path leading to climate-resilient development, through an innovative combination of financial support, capacity building and technology transfer and supported by a deep level of country ownership.

**10/15/2021 PM:**

**No.** Please address the following pending comment: Office rental is part of the project's execution cost, reason why it has to be charged to the GEF portion + the co-financing portion allocated to PMC. Ultimately all project related expenses support the project implementation in one way or another. That is why the reason to charge the rental-maintenance costs to the project's components (*certain facilities, including meeting rooms, are used to directly support project implementation, e.g., some of the capacity building trainings are held at the CPMU premises*) cannot be accepted. In line with what is presented above, office rental is inextricably linked with the project's execution costs, so it has to be charged to PMC. Please amend the budget accordingly.

**Review Dates**

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

<b>First Review</b>
<b>Additional Review (as necessary)</b>
<b>Additional Review (as necessary)</b>
<b>Additional Review (as necessary)</b>
<b>Additional Review (as necessary)</b>

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**

**8/28/2021:**

As the PM , I recommend the "Seventh Operational Phase of the GEF Small Grants Programme in Egypt" for CEO Endorsement.

**9/15/2021 PM:**

The GEF Sec is returning the CEO Endorsement Request to the Agency to address additional comments/requests for clarifications as stated above.

**10/15/2021 PM:**

The GEF Sec is returning the CEO Endorsement Request to the Agency to address one pending comment as stated above.

10/15/2021 PM: No.

**10/22/2021 PM:**

All comments have been properly addressed and technical clearance is recommended.