



Lake Ecosystem Restoration in Indonesia through Integrated Governance, Landscape, and Community-based Approaches.

Review PIF and Make a recommendation

Basic project information

GEF ID

11422

Countries

Indonesia

Project Name

Lake Ecosystem Restoration in Indonesia through Integrated Governance, Landscape, and Community-based Approaches.

Agencies

IFAD

Date received by PM

10/20/2023

Review completed by PM

11/3/2023

Program Manager

Sarah Wyatt

Focal Area

Multi Focal Area

Project Type

FSP

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, please address the following -

Biodiversity value of the lakes selected - The descriptions of the lakes lack justification of the specific biodiversity value or the demonstration value of the sites, especially Lake Limboto. In addition, there is earlier discussion of freshwater biodiversity but it is not discussed in the description of the lakes. Please provide more information or select other sites. It could help to provide information on the selection process for the 15 priority lakes.

Agency's Comments

24/11/2023

In the Project Rationale section of the PIF, the following information is included on the selection of the 15 priority lakes:

?Sustainably managing lake ecosystems has been a priority for the Government of Indonesia, e.g., as announced in the first National Conference of Indonesia Lakes in Bali in August 2009, when nine key line ministries committed to collaborating on sustainable lake management through the then called Bali Agreement. This agreement consisted of seven programs for 15 priority lakes, selected on the basis of the degree of degradation (e.g., sedimentation, pollution, eutrophication, water quality deterioration); lake function (e.g., hydroelectric power generation, agriculture, fisheries, drinking water, social and religious importance, tourism); commitment between government and local communities; strategic function of the lakes; biodiversity; and level of disaster risk.?

Additional information has been added under the description of Lake Limboto (see pg. 16).

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?

b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments

12/1/2023

Yes, thank you for the significant revisions.

10/24/2023

a) No, it would be good for the objective to be more specific and focused on the particulars of the project.

b) No, please address the following:

- Outputs - The outputs are not written as outputs. Please revise.

Agency's Comments

24/11/2023

a) The objective statement has been revised accordingly to the following:

?The overall project objective is to strengthen the enabling environment for sustainable lake ecosystem management in Indonesia, demonstration of integrated approaches in priority ecosystems, and upscaling facilitated through improved knowledge sharing and learning.?

b) The output statements have been reworked.

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's Comments

10/24/2023

No. Please budget/resource the Gender Action Plan to be developed and to include the monitoring and reporting of the GAP.

Agency's Comments

24/11/2023

It is confirmed that the costs for implementing and monitoring and evaluating the gender action plan will be incorporated into the project budget. This point has been added to the Gender Equality and Women's Empowerment section of the PIF. Specific reference to gender and the gender action plan was added to the M&E deliverables.

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments

12/1/2023

Yes, thank you for the revisions.

10/24/2023

No, the barriers written are not barriers but rather just a description of the activities the project is going to do. Please revise.

Agency's Comments

24/11/2023

The barrier descriptions have been revised (see PIF page 9).

4.2 JUSTIFICATION FOR PROJECT

a) Is there an indication of why the project approach has been selected over other potential options?

b) Does it ensure resilience to future changes in the drivers?

c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?

d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments

12/1/2023

Yes.

During PPG, these elements will need much more elaboration, especially a PES system in line with the STAP guidance.

10/24/2023

No, please address the following -

- Is this a lake project or an agriculture/productive land use project? While the project doesn't have to choose and obviously there is a need for coordinated management, it is difficult to see this coordinated vision in the project. For many of the activities, it would make sense to coordinate with the Min of Agriculture or similar to work on making the changes to the productive land use that are needed. Please revise the narrative and clarify the approach of the project.

- Lake Center of Excellence - It is unclear the special need for this and its specific value proposition, if this is mostly an agriculture and other on land productive sector project. Also, it is planned to support a wide range of stakeholders from experts to children, it is unclear how this is possible or realistic. Please clarify.

During PPG -

- Payments for Ecosystem Services - If the project will be seeking to establish a PES program, please use the STAP guidance on the subject and significant progress will need to be made on identifying the buyers, sellers, and mechanism of transfer.

Agency's Comments

24/11/2023

The following entry has been added to the project rationale on pg.9:

?The project rationale is underpinned by the need to mainstream and provide scale-able demonstrations of integrated lake ecosystem management. Some of the main threats to these ecosystems are associated with the agricultural sector. For that reason, some of the proposed project involves management and restoration interventions as well as livelihood initiatives that are focused on improving agricultural practices, diversifying income streams, and increasing awareness. The project will require cross-sectoral collaboration, not only from the agricultural sector, but also forest management, water resources management, tourism, energy, and development.?

The Government of Indonesia wants to establish a central information system and education centre to build capacity on integrated lake management and lake ecosystem restoration. The MoEF will build the infrastructure for the Center of Excellence (education centre) through its own investments, while the project/GEF financing will support establishing the education modules, curricula and setting up the information and knowledge sharing platform/system.

Regarding the potential inclusion of a PES pilot activity, as mentioned in the narrative description of Output 2.1.2, it is confirmed that during the PPG phase the referenced STAP guidance will be used to describe the mechanism, including the definition of buyers and sellers. This point has been added to the description of Output 2.1.2.

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments

10/24/2023

Yes.

During PPG, please consider carefully the logic of each of the livelihood interventions to make sure that the project is supporting successful transitions to livelihoods with good prospects for long term income generation. Simply showing people different methods is insufficient. We have found that ongoing technical support is vital for success.

Agency's Comments

24/11/2023

This is well noted, thanks.

5.2 INCREMENTAL/ADDITIONAL COST REASONING

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

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, please include this.

Agency's Comments

24/11/2023

An incremental / additional cost reasoning sub-section has been added under Project Description on pg. 10.

5.3 IMPLEMENTATION FRAMEWORK

a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No -

a) Yes.

b) No, it is unclear if this was selected by accident. However, if there is agency execution expected, please include this information and an explanation of why it is needed. The Agency mentions that they expect to play an execution role in this project. However, the LoE does not endorse IFAD as a potential executing partner, neither there is a letter of support signed by the OFP for this. Please ask the Agency to remove any mention for them to execute the project.

c) Yes.

d) Yes.

Agency's Comments

24/11/2023

It was selected by accident. All references on IFAD's execution role were removed.

5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project's indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, please explain how the hectares listed on 4.1 will have improved practices. Simply being part of a plan is not enough.

Agency's Comments

24/11/2023

The narrative of the Core Indicator 4 target has been expanded, with descriptions of specific interventions (see pg.21).

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's Comments NA

Agency's Comments

5.6 RISKS

a) Are climate risks and other main risks relevant to the project described and addressed within the project concept design?

b) Are the key risks that might affect the project preparation and implementation phases identified and adequately rated?

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

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

5.7 Qualitative assessment

a) Does the project intend to be well integrated, durable, and transformative?

b) Is there potential for innovation and scaling-up?

c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, please discuss durability and scaling-up within the country.

Agency's Comments

24/11/2023

The following entry has been revised in the Innovation and Upscaling section of the PIF, pg.16.

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's Comments

12/1/2023

Yes.

During PPG, it will be important to take a comprehensive pathways approach (with a strong emphasis on prevention) and a focus on durability of any activities noting that they need to continue well after the project to be effective.

10/24/2023

No, please discuss how the project will address the prevention of the spread of IAS in addition to response.

Agency's Comments

24/11/2023

Prevention of the spread of IAS will be a priority in the development of the integrated land ecosystem management plans under Output 2.1.1, and implementation of management interventions under Output 2.1.2 will demonstrate best practices, arrange cross-learning, and facilitate increased awareness. These points have been added to the narrative descriptions of these two outputs on pg.12.

6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat's Comments

12/1/2023

Yes, thank you.

10/24/2023

No, please include a description of how the project relates to each GBF target listed.

Agency's Comments

24/11/2023

Descriptions of how the project relates to each of the GBF targets listed have been added to Section C of the PIF (*Alignment with GEF-8 Programming Strategies and Country/Regional Priorities*) see pg.25 and 26.

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, please provide dates for the consultations.

Agency's Comments

24/11/2023

The consultation dates and details have been included.

8 Annexes

Annex A: Financing Tables

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

STAR allocation?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

Focal Area allocation?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments NA

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments NA

Agency's Comments

SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat's Comments NA

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments NA

Agency's Comments

8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

8.3 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?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, "in-kind" is usually classified as "recurrent expenditures". If the source of co-financing from IFAD is in-kind, please replace "investment mobilized" to "recurrent expenditures". In case it is grant then please replace "in-kind" to "grant" then provide an explanation under the co-financing table how this "Investment Mobilized" was identified.

Agency's Comments

24/11/2023

The cofinancing tables was revised accordingly.

Annex B: Endorsements

8.4 Has the project been endorsed by the country?(ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, the template utilized for this project removed the footnote that conditions the selection of the executing partner to the following: "Subject to the capacity assessment carried out by the GEF Implementing Agency, as appropriate". Per the attached email back in March when we were aiming to constitute June 2023 Work Program, Agencies were informed that LoEs "with modifications cannot be accepted and will be returned". While the removal of the footnote seems to be trivial, it is not: this footnote reduces the chances of having an executing partner that does not meet the fiduciary and procurement standards required to safely execute the project. Please get an email from the OFP accepting this footnote to be part of the LoE (this is an alternative to request a new LoE).

The table in the LoE missed to specify whether the LD and CC Sources of funds are from STAR allocation or Set-Aside. Please ask the Agency to use the same email message from the OFP (point above) for him/her to confirm the source of funds in the table (STAR or Set-Aside).

Agency's Comments

24/11/2023

The OFP issued a revised letter that now includes the footnote and specifies the sources of funds.

Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's Comments NA

Agency's Comments

Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project's intended location?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

Annex E: Rio Markers

8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat's Comments

12/1/2023

Yes.

During PPG, there will need to be stronger rationale for these Rio Markers especially for CCA and CCM.

10/24/2023

No, there has been very limited discussion on the adaptation value of the project.

Agency's Comments

24/11/2023

The following entry has been added to the Project Rationale section:

?Facilitating cross-sectoral collaborative action, including incorporating sustainable lake management priorities into spatial planning processes, and enhanced engagement of local communities in the management of lake ecosystems will provide climate change adaptation benefits through increased resilience across the broader catchments in the demonstration areas.?

The following entry has been added to the narrative description of Output 2.1.2:

?Reducing erosion in the catchment areas would also deliver important climate change adaptation benefits through strengthening the resilience of the ecosystems to climatic variability.?

The following entry has been added to the narrative description of Output 2.1.3:

?Adoption of more sustainable agriculture and forest management practices will also provide climate change adaptation benefits, enhancing the coping capacities of local communities and strengthening the resilience across the lake ecosystems.?

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments

10/24/2023

Yes.

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) 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 to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments NA

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

12/1/2023

Yes.

10/24/2023

No, please revise and resubmit.

Agency's Comments

**9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/
Approval**

Secretariat's Comments

Agency's Comments

Review Dates

PIF Review

Agency Response

	PIF Review	Agency Response
First Review		11/24/2023
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		