



GEF-7: Green and Carbon Neutral Cities

Part I: Project Information

Name of Parent Program

Sustainable Cities Impact Program

GEF ID

10822

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT No

NGI No

Project Title

GEF-7: Green and Carbon Neutral Cities

Countries

China

Agency(ies)

World Bank

Other Executing Partner(s)

Municipal governments of Chongqing, Chengdu and Ningbo, China Center for Urban Development of National Development and Reform Commission

Executing Partner Type

Government

GEF Focal Area

Multi Focal Area

Taxonomy

Focal Areas, Biodiversity, Mainstreaming, Infrastructure, Wetlands, Biomes, Sustainable Development Goals, Climate Change, Climate Change Mitigation, Energy Efficiency, Renewable Energy, Agriculture, Forestry, and Other Land Use, Financing, Sustainable Urban Systems and Transport, United Nations Framework Convention on Climate Change, Paris Agreement, Nationally Determined Contribution, Influencing models, Demonstrate innovative approaches, Strengthen institutional capacity and decision-making, Transform policy and regulatory environments, Deploy innovative financial instruments, Stakeholders, Beneficiaries, Private Sector, Capital providers, Consultation, Type of Engagement, Information Dissemination, Strategic Communications, Communications, Awareness Raising, Gender Equality, Gender Mainstreaming, Sex-disaggregated indicators, Gender results areas, Participation and leadership, Access and control over natural resources, Knowledge Generation and Exchange, Capacity Development, Integrated Programs, Sustainable Cities, Urban sustainability framework, Municipal waste management, Urban Biodiversity, Municipal Financing, Green space, Integrated urban planning, Energy efficiency, Transport and Mobility, Buildings, Capacity, Knowledge and Research, Knowledge Generation, Training, Workshop, Innovation, Knowledge Exchange, Field Visit, South-South

Rio Markers**Climate Change Mitigation**

Climate Change Mitigation 2

Climate Change Adaptation

Climate Change Adaptation 0

Submission Date

6/4/2021

Expected Implementation Start

6/15/2022

Expected Completion Date

6/15/2027

Duration

60In Months

Agency Fee(\$)

2,420,212.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
IP SC	Transforming cities through integrated urban planning and investments in innovative sustainability solutions	GET	26,909,050.00	300,693,050.00
Total Project Cost(\$)			26,909,050.00	300,693,050.00

B. Project description summary

Project Objective

The objective is to integrate biodiversity conservation in participating cities' urban development and establish their pathway to carbon neutrality.

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 1: Strengthen high-quality indicator framework on 'green' and 'low carbon'	Technical Assistance	Significant shift in approach, methodology, and planning system for green and low carbon growth	<ul style="list-style-type: none"> i. Green and carbon neutrality development indicators developed and applied to 14th 5-year plan ii. Indicator monitoring framework developed iii. Data-sharing platforms for use among key government agencies in participating cities established or strengthened iv. Operational guidance for sharing data disseminated 	GET	3,800,000.00	26,324,324.00

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 2a: Support integrated solutions to biodiversity and climate change - TA for planning and investing in nature and carbon neutrality	Technical Assistance	Cities incorporating biodiversity conservation and carbon neutrality into decision-making processes for integrated urban planning and investment	<ul style="list-style-type: none"> i. Inventory of natural assets and ecosystem services established in the targeted territories ii. Biodiversity strategy prepared for the selected territories iii. Baseline analyses for carbon neutrality roadmap completed iv. Carbon neutrality roadmaps developed for selected territories v. GHG inventory guidelines established for urban districts vi. One or more green financing modality designed and piloted that mobilizes the private sector for investing in biodiversity, eco-services, and ecological restoration in select cities and sites; vii. Criteria developed for 	GET	13,700,000.00	23,333,333.00

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 2b: Support integrated solutions to biodiversity and climate change - investing in nature and carbon neutrality	Investment	Cities incorporating biodiversity conservation and carbon neutrality into decision-making processes for integrated urban planning and investment	<p>(i) Three investments identified and implemented (one per participating city) that apply Nature-based Solutions for green urban infrastructure. GEF-financed support will include (a) design of NBS options that support biodiversity conservation and carbon neutrality for the sites selected by the participating cities, (b) reporting of climate mitigation benefits as a result of using NBS, and (c) public consultations on design options, including gender considerations</p> <p>ii. Three investments identified and implemented (one per participating city) that promote integrated solutions for urban</p>	GET	5,500,000.00	235,290,562.00

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Component 3: Support knowledge sharing, capacity building and project management	Technical Assistance	Good practice and knowledge for green and carbon neutral development applied to many more cities.	<p>i. Cities in China and other developing countries participating in knowledge exchange activities on urban sustainability</p> <p>ii. Trainings and workshops</p> <p>iii. Analytical products on key topics of sustainable, integrated urban development</p> <p>iv. Policy dialogue events between cities and relevant national ministries</p>	GET	2,627,667.00	1,426,114.00
Sub Total (\$)					25,627,667.00	286,374,333.00
Project Management Cost (PMC)						
			GET	1,281,383.00	14,318,717.00	
			Sub Total(\$)	1,281,383.00	14,318,717.00	
			Total Project Cost(\$)	26,909,050.00	300,693,050.00	

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Chongqing Financial Bureau	Public Investment	Investment mobilized	83,400,000.00
Recipient Country Government	Ningbo Financial Bureau	Public Investment	Investment mobilized	59,370,630.00
Recipient Country Government	Ningbo Financial Bureau	In-kind	Recurrent expenditures	357,420.00
Recipient Country Government	Chengdu Financial Bureau	Public Investment	Investment mobilized	61,390,000.00
Recipient Country Government	Chengdu Financial Bureau	Public Investment	Recurrent expenditures	100,000.00
Recipient Country Government	China Center for Urban Development	In-kind	Recurrent expenditures	350,000.00
Recipient Country Government	Chengdu Financial Bureau (for CCEC)	Public Investment	Investment mobilized	20,000,000.00
GEF Agency	World Bank	Loans	Investment mobilized	73,900,000.00
GEF Agency	World Bank	Grant	Investment mobilized	1,825,000.00
Total Co-Financing(\$)				300,693,050.00

Describe how any "Investment Mobilized" was identified

Investment mobilized is the government investment committed to the project by each of the participating municipalities (Chongqing, Ningbo, and Chengdu on behalf of Chengdu and CCEC) as well as World Bank IBRD loan to China for the Plastic Waste Reduction Project investments in Chongqing and Ningbo

and World Bank grants for policy advisory work in support of sustainable urban growth. Note the exchange rate utilized for Ningbo is 6.435 CNY/USD as of 5/26/21.

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
World Bank	GET	China	Biodiversity	BD STAR Allocation	3,669,725	330,275
World Bank	GET	China	Climate Change	CC STAR Allocation	14,678,899	1,321,101
World Bank	GET	China	Multi Focal Area	IP SC Set-Aside	8,560,426	768,836
Total Grant Resources(\$)					26,909,050.00	2,420,212.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **false**

PPG Amount (\$)

PPG Agency Fee (\$)

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
Total Project Costs(\$)					0.00	0.00

Core Indicators

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	875600.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	875,600.00		

Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	0	519715	0	0
Expected metric tons of CO ₂ e (indirect)	0	67700000	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)		109,800		
Expected metric tons of CO ₂ e (indirect)				
Anticipated start year of accounting		2025		
Duration of accounting		20		

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)		409,915		
Expected metric tons of CO ₂ e (indirect)		67,700,000		
Anticipated start year of accounting		2024		
Duration of accounting		20		

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female		1,744,200		
Male		1,655,800		
Total	0	3400000	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

I. GHG Accounting GHG emissions mitigated under the project come from project interventions in three strategic areas: (a) green growth; (b) ecological planning, urban biodiversity, and NBSs; and (c) low-carbon strategy and zero net emissions. The nature of the GHG emissions impact fall into two different categories: (a) direct GHG emission reductions from the project-financed local pilots and (b) consequential (indirect) GHG emission reductions from the project-influenced policies and the project-sponsored strategies, platforms, and plans. Under GEF-7's updated results architecture, GHG emissions mitigated are calculated over the lifetime of the project, which is taken as 20 years after completion. Both direct and consequential GHG impacts were estimated based on a Scenario-based approach, following WRI's GHG Protocol Policy and Action Standard. GHG impact of the project intervention is estimated based on the following principle: GHG impact of the intervention = Baseline Scenario GHG emissions - Policy Scenario GHG emission Please refer to detailed explanations of the methodology, data sources, and calculation included in Annex 1-2 to the PAD (p. 80) II. Area of Landscapes under Improved Practice The project will result in a qualitative improvement of the management of landscapes with a total area of 875600 hectare, through the application of natural capital mapping and accounting and establishing biodiversity strategies covering select areas in participant cities. This includes Chengdu Tuojiang Watershed with 645800 ha, including NBS covered area of 16.2 ha, and Chongqing Bishan River Watershed with 45500 ha, including NBS covered area of 193.6 ha, and Ningbo Ninghai county with 184300 ha, including NBS covered area of 12.5 ha. For Chengdu, the surface area of Tuojiang Watershed is provided by the Chengdu PMO in the Project implementation Plan (PIP), which is certified and endorsed by the government with well-articulated strategy targeted for Tuojiang in component 2.2.1 ?Formulate an integrated management strategy and technical guideline for Tuojiang River? in Chengdu project activities. For Chongqing, the surface area of Chongqing Binan River Watershed is provided by the Chongqing PMO in PIP, certified and endorsed by the government with strategy targeted for Binan Rivers in component 2.2.1 ?Formulate NBS strategy for Bishan water system? in Chongqing project activities. For Ningbo, the natural capital accounting will be conducted in the level of Ninghai county, whose surface area is captured from the source of government. III. Project beneficiaries The direct beneficiaries include 3.4 million residents in the project areas of the three participating cities (Chengdu,

Chongqing, and Ningbo), of which 48.7% are women. These residents would benefit from technical assistance (TA) in developing neighborhood public spaces, ecological parks, pedestrian walkways, and green infrastructure, which will improve the use of public spaces, mitigate climate impacts such as excessive urban heat, and improve overall access to the city as a whole. Other direct beneficiaries include people in agencies involved in planning and implementing green and low-carbon efforts in the selected districts and at the municipal level; they will benefit from the targeted TA and institutional capacity building.

Part II. Project Justification

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.



Chongqing pilots:

Yuzhong District: 29.5527° N, 106.5689° E

Bishan District: 29.5920° N, 106.2273° E

Chengdu pilots:

Chengdu Wetland Park: 30.7533° N, 103.9284

Ningbo pilots:

Haishu District: 29.8598° N, 121.5511° E

Ninghai County: 29.2879° N, 121.4295

2. Stakeholders

Please provide the Stakeholder Engagement Plan or equivalent assessment.

Stakeholder engagement for urban development in China is directed by local bureaus of planning and natural resources, which have the mandate to engage citizens, the private sector, development partners, and civil society through participatory planning.

Stakeholder engagement was at the center of the design of project activities. The team has conducted extensive consultation meetings with key stakeholders to address project activities? design and institutional arrangements to ensure effective implementation. Stakeholder engagement, including public consultation, is embedded across most of the project activities, including developing a green and low-carbon indicator framework, biodiversity index, and pilot activities on NBS and low-carbon communities.

Please see attached Stakeholder Engagement Plan for further elaboration.

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

The following table taken from the project's Stakeholder Engagement Plan provides a summary of the topics, timing, target stakeholders and method of engagement for consultations throughout the project implementation period.

Stage	Topic	Time	Venue	Organizer	Target Stakeholder	Method
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Stage	Topic	Time	Venue	Organizer	Target Stakeholder	Method
Preparation Stage	Different groups? suggestions on and expectations for the Project	2021 June to December	Project pilot area community Or directly affect the community (when determined)	PMO Township in the pilot area	Potential impacted or benefited residents	Focus Group Discussions (FGDs) Questionnaires Interviews 12345 or 12369 hotline
	PAOs, low-income people's needs for, suggestions on and attitudes to the Project	2021 June to December	Project pilot area community Or directly affect the community (when determined) Tele-conference or online meeting	PMO PIU	Low-income people PAOs	FGDs Interviews 12345 or 12369 hotline
	Women's Federations, women's needs for, suggestions on and attitudes to the Project	2021 June to December	Project pilot area community Or directly affect the community (when determined) Tele-conference or online meeting	PMO PIU	Women WFs	FGDs Interviews 12345 or 12369 hotline

Stage	Topic	Time	Venue	Organizer	Target Stakeholder	Method
	DPFs, and disabled persons? suggestions and attitude to the project.	2021 June to December	Project pilot area community Or directly affect the community (when determined) Tele-conference or online meeting	PMO PIU	Disabled persons DPFs	FGDs Interviews 12345 or 12369 hotline
Research Stage	Public opinions and suggestions on the project in the pilot area	2021 - 2025	Piloting function zone	PMO Subdistrict or town government Research Agencies Consultant Design Institute	General public within the scope of the pilot function zone	FGDs Interviews 12345 or 12369 hotline
	Affected people's opinions and suggestions on downstream project implementation	2021 - 2025	The project downstream activities affected community	PMO Subdistrict or town government Research Agencies Consultant Design Institute	Affected residents Affected vulnerable groups	FGDs Questionnaires Interviews 12345 or 12369 hotline

Stage	Topic	Time	Venue	Organizer	Target Stakeholder	Method
	Opinions and suggestions from vulnerable groups on downstream project implementation	2021 - 2025	The project downstream activities affected community	PMO Subdistrict or town government Research Agencies Consultant Design Institute	Affected residents Affected vulnerable groups	FGDs Questionnaires Interviews 12345 or 12369 hotline
	Opinions and suggestions of the project affected enterprises and industry associations	2021?2023	Subdistrict office or enterprise office Teleconference or online meeting	PMO Subdistrict or town government	Local business Industry Association	FGDs Interviews
	The opinions and suggestions of the owner of the ecological construction project on the project	2021?2023	Owner's Office of Ecological Construction Project Teleconference or online meeting	PMO PIU Consulting Agency for Green Financing Institute	Ecological construction project owner	FGDs Interviews

Stage	Topic	Time	Venue	Organizer	Target Stakeholder	Method
	Opinions and suggestions from different government departments and grassroots governments on the project	2021?2023	Offices of government departments Teleconference or online meeting	PMO Subdistrict or town government Research Agencies Consultant Design Institute	Other government departments include: Chengdu Water Affairs Bureau, Park City Bureau, Ecological Environment Bureau, Network Management Office, Financial Management Bureau, etc.	FGDs Interviews
	Collect project grievances and appeals	2021?2025	VC offices Town Government Grievance Office Offices of Managing Authorities of Affected Enterprises Phone or online communication	Town government and VCs/RCs PMO City Network Management Office	Project influencer local resident Affected Enterprise or industry associations	FGDs Questionnaires Interviews 12345 or 12369 hotline
Operation Stage	Project Information Disclosure	2025-2044	Local media, website or big data platform	Project Office Big data center Pilot industrial function zone management department	local resident Related Enterprise and industry associations	Media coverage Website

Stage	Topic	Time	Venue	Organizer	Target Stakeholder	Method
	Data platform operation	2025-2044	Network Management Office Teleconference or online meeting	PMO	Network Management Office Department using new indicator framework	FGDs Interviews
	Piloting zone operation	2025-2044	Offices of relevant departments Teleconference or online meeting	PMO	Other management departments in pilot area	FGDs Interviews

Select what role civil society will play in the project:

Consulted only; Yes

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

1. Studies conducted by the United Nations have found that women and girls in China are in a disadvantaged position in terms of obtaining the natural, social, physical, financial, and human capital required to reduce their vulnerability to climate change.^[1]¹

2. With a Gender Gap Index value of 0.673 by World Economic Forum, China ranked 103rd out of 149 economies in 2018, reflecting women and girls' inequities in economic activity, reproductive health, and empowerment. China's progress sees marginal improvements in the share of women in parliament and has fully closed its gender gaps in professional and technical roles and women's tertiary enrolment, pointing to a positive scenario for the integration of women in the white-collar workforce in China. However, it remains the world's lowest-ranked country with regard to sex ratio at birth, and its healthy life expectancy gender gap widened again this year, in both relative and absolute terms.[2]²

3. The China State Council has issued National Programs for Women's Development (2011-2020) targeted at women and the environment, with the major goal of advancing women's participation in energy conservation and low-carbon living.[3]³ However, the national-level document does not specify in detail the action plans for implementing the programs, and priority sectors have not yet been identified.

4. The project aims to increase women's participation in policymaking process for urban sustainability and ensure women benefit fully from the project activities. Infrastructure investments will incorporate gender aspects to further synergize government efforts to improve women's participation in the transformation of low carbon lifestyle.

5. Women and men have different needs, priorities, and uses for infrastructure and systems, and they are differently exposed to risk and impact of climate change. The process of urban planning and formulating policies, plans, and strategies on urban development often engages men predominantly due to social and gender norms that restrict women's participation in decision making, and hence their specific needs and interests may not be taken into consideration as effectively. The project will promote gender-friendly design in community-level decision making for urban design to make green and carbon neutral investments inclusively respond to the specific needs and priorities of women as well as men. The gender-friendly designs will mainstream gender inclusiveness as a key objective of urban planning while complementing a city's broader socioeconomic and environmental goals. The project will consider the complex interactions between physical, economic, and social vulnerability to address the disproportionate climate risk and stress that women, girls, and sexual and gender minorities face

6. The project includes policy support and capacity-building initiatives for the implementation of climate change and biodiversity strategies with a gender lens. The issue of gender equality is covered under all four components of the project:

? In developing a high-quality indicator framework, all participating cities are required to include specific indicators that encourage gender equality.

? The pilot activities under both Components 2 and 3 will incorporate considerations of gender-friendly design options in the investment.

? Under the work on the strategy for achieving carbon neutrality (Component 3), the project will support cities in gender-transformative implementation of their climate change strategies, including

transition to resilient low-carbon growth pathways, through an emphasis on gender analysis, implementation reforms, and climate-smart investments that expand job creation, skills development, asset growth, and participation in formal climate governance by women at local and national levels.

? The training and learning activities under Component 4 will include topics that support gender equality and will share good practice such as gender-friendly urban design.

7. Overall, the project will support advances in analytical understanding of the links between gender, climate, and urban planning in China and demonstrate gender-friendly design options under the pilot activities related to NBSs and low-carbon communities.

The project will include a robust gender action plan and work with women and girls through public consultation and participatory planning to reduce gender gap, working in collaboration with the China Center for Urban Development to promote gender inclusive urban schemes. Corresponding indicators that measure the project-generated benefits for women are incorporated into the results framework to regularly monitor project performance in this regard and to track progress toward bridging the gender gaps in social and economic conditions as well as in resilience to climate change.

[1] UN-Women. 2018. *Gender Dimensions of Vulnerability to Climate Change in China*.

[2] Gender Gap Index by World Economic Forum. 2018

[3] *State Council* 2011.

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

Yes

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

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women

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

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

Cities need a sustainable financing model for their green transition, especially in relation to investing in nature. Chinese cities have started to undertake "green" investments as part of the "ecological civilization" directive. The financial mechanisms are yet to be diversified, requiring more integration between top-down and bottom-up modes.

The following barriers make private sector investment in nature challenging. The economic value for natural assets remains not available for private sector to evaluate the benefits of ecosystem and potential monetization of the services. Insufficient data that track performance of the green infrastructure will prevent investors from estimating the quality of the natural infrastructure investment. Standards on measuring the impacts of investments related to ecological conservation and biodiversity are yet to be developed. Lack of policies and regulatory requirements needed such as tax incentives and risk mitigation to encourage the private sector to invest in nature.

Engaging private sector investment is fundamental to sustain ecological conservation and restoration in the long term. China is making progress in supporting a green financing system, but if cities are to develop a sustainable financial framework with the participation of the private sector for investing in ecological conservation, the basic enabling conditions must be established.

This framework sets out options for involving private sector at different levels of green and carbon neutral development. The aim is to support participating cities to make a shift from central government support, land financing, to accessing capital markets for funding needs, and securing private sector participation.

A. Building enabling environment for facilitating private sector investment

The private sector makes investment decisions based on investable projects at a specific location, whether it is infrastructure investment or service provision. For this reason, a practical way to promote private sector participation for green and carbon neutral development is to identify all possible areas for private sector involvement and to check if there is the exist enabling environment to encourage private sector participation in that respective area and then detail specific areas for support. The enabling environment consists of government policies laws and regulations, institutional settings and financing schemes, primarily at national level but also at both provincial and city level, depending on the area or issues involved.

All three participating cities in this Project will conduct analysis to identify the gaps of the existing regulations and standard, performance data and make recommendations to the relevant agencies on how to improve business environment and enabling conditions to facilitate private sector participation. An analytical Framework for Private Sector Participation for green and carbon neutral development in China is included in Annex 1-6 of the PAD (p. 103), which will support cities to carry out necessary survey and analysis and make recommendations.

B. Identifying business Model, financial Instruments and green investable projects

During project start-up, the task team will work with the IFC to support the participating cities to identify promising areas for the participation by the private sector and financial institutions. The project activities include the analysis of different categories of green projects, revenue streams, and business models. The Analytical Framework included in section A will be used during dialogue to identify potential areas to be supported by the project. A list of green and investable projects will be developed, including the information on potential revenue streams and investment model. The financial institutions are encouraged to integrate biodiversity data in financial sector decision making by adopting natural capital accounting

C. Piloting

The participating cities intend to pilot the incentives schemes in the areas of Nature-based solutions and biodiversity conservation. The incentives schemes may include;

- Market-based instruments: user charges; taxes (as incentives rather than a cost-recovery mechanism); subsidies; tax rebates; credit-trading systems; offsets for residual impacts on biodiversity/GI; and payments for ecosystem services (PES).
- Developing ?Business Improvement Districts? (BID)

- Setting up endowments

- Creating Public-Private Partnerships

- Revolving funds

- Community asset transfers

The experience gained from the piloting will be built into city wide schemes to scale up the successful incentive models. Lessons learned will be shared through national and international platforms with other cities in China and around the world.

5. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification *

PIF	CEO Endorsement/Approval	MTR	TE
High or Substantial			

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

Summary of Environmental Risks

The project is designed to facilitate the incorporation of green growth and low carbon strategy into the urban planning and policy development of participating cities, which will involve no civil works financed by the project but will focus on Technical Assistance (TA) activities supporting: i) the enhancement of green and low carbon indicator system supported by data sharing platforms; ii) the establishment of natural assets inventory for ecological planning; iii) the development of inclusive biodiversity and low carbon strategy for selected cities/sites; iv) the preparation (for example, via technical design and investment plans) for using Nature-Based Solutions (NBS) to enhance green infrastructure such as ecoembankment, wetland preservation and leisure infrastructure for urban river; v) the piloting of low-carbon urban regeneration in selected communities through improved neighborhood design, monitoring and analysis; and vi) meaningful engagement of various stakeholders (covering governmental departments, public and private entities, and the public participation. Overall, the project is expected to have significant environmental and social benefits by enhancing the biodiversity and climate resilience of selected project cities/region, and such positive influence will be further enhanced through the project-supported knowledge sharing activities in China and beyond. The TA activities under iv) and v) are expected to lead to the downstream physical investments beyond project financing, which will require the preparation of ESIA or other E&S instruments.

Except the policy dialogue and knowledge exchange at national level (Component 4), the project will mainly be implemented in three selected cities and one city clusters (CCEC), all in the Yangtze River Basin, including its upper reach in Chongqing Municipality and Sichuan Province (which Chengdu is the capital city of) with recognized ecological importance; however, the project will only target highly urbanized areas where it is unlikely to be highly ecologically sensitive. Three city-level Environmental and Social Management Frameworks (ESMFs) have established screening criteria to avoid high environmental and social risks under project activities, which will be consistent with the existing Ecological Redline Policy (ERP) of China that provides unbridgeable geographical boundary for ecological conservation. Also, under Component 2, appropriate measures for the conservation of natural habitat and local biodiversity will be developed as part of the biodiversity strategy and natural-based solutions to address potential adverse impacts on the environment and local communities resulting from rapid urban development. To conclude, the project is unlikely to result in significant conversion and degradation of natural habitats and will be designed and implemented to assure its positive environmental impacts in consistence with both national environmental protection strategies and the World Bank's ESF policy requirements.

Though the project itself will not finance any form of construction activities, some TA activities under Component 2 and 3 will lead to investments on green infrastructure in project cities or low carbon solutions at the community level. While TA activities are not envisaged to cause significant direct environmental impacts, the future implementation of supported plans and investments prepared under the project is expected to have direct or indirect environmental impacts. To maximize positive impacts and minimize any risk of unintended adverse consequences, the TAs to be delivered through this project during implementation will require effective risk screening, diligent supervision and quality control. Since specific project activities, particularly technical studies/design for future investments on green/low-carbon pilots, will only be determined during project implementation, the project's environmental risks is classified Substantial considering the remaining uncertainties.

Summary of Social Risks

The project supports technical assistance which is focused on promoting green growth by incorporating sustainable development into the urban strategies, plans, policies and practices of participating cities. For the current identified piloting sites, piloting urban regeneration that integrates low carbon strategies will mainly involve improved design of green space in existing neighborhood, for example, by using more permeable pavement for better storm water management, linking patches of green areas to form networked green space and ecosystem, adding greenery to building facades and roofs etc. The project will not directly support civil works and involve no construction worker.

Three city-level ESMFs (respectively for Chengdu, Chongqing and Ningbo) identify that the project will only involve direct workers such as PMO staff and contracted workers such as technical consultants but no community workers and no primary supply workers. ESMFs confirmed that ethnic minorities presented in these cities are at a small percentage. Screening process are developed under the ESMFs to ensure no negative impacts to ethnic minority groups. However, the design will directly link to the downstream investments and people living in selected communities and demonstration sites, such as downstream physical investment may involve land acquisition and/or resettlement when embankment work, wetland preservation or 'leisure infrastructure' require land and reorganization of

the way people currently use it. With these potential downstream impacts will be envisaged for piloting sites and broadly stakeholders to be involved in three big cities of China the project's social risk is considered ?Substantial?.

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
Ningbo ESMF	CEO Endorsement ESS	
Chongqing ESMF	CEO Endorsement ESS	
Chengdu ESMF	CEO Endorsement ESS	
Appraisal ESRS P173316	CEO Endorsement ESS	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Results Framework

COUNTRY: China
GEF7: Green and Carbon Neutral Cities

Project Development Objectives(s)

The objective is to integrate biodiversity conservation in participating cities? urban development and establish their pathway to carbon neutrality.

Project Development Objective Indicators

RESULT_FRAME_TBL_PDO

Indicator Name	PBC	Baseline	End Target
incorporate biodiversity conservation and carbon neutrality considerations in participating cities			
Cities using ecological conservation and carbon neutral development indicators in the performance evaluation of 14th Five-Year Plan (#) (Number)		0.00	3.00
Biodiversity strategy promulgated by the responsible local government agency through a relevant local government decree (#) (Number)		0.00	3.00
Cities that set time bound GHG emissions targets and investment priorities toward carbon neutrality in their roadmaps (#) (Number)		0.00	3.00

Intermediate Results Indicators by Components

RESULT_FRAME_TBL_IO

Indicator Name	PBC	Baseline	End Target
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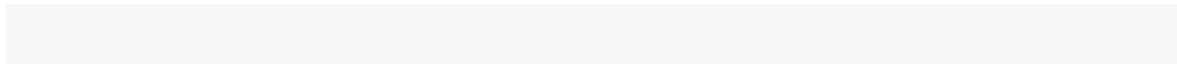
RESULT_FRAME_TBL_IO

Indicator Name	PBC Baseline	End Target
Strengthen the framework on promoting ecological, biodiversity conservation, and carbon neutrality		
Ecological conservation and carbon neutral development indicators developed (#) (Number)	2.00	10.00
Data-sharing platforms established or strengthened (#) (Number)	0.00	3.00
Support integrated solutions to biodiversity and climate change		
Inventory of natural assets and ecosystem services established in the targeted territories (%) (Percentage)	0.00	100.00
Biodiversity strategy prepared for the selected territories (#) (Number)	0.00	3.00
Design options for investing in nature-based solutions implemented for selected demonstration sites (Y/N) (Yes/No)		
Options for gender consideration identified in the demonstration sites for nature-based solutions (#) (Number)	0.00	6.00
Options for green financing modality identified (Y/N) (Yes/No)	No	Yes
Carbon neutrality roadmaps completed (#) (Number)	0.00	3.00
Carbon neutral design options for investing in urban regeneration demonstration sites implemented (Y/N) (Yes/No)		
Options for gender consideration identified in the urban regeneration sites (Number)	0.00	6.00
Knowledge sharing, capacity building, and project management		

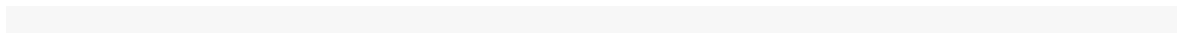
RESULT_FRAME_TBL_IO

Indicator Name	PBC	Baseline	End Target
Cities in China and other countries participating in knowledge exchange activities on urban sustainability (#) (Number)		10.00	50.00
? of which cities participating in recurring events (#) (Number)		0.00	40.00
Trainings and workshops (#) (Number)		0.00	12.00
Policy dialogue events between cities and relevant national ministries (#) (Number)		0.00	10.00

IO Table SPACE



UL Table SPACE



Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	Definition/Description	Frequency	Data Source	Methodology for Data Collection	Responsibility for Data Collection

<p>Cities using ecological conservation and carbon neutral development indicators in the performance evaluation of 14th Five-Year Plan (#)</p>	<p>The indicators to be developed are intended to measure ecological conservation and carbon neutral development in the context of transitioning towards high-quality economic growth. This indicator is measured by number of cities.</p> <p>In the existing government performance management system, current indicators primarily focus on traditional economic performance. As of recent, environmental indicators were added to align with 'ecological civilization,' but they remain conventional, including indicators for air quality, energy intensity, and area of green space. Indicators that drive systematic changes in urban spatial planning, ecosystem service management, biodiversity, and industry decarbonization development have not yet been incorporated. Thus these indicators to be developed are intended to better capture and measure success towards the transition towards high quality growth within 'ecological civilization. These indicators can include, but are not limited to, the</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of cities who have incorporated their indicators into the city evaluation process for the implementation of the 14th Five-Year Plan. A city is considered successful if a set of green and carbon neutral indicators are used by the relevant agency for assessing a city's performance that complements to the overall assessment of the implementation of the 14th Five Year Plan.</p>	<p>City PMOs</p>
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<p>Biodiversity strategy promulgated by the responsible local government agency through a relevant local government decree (#)</p>	<p>Each of the three cities has targeted territories on which the biodiversity strategy will focus. The city biodiversity index strategy encouraged by the Convention on Biodiversity (CBD) will be the basis for the formulation of the biodiversity strategy. The targeted territories include: Ningbo, Bishan in Chongqing, and wetlands in Chengdu. The Chongqing-Chengdu cluster is excluded because it will not have a full strategy but guidelines, different than the outputs of each of the cities.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of cities who have adopted their biodiversity strategy. To be issued by the responsible local government agency means that the strategy will be accepted by the local government agency and used by the cities in the targeted territories.</p>	<p>City PMOs</p>
<p>Cities that set time bound GHG emissions targets and investment priorities toward carbon neutrality in their roadmaps (#)</p>	<p>The targets are carbon dioxide emissions targets that should be in a downward trajectory to support the national carbon neutrality goal. These emissions targets should be set within a city carbon neutrality roadmap. The targets should be carefully calculated with a consistent methodology across all three cities. This indicator is measured by number of cities.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of cities who have set targets toward carbon neutrality</p>	<p>City PMOs</p>

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Data Source	Methodology for Data Collection	Responsibility for Data Collection
Ecological conservation and carbon neutral development indicators developed (#)	As outlined in PDO indicator 1, the indicators to be developed are intended to measure ecological conservation and carbon neutral development in the context of transitioning towards high-quality economic growth. This indicator is measured by the number of indicators developed. There final target aims for at least a total of 10 indicators.	Annual???????	Progress Report	Tally the number of cities who have incorporated their indicators into the city evaluation process for the implementation of the 14th Five-Year Plan. A city is considered successful if a set of green and carbon neutral indicators are used by the relevant agency for assessing a city's performance that complements to the overall assessment of the implementation of the 14th Five Year Plan.	City PMOs

<p>Data-sharing platforms established or strengthened (#)</p>	<p>Each of the three cities has targeted territories on which the biodiversity strategy will focus. The city biodiversity index strategy encouraged by the Convention on Biodiversity (CBD) will be the basis for the formulation of the biodiversity strategy. The targeted territories include: Ningbo, Bishan in Chongqing, and wetlands in Chengdu. The Chongqing-Chengdu cluster is excluded because it will not have a full strategy but guidelines, different than the outputs of each of the cities.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of cities who have adopted their biodiversity strategy. To be issued by the responsible local government agency means that the strategy will be accepted by the local government agency and used by the cities in the targeted territories.</p>	<p>City PMOs</p>
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<p>Inventory of natural assets and ecosystem services established in the targeted territories (%)</p>	<p>An inventory of natural assets includes documenting blue and green assets as well as their associated ecosystem services in the selected territories. This is a process indicator measured by percent.</p>	<p>Annual</p>	<p>Progress Reports</p>	<p>This process indicator is measured in three phases. Indicate the percent completed, by the following:</p> <p>25% = Methodology for inventory inventory stocktaing agreed for <i>all</i> selected territories</p> <p>50% = Inventory for <i>all</i> selected terrories completed</p> <p>100% = All data and information properly recorded and indexed for <i>all</i> selected terrories</p> <p>Note: This is a process indicator, cumulatively measured.</p>	<p>City PMOs</p>
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<p>Biodiversity strategy prepared for the selected territories (#)</p>	<p>The city biodiversity index strategy encouraged by the Convention on Biodiversity (CBD) will be the basis for the formulation of the biodiversity strategy. The targeted territories include: Ningbo, Bishan in Chongqing, and wetlands in Chengdu. The Chongqing-Chengdu cluster is excluded because it will not have a full strategy but guidelines, different than the outputs of each of the cities.</p> <p>This indicator is measured by number of strategies prepared. The final target aims for 3 strategies.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of strategies prepared.</p>	<p>City PMOs</p>
<p>Design options for investing in nature-based solutions implemented for selected demonstration sites (Y/N)</p>	<p>Nature-based solution options are potential natural infrastructure interventions that can be in the form of large or small-scale pilot projects on demonstration sites. This indicator is measured in number of options.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of options identified.</p>	<p>City PMOs</p>

Options for gender consideration identified in the demonstration sites for nature-based solutions (#)	The pilot activities under Components 2 will incorporate considerations of gender-friendly design options in the investment for nature-based solutions. This indicator is measured in number of options.	Annual	Progress Report	Tally the number of options identified.	City PMOs
Options for green financing modality identified (Y/N)	The project supports developing an enabling environment in order for the private sector to enter and invest in nature. More specifically, getting private sector to invest in green infrastructure, biodiversity, ecoservices, and ecological restoration in select cities and sites will require different green financing modalities. Options to support these investments will be researched.	Annual	Progress Report	If options are identified and recorded, then the indicator can be filled as Yes; otherwise, it is a No.	City PMOs

<p>Carbon neutrality roadmaps completed (#)</p>	<p>Baseline analysis for the roadmap is one of the initial important steps towards developing a full carbon neutrality roadmap. The carbon neutrality roadmaps are a detailed plan to support the national carbon neutrality goal. These roadmaps should provide a timeline of specific tasks and milestones towards this goal and be specific in terms of the amount of emissions and the alternative energy sources to make up for the decreasing use of fossil fuels and other related energy sources. This indicator is measured by the number of baseline analyses completed. The final target aims for a total of 3 baseline analyses, one of each city.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of roadmaps completed in the selected cities, up to three.</p>	<p>City PMOs</p>
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<p>Carbon neutral design options for investing in urban regeneration demonstration sites implemented (Y/N)</p>	<p>This indicator is measured by the number of urban regeneration options that incorporate carbon neutral development. Carbon neutral development in urban regeneration examples including strategies that align with keeping a compact street and road network, sustainable urban mobility infrastructure such as biking and walking lanes and other planned interventions that relate to carbon mitigation. This indicator is measured by number of options.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of regeneration schemes that have elements of carbon neutral interventions, such as the ones mentioned in the description, among others.</p>	<p>City PMOs</p>
<p>Options for gender consideration identified in the urban regeneration sites</p>	<p>The pilot activities under Components 3 will incorporate considerations of gender-friendly design options in the investment for urban regenerations. The indicator is measured in number of options identified.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of options identified.</p>	<p>City PMOs</p>

<p>Cities in China and other countries participating in knowledge exchange activities on urban sustainability (#)</p>	<p>Knowledge exchange activities are part of the program. The indicator measures the number of Chinese and international cities who participate in the related knowledge exchange activities. The overall indicator measures the total number of cities, while the sub-indicator measures the number of cities who consistently participate in reoccurring events.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of cities that participate in various activities throughout the duration of the project. Tally the number of cities who consistently participate in reoccurring events.</p>	<p>City PMOs</p>
<p>? of which cities participating in recurring events (#)</p>	<p>The sub-indicator measures the number of cities who consistently participate in reoccurring events.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of cities who consistently participate in reoccurring events.</p>	<p>City PMOs</p>
<p>Trainings and workshops (#)</p>	<p>Trainings and workshops are part of the larger group of activities. This indicator measures the number of trainings and workshops.</p>	<p>Annual</p>	<p>Progress Report</p>	<p>Tally the number of related trainings and workshops throughout the duration of the project.</p>	<p>City PMOs</p>

Policy dialogue events between cities and relevant national ministries (#)	Policy dialogue with the government of China is a part of the program and long-term impact. This indicator measures the number of policy dialogue events between cities and ministries of the government of China.	Annual	Progress Report	Tally the number of policy dialogue events that have government ministries and cities.	City PMOs
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ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

China GEF-7 Green and Carbon Neutral Cities Project

GEF Council and STAP Comments and Responses from the World Bank (August 2021)

I. GEF Council comments

I.	GEF Council Comments on SCIP PFD (Dec 2019)	World Bank response
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I. GEF Council Comments on SCIP PFD (Dec 2019)	World Bank response
<p>France</p> <p>? The Sustainable Cities IP seems interesting in its succinct presentation, both for its holistic and cross-cutting aspects, including its emphasis on nature-based solutions, renewable energies, public transport, etc., without forgetting the capacity building, and good practice dissemination through a new platform.</p> <p>? However, France regrets that the selection process, which by construct favored the most dynamic and proactive cities, excluded cities which have not been able to respond to the call for expressions of interest, precisely because they are poorly equipped in their communities.</p> <p>? Yet, as the Africapolis site of the OECD shows, it is Africa that experiences today, and will even more so tomorrow, experience the highest urbanization rates, endogenous urban growth rates. This phenomenon mainly concerns secondary cities when the only 2 African cities included in the program are the capitals Freetown and Kigali. No city was selected for example in the extremely populated Nigeria, where Onitsha is an example of secondary city of 8M that grew very quickly, and which few people have heard of.</p> <p>? It seems important to integrate more secondary African cities.</p>	<p>These comments apply to the SCIP at the program level.</p>
<p>United Kingdom</p> <p>? SL is a high fiduciary risk environment, with a very weak local audit regime, and therefore adequate and active local programme management needs to be in place.</p> <p>? If the GEF's Sustainable Cities programme will be working in SL it will need to do so in conjunction with the Cities and Infrastructure for Growth Sierra Leone (CIG) programme. CIG will be working with Freetown City Council. Also, the WB are about to start an urban resilience programme with Freetown.</p>	<p>Comments specific to the Sierra Leone child project</p>

I. GEF Council Comments on SCIP PFD (Dec 2019)	World Bank response
<p>Germany</p> <p>Germany welcomes the program and appreciates the approach taken. The SCIP has the particular innovation potential to spearhead global work in the domain of integrated planning and land use for ecological transitions in cities, by providing related global platforms, as well as a narrative on co-benefits supported by strong practical cases.</p> <p>Suggestions to be made for the finalisation of the project proposal/ implementation of the project:</p> <p>? Germany recommends including a specific section on potential for expanding the platform, and the programs activities to LDCs, as part of the theory and change and knowledge management. In its core function, the impact program should aim at going beyond supporting 24 cities in 9 countries, and particularly look at potential for supporting more LDCs ? who are often characterised by high urban population growth and, at the same time, a lack of technical, financial and institutional capacities for sustainable planning of urban settlements.</p> <p>? Germany recommends improving stakeholder-mapping in infrastructure-related issue areas such as transport and energy and clarifying the program?s added value. The SCIP should carefully evaluate the risk of ?doubling? and rather seek complementarities with the breadth of ongoing initiatives on sustainable/low carbon/ resilient infrastructure in cities. SCIP could provide the necessary policy backing and capacity building support and, as such, a cross-sectoral entry point for initiatives that operate further downstream, such as project preparation facilities and bilateral/multilateral development banks.</p> <p>? Germany welcomes the choice of UNEP as lead agency, especially given the topical focus of the initiative on land-use planning, urban metabolism, urban ecology, and the related UNEP platforms on resource efficient cities and GlobalABC. However, Germany would recommend including a dedicated section on cooperation with UN-Habitat. Its capacity building efforts for urban planners (such as Planners for Climate Action), knowledge resources, partner networks and global platform (UN-Habitat Assembly) should be leveraged to ensure a coherent and efficient approach.</p> <p>? Lastly, Germany would recommend mainstreaming the issues of durability and follow-up funding for of each Child Project, as the proposal does not address this issue in sufficient detail.</p>	<ul style="list-style-type: none"> - Comment at the program level - Indeed the GEF-financed activities under the China project will support policy and capacity-building activities and will support and inform downstream investment financed through other sources, including local governments and MDBs. - Comment at the program level - To ensure sustainability, project activities are integrated into the municipalities? planning processes and well-established national and local institutions to enhance their ability to carry the work into the future. At the national level, the CSCP to be managed and maintained by the CCUD under the NDRC will leverage the CCUD city network to expand knowledge sharing with cities in China and around the world. At the city level, all the subcomponents support each city?s own development priorities set out in the city master plans, five-year plans, and medium-term capital investment plans. The project activities were designed based on rounds of consultations with policy makers to ensure full ownership from city leaders and implementing entities so that the deliverables would fit into cities? visions and implementation plans.

I. GEF Council Comments on SCIP PFD (Dec 2019)	World Bank response
<p>Norway/Denmark The program appears to involve an ambitious coordination effort between four different international organization (UNEP, ADB, UNDP, WB). If successful, the project can potentially benefit from having four agencies with different areas of expertise and outreach.</p> <p>? Regarding various components including Comp. 1 where the outcome is ?Local and/or national governments have strengthened governance, institutions, processes, and capacities to undertake evidence-based, sustainable, inclusive, integrated planning and policy reform? and Comp. 4 where the outcome is ?Policy making and action are influenced at local, regional and national levels to promote sustainable and inclusive cities?, the indicators proposed are broad and will likely be challenging to monitor and separate between correlation and causation, and/or determine the impact of. For example, indicator 8. ?# of resolutions and/or commitments to advance urban sustainability and inclusiveness in high-level policy making events? ? presumably not all resolutions will be equally impactful.</p> <p>? Indicator 11. ?# of cities that have shared their good practices and lessons learned with the SCIP GP? ? what constitutes ?shared? ? sharing at a large conference, shared online, partially shared, or fully shared? Etc.</p> <p>? Comp. 3 has a proposed outcome of ?Local and national governments initiate innovative financing and business models for scaling-up sustainable urban solutions? where one of the indicators (7) is ?USD leveraged through the innovative financial mechanisms and business models for scaling-up sustainable urban solutions?. ? Is it clearly defined what constitutes ?innovative financing?? Are blended-finance models still considered innovative? Can ?traditional? financing still be considered valuable in this context?</p> <p>Costs / fees / budget /leveraging effect ? USD 6,949,003 is budgeted for Program Management Cost (i.e. ca. 5%) presumably for implementing the various components.</p> <p>? USD 13,205,219 in addition is requested from the various agencies (UNEP, UNDP, WB, and ADB), i.e. ca. 8.3% - is this on top of the fee above?</p> <p>? Estimated co-financing is USD 1,689,754,351 so the potential leveraged resources is significant. However, the most significant of which is loans provided by WB to Indonesia and China, ADB to India, and the Governments of Argentina, Brazil,</p>	<ul style="list-style-type: none"> - Comment at the program level - Comment at the program level - Comment at the program level - Comment at the program level - Comment at the program level - Comment at the program level - Comment at the program level - Due to the time lag between EoI stage and project approval, some local investment projects in the participating Chinese cities, including the investment expected from the Chengdu Environment Group, have already started construction and therefore are not being considered as co-financing to the project. As noted in the project document, while private sector investment is required to sustain ecological conservation and restoration in the long-term, , identifying revenue streams for investing in nature that generate sustainable returns is more difficult than for some low-carbon investments, such as renewable energy. The China project will engage the private sector to develop and pilot a new financial modality for investing in nature.

I. GEF Council Comments on SCIP PFD (Dec 2019)	World Bank response
<p>United States</p> <p>? We look forward to tracking the experience of the Sustainable Cities Impact Program in linking the public and private sectors, as well as its future expansion to a greater number of cities across continental Africa. We suggest that the program consider developing additional programming on water-related goals, particularly those related to energy production, health care, gender equality, industry development, and subsidence.</p> <p>? Additionally, we would want to ensure that this program takes into account the Government of Rwanda's plans for affordable housing and model communities and integrates programming, to the greatest extent possible, with those plans.</p>	<ul style="list-style-type: none"> - Comment at the program level - Comment specific to Rwanda child project

II. STAP Comments

II. STAP Comments on SCIP PFD (Dec 2019)	World Bank response
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II. STAP Comments on SCIP PFD (Dec 2019)	World Bank response
<p>STAP welcomes the Program Framework Document (PFD) for the Sustainable Cities Impact Program. The PFD has been developed with broad geographic scope after detailed consultations through the GPSC and key partners WRI, C40, and ICLEI.</p> <p>The project components are generally well defined and are likely to deliver the expected global environment benefits. However, one area where there is some ambiguity is on energy source emission reductions. The 'low carbon' transition that is aspired for needs to be further unpacked, especially regarding energy usage and buildings in cities.</p> <p>The expected outcomes are clearly noted, but the methods used to calculate carbon savings are not provided. To have confidence in the carbon savings numbers, there needs to be some more explicit guidance on calculations presented for outcomes. It is not enough to say that these are estimates which will be 'verified and validated in the developmental phase.' Some level of verification and confidence should exist at this stage. The numbers seem contrived and exaggerated in the current form without any backing in data or calculation citations.</p> <p>Also related to the above, on page 82, the total GHG emissions reduction from each country was presented in Table 8. However, information on how this was arrived at or which specific intervention will lead to the estimated GHG emission reduction is not provided. It will be useful to include information on which specific aspect or intervention or component of the child projects that will generate these GHG emission reductions.</p> <p>Some of the conservation areas noted are tangible outputs in hectares, but the rest of the outcomes are too generalized to be presented as 'outputs.' There is also concern that there is much ambiguity about the outcome metrics and indicators. Rather than setting goals for the level of low carbon energy penetration, there are vague statements about undertaking a range of sustainable initiatives but no clear benchmarking on levels of improvement with the status quo.</p> <p>There is a detailed theory of change presented in diagrammatic form, and the linkages between the components are covered in Table 2 though fairly generic (bottom-up diagram reading). Also, some of the assumptions presented in the Theory of Change should be discussed in more detail, such as 'resource decoupling.' The UNEP's International Resource Panel has done extensive work on how decoupling is enabled, particularly regarding the rebound effect concerns raised by resource efficiency. Furthermore, there should be some more explicit mention of green growth as a key driver of change. Cities are economic engines where green</p>	<ul style="list-style-type: none"> - Comment at the program level - Please see component description for how the China project aims to achieve GHG reductions. - The GHG emissions reductions calculation for the China project was performed using WRI/IPCC methodology. The assumptions are explained in the GEB methodology note. - See response above. - Comment at the program level - The China child project and its ToC recognize that enabling policies and measures (in the case of China, high quality indicators to support green growth) are a key element to drive more sustainable urban development and create the enabling conditions for market-driven sustainability. - Comment at the program level.

II. STAP Comments on SCIP PFD (Dec 2019)	World Bank response
<p>Part I. Project Information</p> <p>B. Indicative Project Description Summary</p> <p>Project objective: Yes ? the impact program has been well-deliberated through consultations and the Global Platform on Sustainable Cities and objectives and outcomes are clearly presented.</p> <p>Project components: The components are generally well defined but one area where there is some ambiguity is on energy source emission reductions. The ?low carbon? transition that is aspired for needs to be further unpacked, especially with reference to energy usage and buildings in cities.</p> <p>Outcomes: The outcomes are clearly noted but the methods used to calculate carbon savings are not provided. To have confidence in the carbon savings numbers there needs to be some clearer guidance on calculations presented for outcomes. It is not enough to say that these are estimates which will be ?verified and validated in the developmental phase.? What is the point of that when the money has already been approved? This should be verified upfront. The numbers seem contrived and exaggerated in current form without any backing in data or calculation citations.</p> <p>Outputs: Some of the conservation areas noted are tangible outputs in hectares but the rest of the outcomes are too generalized to be presented as ?outputs.? I am also concerned that there is a lot of ambiguity about the outcome metrics and indicators. Rather than setting goals for level of low carbon energy penetration, there are vague statements about undertaking a range of sustainable initiatives but no clear benchmarking on levels of improvement with the status quo</p>	<ul style="list-style-type: none"> - Comment at the program level - Comment at the program level - See above response re: calculation of GHG emissions reductions for the China project. - Comment at the program level

II. STAP Comments on SCIP PFD (Dec 2019)	World Bank response
<p>Part II: Project justification</p> <p>Theory of change diagram is helpful but some of the assumptions presented should be discussed such as ?resource decoupling.? IRP has done extensive work on how decoupling is enabled, particularly with reference to the rebound effect concerns raised by resource efficiency.</p> <p>1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description): These sections are detailed enough and there has been identification of barriers and threats with reference to urbanization trends and economic drivers of unsustainable planning.</p> <p>2) baseline scenario: There is a good description of baseline scenarios on Page 35 and complementarity with a range of existing programs. Having C40 onboard is reassuring since they have considerable metrics driven approaches owing to Bloomberg philanthropies funding which is highly data-driven. However, as noted earlier, the specific benefit numbers provided do not have adequate explanation of methods and source of data and calculations.</p> <p>3) proposed alternative scenario with a brief description of expected outcomes and components of the project: There is a detailed theory of change presented in diagrammatic form and the linkages between the components is covered in Table 2 though fairly generic in form (bottom up diagram reading). There should be some clearer mention of green growth as a key driver of change. Cities are economic engines and how green businesses that are galvanized by some of the policy changes can lead to a virtuous cycle of market-driven sustainability action should be noted.</p> <p>5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund, LDCE, SCCF, and co-financing: The public sector investment and co-financing is massive and will require close monitoring as to whether there is even budget in government coffers, particularly in countries like Argentina with checkered records of public budgets, to offer these incentives, lest GEF investment become stranded.</p> <p>6) global environmental benefits (GEF trust fund): Yes they are but their measurement is questionable as noted before.</p> <p>7) innovative, sustainability and potential for scaling-up: The innovation aspect of the proposal is largely presented in terms of financing and accelerator development (Chart 3). Clustering is presented as a scaling up mechanism. This is plausible in the urban context though further reading of the literature on this topic should be considered and cited. A recent book in</p>	<ul style="list-style-type: none"> - Comment at the program level - Comment at the program level - Please see above comments regarding the methodology used to estimate GHG reductions. The methodology for estimating area of land under improved practices is also included in the GEB methodology note. - Please see response on ToC above. <p>The municipalities of the three Chinese participating cities ? their Financial Bureau, have verified the information included in the co-financing letters. It is expected that the co-financing would be materialized.</p> <ul style="list-style-type: none"> - Please see responses on GEBs above. - Comment at the program level.

II. STAP Comments on SCIP PFD (Dec 2019)	World Bank response
2. Stakeholders: yes ? there has been active stakeholder engagement through the GPSC and local efforts as well.	- Comment at the program level
3. Gender: Good section on gender and adequate discussion of this topic though it may be useful to differentiate between countries on where further attention may be needed given baseline gender empowerment differentials.	- A gender action plan, based on an analysis of local conditions, has been developed for the China child project
5. Risks: Coastal cities have the greatest risk of impact during the 2020 to 2050 timeframe. There could be further refinement of this comparative risk vulnerability presented.	- The project's climate risk screening includes an assessment of risks at the city level (derived from the World Bank's ThinkHazard tool) and appropriate mitigation measures will be designed and adopted for the investments that are supported by the project. Of the three participating Chinese cities, only Ningbo is a coastal city, but all face climate risks.
6. Coordination: Yes, there is detailed discussion of crossover external projects and organizations. However, since this is the first GEF integrative program in this arena there is some understandable lack of detailed comparisons.	- Comment at the program level
8. Knowledge management: The GPSC is noted as the key knowledge management mechanism as well as partnerships with UN Habitat.	- Comment at the program level

**ANNEX C: Status of Utilization of Project Preparation Grant (PPG).
(Provide detailed funding amount of the PPG activities financing status
in the table below:**

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.

Please see section 1b.

ANNEX E: Project Budget Table

Please attach a project budget table.

Indicative Project Budget Template		Component (USD)										SubTotal (USD)		Total (USD)		Responsible Entity
Expenditure Category	Description	Component 1		Component 2						Component 3	(1)	(2)	(3)	(4)	PMC*	
		Outcome 1: Significant shift in approach, methodology, and planning system for green and low carbon growth		Outcome 2: Cities incorporating biodiversity conservation and carbon neutrality into decision-making processes for integrated urban planning and investment						Outcome 3: Good practice and knowledge for green and carbon neutral development applied to many more cities.						
		1.1 Support the development of green and carbon neutral indicators	1.2 Establish or enhance data-sharing platforms	2.1 Map urban natural assets and ecosystem services and assess their economic	2.2 Develop urban biodiversity strategy and incorporate the strategy into	2.3 Develop carbon neutrality roadmap	2.4 Strengthen GHG inventory capacity by districts	2.5 Identify a business model for green investment and financing	2.6 Incorporate nature-based solutions (NBS) into investment	2.7 Integrate low-carbon options into urban regeneration investment	3. Support for knowledge sharing, capacity building and project management.					
(1) Current expenses of project components	Expenses related to activities such as: (a) basic studies and public consultations for the elaboration/review of green and carbon neutral plans and integrated urban plans, (b) development of plans such as ecological services, green finance, payment for environmental services, natural capital accounting; (c) creation of data sharing platforms and indicators; (d) development and implementation of business mode for investing in nature; (e) execution of projects to recover degraded areas; (f) support for the development of actions for the conservation of urban biodiversity and urban regeneration options toward carbon neutral goals; (g) development of regulations and strategies to promote the conservation and sustainable use of products from aquatic and terrestrial biodiversity; (h) analysis of strengthening GHG inventory capacity; (i) design of options to integrate carbon neutral and nature-based solutions in select sites; and (j) modeling and studies to establish roadmap for achieving carbon neutrality.	1,782,000	1,980,000	3,861,000	3,069,000	3,861,000	1,188,000	1,584,000	2,871,000	2,574,000	2,607,667	25,377,667	1,281,383	26,659,050	Chengdu, Chongqing, Ningbo PMOs, CCUD	
(2) M&E	Expenses related to the contracting of experts in safeguards and monitoring and evaluation; audits, training and travel expenses related to implementation of the monitoring and evaluation plan.	18,000	20,000	39,000	31,000	39,000	12,000	16,000	29,000	26,000	20,000	250,000		250,000		
Sub-totals per component		1,800,000	2,000,000	3,900,000	3,100,000	3,900,000	1,200,000	1,600,000	2,900,000	2,600,000	2,627,667		1,281,383			
Total			3,800,000							19,200,000	2,627,667		1,281,383	26,909,050		

* PMC costs include: Hiring of specialists in each of the three municipal PMOs and CCUD to manage the financial management, procurement, activities and project control and operating administrative costs, such as: project financial management, preparation of procurement plans, terms of reference and procurement packages, management of output deliverables, maintenance of records of all project-related documentations, preparation of financial reports, office expenses, etc.

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit a finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agencies is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies' capacity and eligibility to administer NGI resources as

established in the Guidelines on the Project and Program Cycle Policy,
GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).