



Transitioning to an urban green economy and delivering global environmental benefits

Part I: Project Information

Name of Parent Program

Sustainable Cities Impact Program

GEF ID

10467

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT No

NGI No

Project Title

Transitioning to an urban green economy and delivering global environmental benefits

Countries

Costa Rica

Agency(ies)

UNDP

Other Executing Partner(s)

Organization for Tropical Studies

Executing Partner Type

CSO

GEF Focal Area

Multi Focal Area

Taxonomy

Focal Areas, Renewable Energy, Climate Change Mitigation, Climate Change, Sustainable Urban Systems and Transport, Energy Efficiency, Mainstreaming, Biodiversity, Infrastructure, Rivers, Biomes, Tropical Rain Forests, Financial and Accounting, Conservation Finance, Threatened Species, Species, Influencing models, Strengthen institutional capacity and decision-making, Convene multi-stakeholder alliances, Demonstrate innovative approach, Transform policy and regulatory environments, Deploy innovative financial instruments, Stakeholders, Civil Society, Non-Governmental Organization, Community Based Organization, Academia, Indigenous Peoples, Communications, Education, Public Campaigns, Behavior change, Awareness Raising, Private Sector, Financial intermediaries and market facilitators, Individuals/Entrepreneurs, Capital providers, SMEs, Beneficiaries, Local Communities, Type of Engagement, Partnership, Consultation, Participation, Information Dissemination, Gender Equality, Gender Mainstreaming, Women groups, Gender-sensitive indicators, Sex-disaggregated indicators, Gender results areas, Participation and leadership, Capacity Development, Knowledge Generation and Exchange, Access to benefits and services, Sustainable Cities, Integrated Programs, Municipal waste management, Energy efficiency, Municipal Financing, Integrated urban planning, Green space, Transport and Mobility, Global Platform for Sustainable Cities, Urban Biodiversity, Capacity, Knowledge and Research, Innovation, Knowledge Exchange, Learning, Indicators to measure change, Theory of change, Adaptive management

Rio Markers**Climate Change Mitigation**

Climate Change Mitigation 2

Climate Change Adaptation

Climate Change Adaptation 0

Submission Date

11/30/2021

Expected Implementation Start

2/1/2022

Expected Completion Date

1/30/2027

Duration

84In Months

Agency Fee(\$)

928,617.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
IP SC	Strengthening the Global Platform for Sustainable Cities	GET	10,317,970.00	99,131,494.00
Total Project Cost(\$)			10,317,970.00	99,131,494.00

B. Project description summary

Project Objective

To achieve decarbonization in the Great Metropolitan Area (GAM) through fiscal and policy reform and sustainable integrated urban planning

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co- Financing(\$)
----------------------	-------------------	-------------------	---------------------	---------------	---------------------------------	--------------------------------

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
1. Evidence-based policy reform for a green economy and sustainable integrated urban planning	Technical Assistance	<p>1.1. Local and national governments have strengthened institutions, processes, and capacities to undertake evidence-based policy reform and for sustainable integrated planning in the GAM, measured by:</p> <p><i>a) 6 multi-sectoral and inter-institutional agreements for transitioning to a green economy and sustainable and integrated urban planning, including decarbonization, as a result of the project.</i></p> <p><i>b) Seven legislative reforms to reduce emissions and loss of biodiversity in urban landscapes, as a result of the project: 7 projects submitted, 5 projects approved by the Legislative Assembly</i></p> <p><i>c) Increase in the institutional capacity to implement structural environmental and financial policy reforms, sustainable integrated urban planning, and the delivery of GEBS (measured through the score of UNDP's Capacity Development Scorecard): i) <u>Central Government</u> (average for seven agencies) [1]: from 28/48 (58%) to 31/48 (65%); ii) <u>Municipalities</u> (average for 20 municipalities) [2]: from 34/54 (63%) to 39/54 (72%)</i></p> <p>[1] MIVAH, MINAE, INVU, MOPT, AYA, DCC, and SINAC.</p> <p>[2] Municipalities of San Jos?, Goicoechea, Tib?s.</p>	<p>1.1.1. Technical and political dialogue platforms, including the Multilevel Technical Roundtable for Transportation-Oriented Development for the Metropolitan Electric Train (MTR-MET) and the Comprehensive Management Commission of the Rio Grande de T?rcoles Watershed (CMCRGT), expanded and strengthened with plans and decision-making mechanisms to transition to an inclusive green economy, sustainable and integrated urban planning, decarbonization, and to coordinate actions with other related platforms and supported by a digital platform to better coordinate and support evidence based planning.</p> <p>1.1.2.</p>	GE T	2,733,190.00	19,421,170.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing (\$)
2. Sustainable integrated low-carbon, resilient, conservation, and land restoration investments	Investment	<p>2.1. Local and national governments have undertaken sustainable integrated low-carbon, resilient, conservation, and land restoration investments, measured by:</p> <p><i>a) GEF Core Indicator 3. 2,000 hectares (ha) of land restored</i></p> <p><i>b) Condition of urban biodiversity and green urban spaces, measured through: i) Rate of change in the bird diversity index in the GAM: (Shannon Diversity Index [H]): 1.609 decits/individual (the baseline and targets will be validated during the first year of project implementation); ii) Total of green urban spaces[1] in the project area: increase from 3,585 ha to 5,585 ha.</i></p> <p><i>c) Habitat quality for the aquatic biodiversity of the upper part of the Rio Torres and Mar?a Aguilar micro-watersheds measured through: i) Water quality biological index[2] measured through the diversity of benthic macro invertebrates (BMWP-CR, according to decree 33903 - MINAE): water quality improved in one class measured in seven sampling stations; ii) Dutch water quality index[3] (physicochemical water parameters, according to decree 33903 MINAE): water quality improved in one class measured in three sampling stations)</i></p> <p><i>(The baseline will be verified during the first year of project implementation)</i></p> <p><i>d) GEF Core Indicator 4: 17,402 ha of landscapes under improved practices</i></p>	<p>2.1.1. Critical urban areas restored that build resilience of vulnerable urban populations and contributes to the mitigation of climate change, including the following:</p> <p>a) identification of intervention zones and prioritization of areas to restore with native species;</p> <p>b) strategic alliances with stakeholders that allow the incorporation of public and private areas into the restoration and conservation process;</p> <p>c) consolidation of green public spaces, green urban areas, and IUBCs.</p> <p>2.1.2. Participatory plans for the management of green urban spaces by municipality, with a gender approach contribute to the</p>	GE T	3,852,014.00	38,346,000.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
3. Innovative financing and scaling-up	Investment	<p>3.1. Local and national governments initiate innovative financing and business models for scaling-up sustainable urban solutions, measured by:</p> <p><i>a) USD 167.58 million/year of financing for the fulfillment of the goals of the National Decarbonization Plan, obtained from the implementation of the reforms proposed in Component 1 and the municipal financing mechanisms of Component 3.</i></p> <p><i>b) 500 new green jobs (50% women; 50% men) in the GAM that result from innovative financing and business models for scaling-up sustainable urban solutions.</i></p> <p><i>c) Three (3) circular economy business models and/or industrial symbiosis; and at least three (3) bio-business models (i. management of fecal sludge, ii. sustainable urban mobility, iii. organic solid waste management for municipal/industrial composting and for the construction of private green urban infrastructure; and iv recovery of plastic for recycling and reuse in consumer goods)</i></p>	<p>3.1.1. Economic analyses performed facilitate the development of business models under different innovative business and financing schemes to achieve decarbonization and the delivery of global environmental benefits in the GAM, including an analysis of the Business-as-Usual Scenario versus the project's reformed scenario for the management of solid waste (e.g., plastics and organic waste), sewage, fecal sludge, and active mobility.</p> <p>3.1.2. Improved efficiency of current economic instruments and new municipal financing instruments (assessment of property value, improved mechanisms</p>	GE T	2,390,779.00	28,755,490.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing (\$)
4. Advocacy, Knowledge Exchange, Capacity Building, and Partnerships	Technical Assistance	<p>4.1. Solutions and best practices shared with the SCIP Global Platform and other global events and communities of practice (e.g., Natural Neighbors, URBES project, ICLEI initiatives) and initiatives from Latin America (e.g., Integrated Management of biodiversity and ecosystem services action Plan of Medellin, and its ?biodiversity roundtable? and others), measured by:</p> <p><i>a) At least four (4) knowledge products (e.g., publications, in-city knowledge exchanges) about the green economy and urban sustainability with a gender and social inclusion perspective made available locally, nationally, and regionally, including the SCIP web platform, for the replication and scaling-up of successful experiences in other urban landscapes.</i></p> <p><i>b) 500 urban professionals in Costa Rica and municipal technicians and local decision-makers, among others, who use the knowledge acquired from the training or materials from SCIP (50% women, 50% men)</i></p>	<p>4.1.1. Information and knowledge exchange platform established at the national level increases awareness about sustainable integrated urban planning, transitioning to an urban green economy, and gender aspects, among other topics.</p> <p>4.1.2. A learning and communication strategy between cities implemented through the SCIP GP and other existing global networks, to disseminate international methods and lessons learned regarding sustainable cities.</p> <p>4.1.3 Project Gender Action Plan, Stakeholder Engagement Plan, and other management plans related to the social and environmental safeguards</p>	GE T	651,425.00	3,550,290.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
5. Monitoring and Evaluation (M&E)	Technical Assistance	Outcome 5.1. M&E assesses project impact and guides adaptive management measured by: <i>100% of the M&E Plan implemented</i>	5.1.1. Monitoring and Evaluation (M&E) plan implemented.	GET	199,230.00	4,337,997.00
Sub Total (\$)					9,826,638.00	94,410,947.00
Project Management Cost (PMC)						
GET		491,332.00		4,720,547.00		
Sub Total(\$)		491,332.00		4,720,547.00		
Total Project Cost(\$)		10,317,970.00		99,131,494.00		

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	Ministry of the Environment and Energy (MINAE)	In-kind	Recurrent expenditures	250,000.00
Recipient Country Government	National Institute of Aqueducts and Sewers (AyA)	Public Investment	Investment mobilized	28,000,000.00
Recipient Country Government	Municipality of San Jose	Public Investment	Investment mobilized	52,657,601.00
GEF Agency	UNDP Biofin	Grant	Investment mobilized	900,000.00
GEF Agency	UNDP NDC Support	Grant	Investment mobilized	1,000,000.00
Recipient Country Government	Costa Rican Railroad Institute (INCOFER)	Public Investment	Investment mobilized	14,140,893.00
Other	Organization of Tropical Studies	Grant	Investment mobilized	2,183,000.00
Total Co-Financing(\$)				99,131,494.00

Describe how any "Investment Mobilized" was identified

Describe how any "Investment Mobilized" was identified. ? The AyA investment corresponds to a Japan Cooperation Agency loan managed by AyA for improving water sanitation facilities in the GAM. ? The Municipality of San Jose investments are related to the consolidation of urban biological corridors that match project outcomes. ? The UNDP-BIOFIN investment corresponds to the second phase of BIOFIN Project (2021-2022) with German Government funding to generate financial instruments to cover the biodiversity deficit. The BIOFIN initiative contributes directly to the implementation of the National Biodiversity Strategy - NBS (2016-2025). ? Federation of Municipalities of Heredia investments are related to the consolidation of urban biological corridors that match project outcomes. ? The UNDP-NDC Support investment corresponds to resources as part of the implementation of the Nationally Determined Contributions (NDC) Support Programme in Costa Rica over the years 2021-2022. ? The investment from INCOFER corresponds to projects for the Rapid Passenger Train, the Electric Train of Limon (TELCA), and purchase of DMU trains, all of which are related to the environmental improvement in the GAM. ? The

investment from OTS corresponds to multiple investments related to the project Center for Urban Tropics:
Research, Innovation and Practice.

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(\$)
UNDP	GET	Costa Rica	Biodiversity	BD STAR Allocation	6,206,029	558,543
UNDP	GET	Costa Rica	Climate Change	CC STAR Allocation	781,839	70,365
UNDP	GET	Costa Rica	Multi Focal Area	IP SC Set-Aside	3,330,102	299,709
Total Grant Resources(\$)					10,317,970.00	928,617.00

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 **true**

PPG Amount (\$)
150,000

PPG Agency Fee (\$)
13,500

Agenc y	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)
UNDP	GET	Costa Rica	Biodiversity	BD STAR Allocation	100,000	9,000
UNDP	GET	Costa Rica	Climate Change	CC STAR Allocation	50,000	4,500
Total Project Costs(\$)					150,000.00	13,500.00

Core Indicators

Indicator 3 Area of land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	2000.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural land restored

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

Indicator 3.2 Area of Forest and Forest Land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	2,000.00		

Indicator 3.3 Area of natural grass and shrublands restored

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

Indicator 3.4 Area of wetlands (incl. estuaries, mangroves) restored

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

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	17402.00	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)
	17,402.00		

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	1747539	0	0
Expected metric tons of CO ₂ e (indirect)	0	200000	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)		605,047		
Expected metric tons of CO ₂ e (indirect)				

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Anticipated start year of accounting		2021		
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)		1,142,492		
Expected metric tons of CO ₂ e (indirect)		200,000		
Anticipated start year of accounting		2021		
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		1,067,466		
Male		1,067,466		
Total	0	2134932	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

* Area to be restored in green urban area in 20 municipalities. Restoration will contribute to: 1) consolidation of the green urban areas in the city, 2) increase in structural connectivity from restoration on connectivity routes, 3) support for the implementation of ongoing restoration initiatives. Restoration actions will be verified through a geospatial analysis using high-resolution images (World View 3; 30 cm). ** Improved practices include investments in peri-urban areas, including land with potential for reforestation, areas of water recharge and maintaining forest areas linked to production, and the use of sustainable agricultural practices. The area of landscapes under improved practices was updated during the PPG as the area reported at the time of the concept note/Child Project (18,541 ha) was considered preliminary. The estimation of this indicator was revised considering land use/land cover data for the GAM. It was confirmed that the total area for the five Inter Urban Biological Corridors (IUBC) in the GAM is 58,006 hectares, of which 30% (17,402 hectares) are peri-urban areas other than forests and urban areas where improved practices can be implemented to benefit biodiversity. Achieving this target is considered feasible as the project has strong stakeholder support (government institutions, municipalities, the private sector and local organizations), and the IUCBs within the GAM have established and operational Local Committees. *** Direct Emissions: 58,733 tCO₂e come from emissions avoided directly during project execution (5 years): Transport sector (transport development and sustainable mobility): 9,675 tCO₂e; and b) carbon sequestration as a result of restoration activities: 49,058 tCO₂e; 1,688,806 tCO₂e are directly attributable to the project but are mitigated in the subsequent 15 years: a) Transport sector (transport development and sustainable mobility): 183,825 tCO₂e; b) carbon sequestration as a result of restoration activities: 555,989 tCO₂e; and c) emissions reductions related to waste management: 948,992 tCO₂e; and 200,000 tCO₂ are avoided indirectly over 20 years; the majority of these estimates come from a top-down approach. Please refer to Annex 12[2]: GEF focal area specific annexes of the UNDP-GEF Project Document for a complete description of calculations and methodology used. **** People residing in 20 municipalities prioritized by the Project that belong to the GAM [urban and rural], population projection based on of the National Institute of Statistics and Censuses [INEC] for 2018.

Part II. Project Justification

1a. Project Description

1a. *Project Description.*

1) The global environmental problems, root causes and barriers that need to be addressed (systems description);

1. Costa Rica is a global leader in environmental protection and biodiversity conservation. Twenty-five percent of its territory is protected, deforestation has been reversed, and forests currently cover 52% of its land area;[1]¹ this has been achieved while maintaining economic growth and keeping an energy matrix that is over 90% renewable. These advances are supported by a fiscal policy that relies on hydrocarbon sales and the import of vehicles. The higher these are, the higher the tax collection, which creates a significant contradiction between fiscal and environmental objectives. Currently, 21% of all government income is derived from taxing hydrocarbons, which means that if Costa Rica is to maintain its environmental achievements and become decarbonized by 2050, it must transition to a green economy. This transition must be aligned with an urban transformation of the GAM where 40% of its emissions are generated mostly from urban transport.

2. Costa Rica has gone from being a predominantly rural to an urban society. The country's success in promoting forest recovery, protection of natural forests and biodiversity is in direct contrast to the rapid urban expansion, which has seen inadequate planning and a negative impact on residents' quality of life and the environment. Urban areas now constitute the second-most significant threat to Costa Rica's natural capital, as forests and agroecological areas are eliminated to make way for urban development. Between 1987 and 2013 the urban footprint in Costa Rica expanded by 112%, resulting in a loss of forested riparian buffer zones, ecosystem connectivity, poor water quality, and soil and air pollution.[2]² This reality is framed within a context of unsustainable fiscal deficit and the persistence of social inequalities, which are aggravated by the Coronavirus Disease 2019 (COVID-19/SARS-CoV-2) pandemic that has hit Costa Rica hard.

3. Costa Rica has a total population of 5,008,007,[3]³ 80% of whom is urban. The capital city of San José is the largest city of Costa Rica and is part of the Greater Metropolitan Area (referred to as GAM), which also includes the provinces of Alajuela, Cartago, and Heredia. The GAM has a total area of 196,700 hectares (ha) covering 31 municipalities in four provinces and is home to 53% of the country's population.[4]⁴ Recently, the four cities that form the GAM have grown together, resulting in a large-scale low-density suburban sprawl, which is continuously encroaching on the agricultural landscape and natural areas that used to characterize Costa Rica's central valley and its surrounding mountain ranges.

4. The GAM faces multiple environmental challenges. Loss of habitat (forest ecosystems, and wetlands) and agro landscapes due to uncontrolled urban growth: An increased urban footprint

between 2003 and 2015 in the GAM (22.3%) contributed significantly to the loss and fragmentation of forest and loss of habitat for biodiversity. In that period, approximately 8 of every 10-ha deforested in the GAM were converted to urban settlements, infrastructure, or crops. Illegal encroachment by urban developers and households has limited conservation efforts and has resulted in landscape fragmentation, affecting nearby Key Biodiversity Areas (KBAs). In addition, most of the existing urban green spaces in the GAM contribute little to the regeneration of the physical environmental system and are frequently planted with exotic and essentially decorative species, which provide limited habitat for biodiversity, and which require large quantities of water and economic resources for their maintenance. Contamination by urban wastewater and improper disposal of solid waste. Rivers, streams, and aquifers are being impacted by the lack of treatment of urban wastewater in the GAM; untreated wastewater and fecal sludge is commonly discharged directly into rivers and streams contaminating them with nutrients, pathogens, organic matter, and solids. According to the National Institute of Aqueducts and Sewers (AyA), in 2019 the coverage of the wastewater treatment network was only 15%, while 70% of country's total population owns a septic tank, which generally presents construction problems, poor maintenance, and deficient sludge management. In addition, approximately 60% of the solid waste generated in cities is disposed of into open-air dumps and landfills without control or appropriate management, polluting the environment and affecting the quality of surface and groundwater sources, and impacting the health of the population.[5]⁵ The municipality of San José extracts between 3,000 and 4,000 kg of waste per day from the sewers; in 2015 1,102 metric tons of solid waste were removed from the rainwater system.[6]⁶ Ten percent of the total solid waste is comprised of plastics that can remain and accumulate in landfills and other disposal sites for long periods generating fragments and toxins that contaminate soil and water resources. In 2017, plastic waste from construction activities in the GAM amounted to 5,089,647 square meters (m²). The improper management of solid waste also results in untreated leachate contributing to the contamination of the surrounding water bodies. Sedimentation, erosion, and chemical contamination. Soil degradation associated with urban activities in Costa Rica has been traditionally neglected, even though when land is under construction, soil erosion can be significant, often many times greater than on other land uses. The extended paving of the soil surface, in combination with the lack of green areas for infiltration, and a high rainfall regime, increase the environmental risk of flooding. The resulting sediment damages surface water resources, obstructs roads, and degrades habitat for biodiversity. Erosion and sedimentation are particularly problematic in the undulating or sloped lands of the GAM, and where the boom of residential, commercial, and public infrastructure projects have led to construction along riverbanks and forested buffer zones. In addition, impervious surfaces (e.g., roofs, roads, parking lots, and compacted turf) from residential, commercial, and public infrastructure areas increase runoff, which impairs water quality by delivering nutrients, hydrocarbons, heavy metals, and other pollutants impacting freshwater biodiversity. Presence of exotic species: in Costa Rica there are around 1,500 species of exotic plants. Although there is no available information for the all of the GAM regarding the presence of exotic species, particularly on their impacts, a study carried out for the province of Heredia (Costa Rica) indicated that of the more than 600 species planted in private urban home gardens, 60% of the species are exotic.[7]⁷

5. CO₂ greenhouse gas (GHG) emissions by the transportation and energy sectors. Costa Rica is highly vulnerable to climate change. According to National Meteorological Institute projections, temperatures by 2070 will increase 3-6 °C compared to average temperatures recorded between 1961-1990. Costa Rica has made an international commitment to become carbon neutral by 2050. According to the Second Biennial Update Report (BUR II) to the United Nations Framework Convention on Climate Change (UNFCCC),[8]⁸ emissions in Costa Rica are distributed as: energy, 67%; industrial processes, 12%; Agriculture, Forestry and Other Land Use (AFOLU), 2%; and waste

sector, 19%. If Costa Rica's decarbonization goals are to be met, the GAM needs to be transformed, as most of the transport, waste and industrial emissions take place in this urban area. The transportation sector is responsible for 54% of the country's CO₂ emissions and 66% of hydrocarbon consumption. Over 43% of total emissions are generated by transport system of a congested city of fuel consuming vehicles, mostly servicing the GAM. The energy sector shows an increase of 3.1% year-on-year in the emissions attributable to hydrocarbons. In 2015, the energy sector released 7.297 Gg of CO₂ to the atmosphere, 5.394 Gg of CO₂ of which were attributed to the transportation sector, and 2,203.7 Gg of CO₂ of which correspond to passenger cars. It is estimated that in 2014 the transportation sector in the GAM generated 2.5 megatons (Mt) of CO₂-eq (1 tCO₂-eq per inhabitant per year), and that by 2030 the GAM's contribution will amount to 3.9 Mt of CO₂-eq.^[9] Costs associated with traffic congestion in the GAM amount to 3.8% of the country's GDP. Half of the national GHG emissions associated to the waste sector may be attributable to the GAM, and most of emissions from industrial processes and product use take place in GAM.

6. The drivers of environmental degradation in the GAM are facilitated by the following: a) unsound and ineffective urban planning; b) limited capacities to enforce environmental impact assessments of economic activity; c) insufficient enforcement of environmental law compliance in urban areas; d) poor solid waste and wastewater management; and e) limited alternatives to fossil fuel transformation options.

7. The long-term solution consists of Costa Rica transitioning to an urban green economy and achieves decarbonization in the GAM through fiscal and policy reform and sustainable integrated urban planning. It is urgent that Costa Rica aligns both environmental and economic policies and transforms the GAM from a city that generates the largest amount of GHG emissions in the country and threatens urban biodiversity and nearby KBAs, into an innovative urban center that harbors inclusive growth and generates global environmental benefits (GEBs) and improves the quality of life of its inhabitants. However, there are currently multiple barriers that prevent the achievement of this goal.

Lack of integration in urban planning and multilevel institutional coordination	Costa Rica's urban centers, including the GAM, lack the financial, political, and/ or technical resources to adequately address the pressures of urban growth and multiple competing priorities. Despite attempts to address the challenges faced by cities, institutional, financial, and legal limitations persist as well as deficient structural conditions that result in uncoordinated efforts that fail to involve the different urban stakeholders in the design of sustainable cities. Traditionally urban planning has been based on isolated efforts through municipal land use plans without a comprehensive or regional approach, which in the case of the GAM is a great challenge as it comprises 31 municipalities. Platforms are needed to bring together key municipal-and national-level stakeholders with an interest in urban planning, including the private sector and civil society, to foster technical and political dialogue aimed at solving the environmental challenges the cities face, which includes the need to reduce GHG emissions and conserve urban biodiversity. Furthermore, urban planners lack the necessary training to promote sustainable integrated urban planning, including urban decarbonization and greening, as well as to monitor land use changes and properly manage information for decision-making.
---	---

Limited investments for land conservation and restoration and development of resilient and inclusive cities	The Biodiversity Financing Initiative (BIOFIN) Costa Rica project identified an annual gap (pre-COVID-19) of USD \$50 million in investment in biodiversity conservation. Because investments for biodiversity conservation at the national level have traditionally prioritized rural areas over urban areas; an existing financial gap to investment in biodiversity conservation within the context of a high national fiscal debt; and current COVID-19 pandemic, municipal governments face difficulties in investing in the development and expansion of interurban biological corridors (IUBCs) and for restoring lands in urban areas that are highly susceptible to climate change and variability, as is the case with the GAM. Additionally, efforts around participatory planning for the management of the "green" infrastructure and IUBCs using a gender perspective are lacking. Likewise, there are few investment opportunities to promote sustainable mobility and improvement in the water quality of the rivers that transect the urban centers, which are affected by uncontrolled discharges of wastewater and solid waste.
Insufficient financing and participation of the production and service sectors to implement sustainable urban solutions	According to the National Decarbonization Plan, more than half of the investments needed for its implementation (sustainable mobility, wastewater management, and energy) must be made between the years 2020 and 2030; by 2025, at least 20% of the investments planned to reach the Plan's goals should have been completed. Cities in Costa Rica, including the GAM, are having difficulty securing the financing necessary to meet the demand for sustainable low-carbon infrastructure?business models under different business figures and innovative financing are required to achieve decarbonization goals. In addition, municipalities lack new financing instruments and the necessary information to promote the conservation and restoration of urban ecosystem services, which would allow the implementation of circular economy models and develop initiatives for solid waste management, among other needs. Investment by the private sector in bio-businesses for maintaining urban ecosystem services and restoring IUBCs for the sound management of solid waste, sewage, and fecal sludge, as well as investment in sustainable mobility, is limited. There is a need to establish public-private partnerships and include the participation of micro and small businesses to promote sustainable urban solutions.
Lack of learning opportunities at the national level based on experiences from other cities around the world, exacerbated by the COVID-19 pandemic	There is low participation of decision makers and planners in global platforms that promote sustainable cities, and it is necessary to establish synergies with the Global Platform of the Sustainable Cities Impact Program (SCIP) to exchange knowledge and learn about solutions and good practices in other cities outside of Costa Rica, so that results can be replicated and the impact of sustainable integrated urban planning can be scaled-up. Most of the training available is based on a limited supply and does not necessarily meet local needs. At the national level, there are few mechanisms to systematize and disseminate knowledge and lessons learned in such a way that successful experiences can be replicated and expanded in other cities in the country. This barrier is exacerbated by the COVID-19 pandemic given the existing limitations for travel between cities and countries. This implies that there may be limited participation of project stakeholders in some of the knowledge exchange and learning activities that that because of the pandemic can now only be carried out remotely.

2) The baseline scenario and any associated baseline projects.

8. The baseline investment totals \$101,005,187USD. Investments will prioritize the conservation and management of IUBC, address urban sanitation problems, and the mitigation of

emission from the transport sector and sustainable mobility including the electric train for the GAM, among other topics. The associated baseline projects are:

- ? Environmental Impact Assessment Reform: \$914,157 investment by MINAE (2018-2022) to provide technical support to the National Environmental Technical Secretariat (SETENA) in the development and modernization of technical instruments and procedures for evaluating the environmental impact of activities, works or projects that alter or destroy the environment or generate waste, toxic or dangerous materials.
- ? UNDP, with funding from the German Federal Government, implements the BIOFIN, which will invest \$2,250,000 (2018-2022) to mobilize new resources to support the implementation of the NBSAP.
- ? National Strategy to Substitute Single Use Plastics with Renewable and Compostable Alternatives. \$500,000 initiative (2017-2021) led by the Ministry of Health, the MINAE, UNDP, and the Costa Rica-USA Foundation to stimulate a circular economy in compostable packaging alternatives to single-use plastics.
- ? Metropolitan Area Environmental Improvement Project. \$256,000,000 loan from the Japan International Cooperation Agency, \$28 million of which is relevant to the Project, will allow addressing urban sanitation problems in the GAM (2020-2024).
- ? Reduce GHG emissions from public transport sector. The electric train will service Paraíso-Cojol, Alajuela through a \$1.67 billion investment (2018-2021), \$26,908,000 million of which is relevant to the Project. This project will be led by the Costa Rican Railroad Institute (INCOFER); the electric train seeks to be the backbone of public transport in the GAM, which allows to substantially improve mobility conditions between the different points, in a safe, ecologically responsible, fast, and efficient way.
- ? Increase in total number of hectares of forest cover in public spaces. The Municipality of San José will invest over \$ 8,324,997 (2019-2022) to increase forest cover in the municipality and restore river ecosystems and support IUBCs.
- ? Federation de Municipalities of Heredia will invest \$15,000,000 (2018-2020) in IUBCs, greening of urban spaces, reforestation, restoration of riverine ecosystems, and monitoring.
- ? Mitigation of Emissions from the Transport Sector project. A \$5,838,462 (2017-2021) investment from the German Technical Cooperation Agency (GIZ) will support the central government to adopt new standards for GHG emission reductions by the transportation sector.
- ? Establishment of a Working Group. With a contribution of \$3,750,000 (2018-2025) from the CR-USA Foundation and implemented by MINAE, will systematize lessons to catalyze processes associated with the electrification of public transportation including the IETP-Taxi or IETP-Train.
- ? Biodiver_CITY project. \$2,200,000 investment (2018-2021) from the GIZ to support the establishment of IUBCs.

? NDC Support Programme. \$1,709,571 investment (2017-2022) with support from UNDP to assist the government in achieving transformational change by scaling-up investments in climate change actions including zero-carbon and climate-resilient development.

? MUEVE project (Sustainable mobility, Urban Planning, Equipment and Assessment of Public Space.) \$5,610,000 (2020-2024). Implemented by the National Union of Local Governments (UNGL) it will strengthen urban governance in 15 municipalities and will contribute to the environmental quality and resilience of the surrounding and connecting areas of mass transit corridors, among other objectives.

9. Costa Rica recently announced a new category of protected area called Urban Natural Parks (PANU), which seeks to conserve ecosystems and forests at risk in the city to increase carbon sequestration; stimulate recreation and ecotourism; promote biological connectivity with the city's green fabric and its rivers; and prevent natural disasters. The project will support the operationalization of PANUs (Decree N° 42742-MINAE) by supporting the National Conservation Area System (SINAC) establish the first PANUs within the GAM through three main tasks:

? Help identify areas that could be declared as PANU within the GAM and surrounding areas of biological importance. The project will provide technical support through a GIS expert and other technical staff to review the criteria established in the PANU and suggest viable options using spatial analyses;

? Provide technical support to the SINAC commission to operationalize the process of establishment three new PANUs: La Colina (Desamparados-Curridabat) Parque del Este, Montes de Oca, and El Santuario in Belén. This includes developing a technical report including biogeographical information, land tenure, design and government arrangements, and support a participatory process of consultation and validation; and

? Provide legal support services to draft the decree of creation of the three new PANUs.

3) The proposed alternative scenario with a description of outcomes and components of the project.

9. The project strategy is aligned to the original Child Project Concept. The project objective is to achieve decarbonization in the GAM through fiscal and policy reform and sustainable integrated urban planning. To achieve the project objective five interrelated components have been defined as follows:

10. Component 1. Evidence-based policy reform for a green economy and sustainable integrated urban planning: this component will develop an enabling legal and institutional framework so that local and national governments have strengthened institutions, processes, and capacities to undertake evidence-based policy reform and for sustainable integrated planning in the GAM. Two existing platforms will be strengthened (Multilevel Technical Roundtable [MTR] for Transport-Oriented Development for the Metropolitan Electric Train [MET] and the Comprehensive Management Commission of the Río Grande de Térrones Watershed [CMCRGT]) as a space for technical and political dialogue to define plans, milestones, and decision-making mechanisms to transition to an inclusive green economy, sustainable and integrated urban planning, and in line with municipal policies. The MTR-MET will be supported by a digital platform to better coordinate and

support evidence based planning; the digital platform will be hosted by the Ministry of Housing and Human Settlement (MIVAH), which is the coordinator of the MTR ensuring its sustainability.

This component will also develop and implement a Sustainable Regional Urban Renovation Plan that covers the 20 prioritized municipalities, 15 of them joined together by MET and 5 within its area of influence. The plans will be designed to consolidate green public spaces, green urban areas, interurban biological corridors (IUBCs), and sustainable mobility in the municipalities of the GAM connected by the MET and the provision of ecosystem services, through the restoration and conservation of public and private green spaces, considering citizen security and inclusion. In addition, Component 1 will develop seven legal reform proposals in a consultative manner so that Costa Rica advances towards a green economy and sustainable integrated urban planning, and which will be presented to the Legislative Assembly for its consideration and approval. This will be complemented with a proposal for reforms/institutional adjustments of the environment, land use, and transportation sectors, and a municipal and institutional training program implemented with a gender perspective, to enable the desired change. Finally, monitoring indicators related to the management of the green areas and IUBCs will be defined in coordination with National System of Conservation Areas (SINAC), responsible for the implementation of the National Ecological Monitoring Program (PRONAMEC), so that indicators and protocols related to the state of biodiversity in urban areas are available

11. Component 2. Sustainable integrated low-carbon, resilient, conservation, and land restoration investments: this component will allow that local and national governments have undertaken sustainable integrated low-carbon, resilient, conservation, and land restoration investments in the GAM and deliver GEBs. Restoration actions in critical urban areas will build resilience of vulnerable urban populations and contribute to the mitigation of climate change. The selection of sites to restore will be done through a multi-criteria spatial analysis at the landscape and site scale; restoration and conservation activities will be implemented through strategic partnerships with key urban stakeholders and will contribute to consolidating green public spaces, green urban areas, and IUBCs. Component 2 will also develop participatory plans for the management of the green urban spaces by the municipalities, with a gender approach, for the conservation of the existing urban green spaces and the implementation of the management plans of the IUBCs. Through investments in sustainable mobility such as bike-friendly bridges, cycle paths, shared-use paths, pedestrian routes with green areas, and improvements in green sidewalks, , this component will also contribute to reducing GHG emissions and achieving decarbonization by working in coordination with the municipalities prioritized by the project. In addition, partnerships will be established with different stakeholders interested in investing in public infrastructure at the municipal level which will allow expanding the coverage and the participation in sustainable urban mobility interventions. Finally, a pilot experience to improve water quality in the upper portion of two polluted urban watersheds within the GAM (Torres and Ma. Aguilar rivers) will allow the restoration of river protection areas and the control of irregular wastewater and solid waste discharges and promote connectivity to the sanitary sewer system of a group of urban dwellings that part of a community or neighborhood.

12. Component 3. Innovative financing and scaling-up: will allow local and national governments to initiate innovative financing and business models for scaling-up sustainable urban solutions. Economic analyzes will be carried out to facilitate the development of business models, under different innovative business and financing schemes, to achieve decarbonization and the delivery of GEBs in the GAM. Analysis of productive models of circular economy will lay the foundations for the management of solid waste (e.g., plastics and organic waste), sewage, fecal sludge, and active mobility. The availability of new municipal financing instruments (assessment of property value, land value capture, improved mechanisms for charging for parking, adjustments for public works in the real estate tax, financing options for solid waste and wastewater management, charging for vehicular congestion, special contributions for investing in urban renovation and issuing green bonds) and the improvement in the efficiency of implementation of current economic instruments will allow: i) the maintenance and restoration of urban ecosystem services such as groundwater recharge, restoration of connectivity in IUBCs, reduced heat island effect, food provision, pollination, and reduced water runoff, among others; ii) the implementation of circular economy business models and/or industrial symbiosis with a gender focus for sound management of solid waste and fecal sludge and wastewater management and reuse; iii) new ventures that favor

micro- and small businesses, as well as community associative arrangements, for the use and transformation of solid (plastic and organic) and liquid waste, and iv) sustainable mobility alternatives.

13. Innovative funding for the GAM will also include bio-business models formed from public-private partnerships (PPPs), micro and small businesses, and associations at the community level with a gender focus in the following areas: a) management of sludge from the San Jos? sanitary sewer system (Los Tajos Plant), through a PPP and with the participation of AyA; b) sustainable urban mobility through bike-train services with emphasis on the north and south lines of the GAM, through a private operator or as a complementary operation to the MET concession; c) solid waste management (organic); and d) nature-based investments in the urban landscape. These business models will be offer solutions for: i) municipal/industrial composting, and ii) construction of private green urban infrastructure such as green roofs and walls and public urban infrastructure through private enterprises; d) recovery of plastic (PET / HDPE / PC) for recycling and reuse in: consumer goods, construction of roofs on boulevards, and public transport stations; and e) the creation and investment in private conservation/protection reserves as part of the strategy to establishing PANUs. These will be community initiatives promoted by local governments in the GAM. A cost-benefit analysis of the implemented instruments and bio-business models will allow determining the impact of the proposed measures on the restoration of ecosystem services, on the environment, and their the economic and social benefits. Finally, the implementation of a technical assistance program for companies that work in bio-businesses will facilitate access to markets and replicability at scale. The potential execution mechanisms for the bio-businesses is described in Annex 19 of the UNDP-GEF Project Document and may include Bio-Business Innovation Challenge through which seed funding is awarded to private sector entities that propose scalable urban solutions. Every private sector partner (either contract holders selected through competitive processes and Innovation Challenge awardees) must provide co-financing from cash sources, in kind (valued), such as labor.

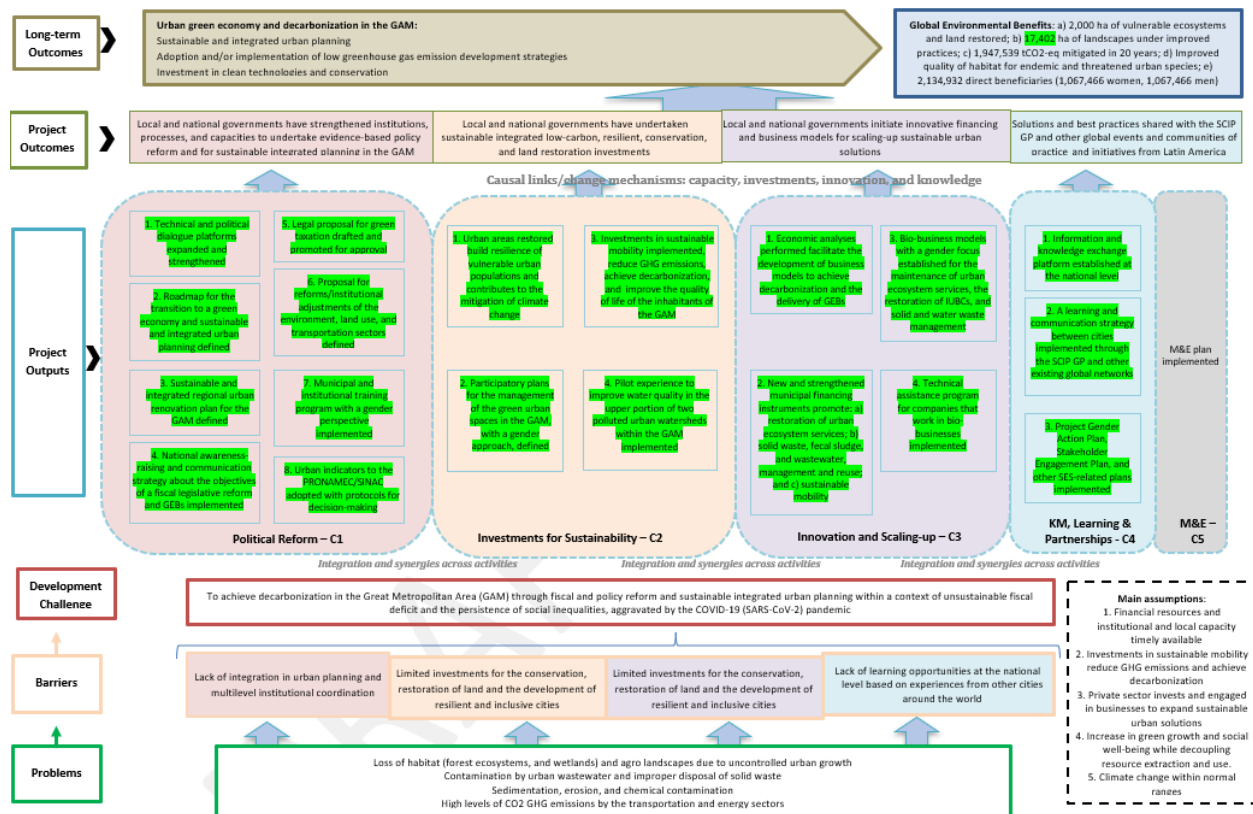
14. Component 4. Advocacy, Knowledge Exchange, Capacity Building, and Partnerships: this component allow sharing solutions and best practices with the SCIP Global Platform and other global events and communities of practice. An information and knowledge exchange platform will be established at the national level to increase awareness about sustainable integrated urban planning. The national information exchange platform will be coordinated by MINAE with the support of multiple public and private stakeholders with an interest in decarbonization and sustainable integrated urban planning, including women's organizations. Through a public campaign, the platform will be publicized and a user guide will be developed for easy access and exchange information. The national platform will be linked to the SCIP GP to provide its registered users the opportunity to exchange information and experiences on more sustainable and resilient cities worldwide. To share international methods and lessons learned on sustainable cities, Component 4 will implement a learning and communication strategy mainly through the SCIP-GP, which is a global space for dialogue and support. The project will make use of the training and learning products offered by SCIP, that will benefit urban professionals in Costa Rica, municipal technicians and local decision-makers, including women. The project team may request strategic support from the SCIP-GP to implement national activities, the exchange of experiences between key urban stakeholders including through peer-to-peer learning, and to access external financial opportunities.

15. Component 5. Monitoring and Evaluation: Comprehensive Stakeholder Participation Plan, the project's Monitoring and Evaluation (M&E) Plan, and the development of other plans associated with UNDP's environmental and social standards and based on an Environmental and Social Management Framework [ESMF]).

16. The project results, such as those described in the Project Results Framework, will be monitored annually and periodically evaluated during project implementation to ensure that the project achieves these results, including the indicators related to gender. The M&E plan will also be used to support adaptive management, so that the experiences that result during implementation of the activities may be integrated into the annual project programming

17. The project design assumes that there will be various public and private stakeholders to strengthen governance at the national and local level, as well as inter-institutional and intersectoral

coordination to carry out evidence-based policy reform for a green economy and sustainable integrated urban planning for the GAM. A transformation of urban systems is envisaged to mitigate the pressures on the urban environment from transport, industrial, manufacturing, services, and solid waste and wastewater management sectors, through a legal reform that aligns economic and national and municipal policies with national decarbonization goals, while contributing to the transition to an urban green economy. In addition, it is assumed that financial resources and institutional and local capacity will be available in a timely manner for the implementation of integrated sustainable low-carbon, resilient, conservation and land restoration actions in the GAM, as well as investments in sustainable mobility that will contribute to reduce GHG emissions and achieve decarbonization. In addition, it is expected that there will be interest from private sector to invest and engage in businesses to expand sustainable urban solutions that will generate environmental and social benefits, as well as increase green growth and social well-being (with equitable economic benefits for men and women) while decoupling resource extraction and use. Furthermore, climate variability is expected to be within ranges that do not significantly affect the project outcomes. These conditions will facilitate the change necessary to overcome the identified barriers that currently prevent Costa Rica from moving towards a green economy and achieving decarbonization in the GAM through fiscal and policy reform and sustainable integrated urban planning. This project Theory of Change (Figure 1) is aligned with SCIP' Theory of Change along four main pathways of change to: a) strengthen the institutions, processes and capacities of local and national governments to undertake evidence-based sustainable integrated planning and policy reform; b) local and national governments make sustainable integrated low-carbon, resilient, conservation or land restoration investments; c) local and national governments initiate innovative business and financing models to scale up sustainable urban solutions; and d) influence the formulation of policies and actions at the local, regional and national levels to advance the urban sustainability agenda. This project will contribute to each of these outcomes by promoting the desired legal and institutional change that will allow promoting sustainable urban planning in 20 municipalities of the GAM that are crossed by the MET and where there is high potential for restoration of degraded and vulnerable urban green areas, and to promote ecosystem connectivity through the consolidation of IUBCs.



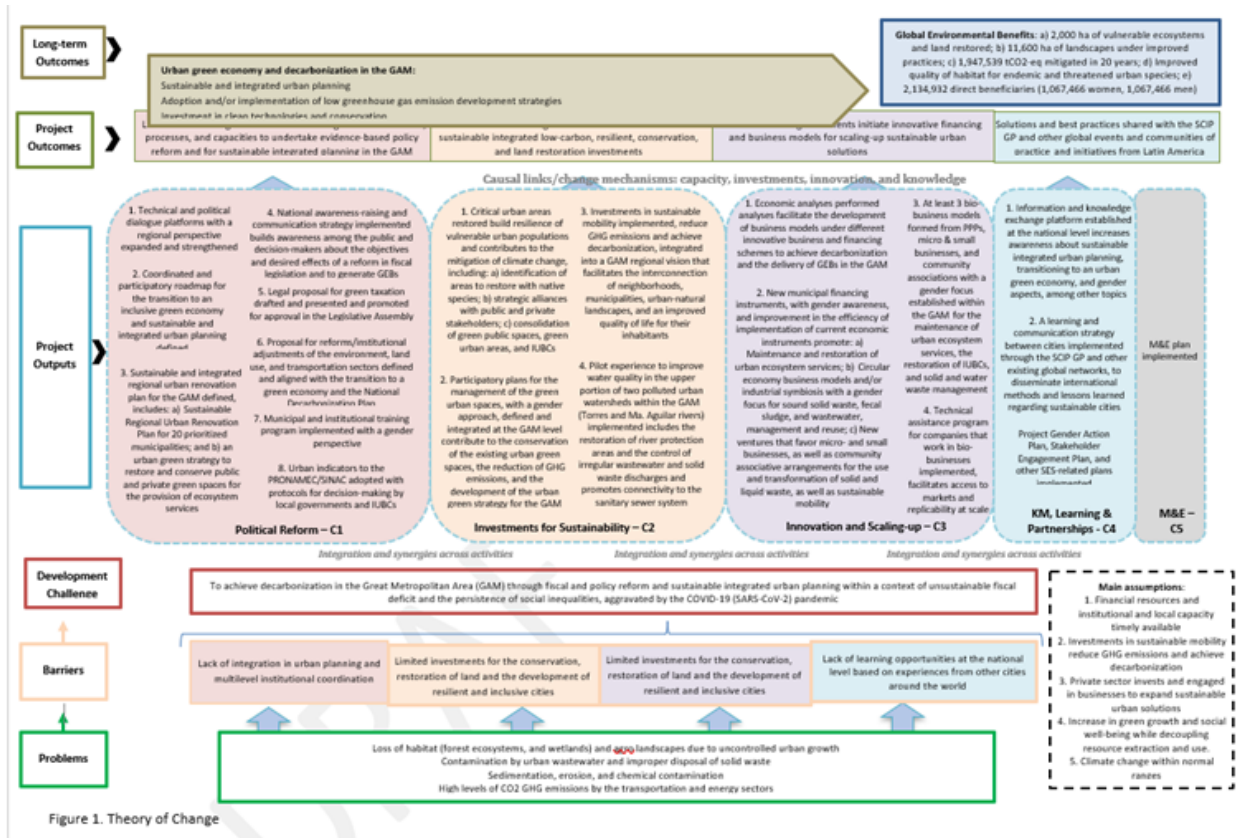


Figure 1. Theory of Change

1. A more detailed description of the project components is provided in Section V: Results and Partnerships of the UNDP-GEF Project Document. In addition, some changes were made to the project's outputs, which do not represent a departure from the project's strategy as defined originally in the Child Project Concept nor will they have an impact on the funds originally budgeted. These changes are described as follows:

Child Project Concept Outcomes/Outputs (Component 1)	CEO Endorsement Outcomes/Outputs (Component 1)
Project duration was 84 months	This project was originally envisaged to be implemented in a period of 84 months (PIF stage) and approved by the GEF with this duration, however, during PPG phase the project duration was reformulated taking into consideration stakeholder needs and reduced in 24 months (total duration 60 months).

<p>1.1. Technical and political dialogue platform operationalized defines the stages, milestones, and decision-making mechanisms for the transition to an inclusive green economy and sustainable and integrated urban planning, including decarbonization.</p>	<p>1.1.1. Technical and political dialogue platforms with a regional perspective expanded and strengthened, include the Multilevel Technical Roundtable (MTR) for Transportation-Oriented Development for the Metropolitan Electric Train (MET) and the Comprehensive Management Commission of the Río Grande de Tórcos Watershed (CMCRGT) area of influence, with plans, milestones, and decision-making mechanisms to transition to an inclusive green economy, sustainable and integrated urban planning, decarbonization, and the coordination of actions with other related platforms and supported by a digital platform to better coordinate and support evidence based planning.</p> <p>The output was reworded to specifically indicate the platforms from which the project will be working. Rather than establish new platforms the project will strengthen the existing ones, including by establishing a digital platform to be hosted by the Ministry of Housing and Human Settlement (MIVAH), which is the coordinator of the MTR.</p>
<p>1.2. Roadmap for transitioning to an inclusive green economy and sustainable and integrated urban planning, including decarbonization, defined based on an analysis of political, institutional, technical, and financial barriers, and approved by the government.</p>	<p>1.1.2. Coordinated and participatory roadmap for the transition to an inclusive green economy and sustainable and integrated urban planning, including decarbonization and greening, defined based on an analysis of legal, political, institutional, technical, and fiscal barriers, and approved by the government through public policy.</p> <p>The output was reworded to state that the roadmap for the transition to an inclusive green economy and sustainable and integrated urban planning will be done in a coordinated and participatory manner, and with political support.</p>

<p>1.3 Sustainable and integrated urban plan for the GAM includes:</p> <p>a) Development of 15 Municipal Urban Renovation Plans designed to consolidate spatial planning green public spaces, green urban areas, interurban biological corridors (IUBCs), and sustainable mobility in the municipalities of the GAM connected by the electric train.</p> <p>b) Strategy developed to integrate green public spaces, green urban areas, IUBCs, and the delivery of ecosystem services in the GAM considering citizen security and inclusion.</p>	<p>1.1.3. Sustainable and integrated regional urban renovation plan for the GAM defined, includes:</p> <p>a) Development of a Sustainable Regional Urban Renovation Plan that covers the 20 prioritized municipalities, 15 of them joined together by MET and 5 within its area of influence, designed to consolidate green public spaces, green urban areas, IUBCs, and sustainable mobility (by the different modalities), integrated into the Municipal Regulatory Plans;</p> <p>b) Development of an urban green strategy to restore and conserve public and private green spaces for the provision of ecosystem services in the GAM, which considers citizen security and inclusion, and Urban Natural Parks (PANU) as a new management category proposed by MINAE</p> <p>The output was reworded to indicate that the project will be working in 20 municipalities of the GAM instead of 15 municipalities, as initially planned. The addition of the five municipalities will create more opportunities for urban renovation and consolidation of IUBCs and green areas. In addition, rather than developing individual renovation plans, the project will develop one regional plan that integrates the 20 municipalities. This is considered to be more cost-effective and conducive to integrated urban planning.</p>
<p>1.4 National sensitization and communication campaign implemented builds awareness about the objectives and the desired effects of an urban-oriented green legislation reform with a gender and social inclusion perspective.</p>	<p>1.1.4. National awareness-raising and communication strategy implemented builds awareness among the public and decision-makers about the objectives and desired effects of a reform in fiscal legislation that will make progress towards a green legislation, comply with the National Decarbonization Plan, and generate global environmental benefits.</p> <p>The output was reworded to clarify its scope.</p>

<p>1.5 Proposals for legislation reform (i.e., bills) drafted and presented to the legislative assembly.</p>	<p>1.1.5. Legal proposal for green taxation drafted through consultation, presented and promoted for approval in the Legislative Assembly of Costa Rica.</p> <p>The output was slightly modified to indicate the legal reform will focus on green taxation and will be developed through a consultation process.</p>
<p>N/A</p>	<p>1.1.6. Proposal for reforms/institutional adjustments of the environment, land use, and transportation sectors aligned with the transition to a green economy and the National Decarbonization Plan, analyzed and discussed with the Executive Branch and promoted for implementation.</p> <p>This output was added as it was identified that the proposed policy reform will also require institutional reform for its implementation. The assessments conducted during the PPG indicated that there are gaps in institutional capacities (e.g., MINAE, INVU, SINAC, and MOPT) to facilitate the process of adaptation and transition towards a green urban economy and sustainable and integrated urban planning.</p>
<p>1.6 Municipal training program with a gender perspective implemented assist the following efforts:</p> <p>a) Strengthening municipal tariffs-fees and incentives for the maintenance, conservation, and restoration of urban critical ecosystem services for the GAM, and the restoration of ecologically sensitive areas including aquifer recharge areas, IUBCs, and riverbanks.</p> <p>b) Stimulating a circular economy business models for solid waste management, fecal sludge management, and wastewater management and reuse. c. Assisting in the design and implementation of Municipal Urban Renovation Plans. d. Promoting gender equity through procurement and institutional purchasing policies. e. Improving monitoring and enforcement of regulations ordering sound solid waste and wastewater disposal.</p>	<p>1.1.7. Municipal and institutional training program implemented with a gender perspective benefits 1,200 people (managers, technicians and local decision-makers, legislative advisors, officials of public institutions linked to urban development, environmental management, and land use planning.</p> <p>This output remains largely the same; however, the new wording provides more specific details regarding the scope. Also, the text related to the different efforts that the training program will support was removed and included as part of the description of the activities related to the output.</p>

N/A	<p>1.1.8. Proposals for urban indicators to the National Ecological Monitoring Program (PRONAMEC) of the National System of Conservation Areas (SINAC) adopted, along with the design of protocols for decision-making by local governments and IUBCs.</p> <p>This output was included so that ecological monitoring in the country will also include indicators or protocols related to the status of biodiversity in urban areas. Currently the PROMANEC focuses only on the monitoring of conservation of the country's terrestrial, freshwater, and marine biodiversity.</p>
Child Project Concept Outcomes/Outputs (Component 2)	CEO Endorsement Outcomes/Outputs (Component 2)
2.1 Restoration of critical urban areas carried out following a vulnerability analysis, identification of intervention zones (ROOT & INVEST), and prioritization of areas to be reforested, consolidates green public spaces, green urban areas, and IUBCs; improves water quality; and builds resilience of vulnerable urban populations.	<p>2.1.1. Critical urban areas restored build resilience of vulnerable urban populations and contributes to the mitigation of climate change, including the following:</p> <ul style="list-style-type: none"> a) identification of intervention zones and prioritization of areas to restore with native species; b) strategic alliances with stakeholders that allow the incorporation of public and private areas into the restoration and conservation process; c) consolidation of green public spaces, green urban areas, and IUBCs. <p>The output was reworded to indicate the focus of the restoration activities.</p>

N/A	<p>2.1.2. Participatory plans for the management of the green urban spaces by municipality, with a gender approach, defined and integrated at the GAM level, contribute to the conservation of the existing urban green spaces, the reduction of GHG emissions, and the implementation of the management plans of the IUBCs, to improve the impact of the restoration carried out, and to facilitate the development of the urban green strategy for the GAM under Component 1 (Output 1.1.3).</p> <p>This new output was included to consolidate existing efforts for managing green urban spaces and IUBCs in the GAM. This output facilitate the implementation of the urban green strategy, through a participatory approach, aiming to restore and conserve public and private green spaces for the provision of ecosystem services to be developed in Component 1.</p>
2.2 Sustainable mobility (transport) plans implemented for 15 municipalities of the GAM include actions to reduce GHG emissions and achieve decarbonization.	<p>2.1.3. Investments in sustainable mobility such as bike-friendly bridges, cycle paths, shared-use paths, pedestrian routes with green areas, and improvements in green sidewalks implemented, allowing to reduce GHG emissions and achieving decarbonization, and are integrated into a GAM regional vision that facilitates the interconnection of neighborhoods, municipalities, urban-natural landscapes, and an improved quality of life for their inhabitants.</p> <p>The output was reworded to indicate the focus of the investments to promote sustainable mobility, that they are part of integrated urban planning, and the way in which they benefit the inhabitants of the GAM.</p>

N/A	<p>2.1.4. Pilot experience to improve water quality in the upper portion of two polluted urban watersheds within the GAM (Torres and Ma. Aguilar rivers) implemented, based on the "Clean Rivers: National Strategy for the Recovery of Urban Watersheds 2020-2030," includes the restoration of river protection areas and the control of irregular wastewater and solid waste discharges and promotes connectivity to the sanitary sewer system.</p> <p>This output was included to direct investments towards the reduction of water contamination, which constitutes a major threat to aquatic biodiversity and human health in the GAM. With this output environmental benefits of improved water quality are clearly visible as part of the project strategy.</p>
Child Project Concept Outcomes/Outputs (Component 3)	CEO Endorsement Outcomes/Outputs (Component 3)
<p>3.1 Economic analyses performed to inform the implementation of innovative financing and business models to achieve decarbonization and the delivery of GEBs in the GAM include the following:</p> <ul style="list-style-type: none"> a) Cost-benefit analysis of the proposed legal reforms under Component 1, including an economic scenario analysis and economic valuation study of the environmental quality improvements generated. b) Business-as-Usual Scenario versus Reformed Scenario analysis for solid waste management to inform a circular economy and ways to increase women's employment rates in the sector. c) Scenario analysis for evaluating the economic efficiency of gains resulting from the removal of existing subsidies supporting high-GHG-emission economic sectors and/or activities threatening biodiversity. d) GAM's ecosystem hot spots for investment identified through ecosystem asset mapping and economic valuation in line with the System of Environmental Economic Accounts (SEEA). 	<p>3.1.1. Economic analyses performed facilitate the development of business models under different innovative business and financing schemes to achieve decarbonization and the delivery of global environmental benefits in the GAM, including an analysis of the Business-as-Usual Scenario versus the project's reformed scenario for the management of solid waste (e.g., plastics and organic waste), sewage, fecal sludge, and active mobility.</p> <p>The scope of this output was reduced. First, the cost-benefit analysis of the proposed legal reforms under Component 1 will be done as part of Output 1.1.5. Second, items b) and c) originally included in the Child Project concept note were eliminated so that the economic analyses to be performed will focus solely on business models and financing schemes that will be implemented through other outputs in this project component.</p>

3.2 Fifteen (15) new inclusive municipal financial instruments (i.e., betterment levies, beautification taxes, frontage taxes, wastewater charge, solid waste management charge, congestion charge on vehicles, tax on plastics and impact investment for up-cycling start-ups) implemented, which encourage the following:

- a) Maintenance and restoration of urban ecosystem services (e.g., groundwater recharge, restoration of connectivity in IUBCs, reduced heat island effect, food provision and pollination, and reduced water runoff);
- b) Circular economy business models and / or industrial symbiosis with a gender focus for sound solid waste management, fecal sludge management and wastewater, management and reuse, and achieving decarbonization.

3.1.2. New municipal financing instruments (assessment of property value, improved mechanisms for charging for parking, adjustments for public works in the real estate tax, financing options for solid waste and wastewater management, charging for vehicular congestion, special contributions for investing in urban renovation and issuing green bonds) implemented with gender awareness, and improvement in the efficiency of implementation of current economic instruments promote the following:

- a) Maintenance and restoration of urban ecosystem services (e.g., groundwater recharge, restoration of connectivity in IUBCs, reduced heat island effect, food provision, pollination, and reduced water runoff);
- b) Circular economy business models and/or industrial symbiosis with a gender focus for sound solid waste management, fecal sludge management and wastewater, management and reuse, includes financing through the banking system under favorable conditions (favorable payment terms, grace periods, lower interest rates);
- c) New ventures that favor micro- and small businesses, as well as community associative arrangements, for the use and transformation of solid (plastic and organic) and liquid waste, as well as sustainable mobility.

This output was modified to be in line with what is more feasible in terms of implementing municipal financing instruments, following a feasibility analysis conducted during the PPG. In addition, micro- and small businesses and community-based entrepreneurship are referenced to ensure these stakeholders will benefit from the new and strengthened existing municipal financing instruments.

3.3 Three (3) public-private partnerships (PPPs) with a gender focus established in GAM municipalities to support inclusive investments to support the maintenance of urban ecosystem services and restoration of IUBCs, sound solid waste and water waste management, and emissions reduction.	<p>3.1.3. At least three bio-business models formed from public-private partnerships (PPPs), micro and small businesses, and associations at the community level with a gender focus established within the GAM support inclusive investments for the maintenance of urban ecosystem services and the restoration of IUBCs, best management of solid waste (identified as part of the Waste Nationally Appropriate Mitigation Action [NAMA]) and wastewater, fecal sludge, and active mobility linked to the Electric Train.</p> <p>This output remains largely the same; however, the new wording provides some specifics regarding its scope.</p>
N/A	<p>3.1.4. Technical assistance program for companies that work in bio-businesses implemented, facilitates access to markets and replicability at scale</p> <p>This output was included to ensure the companies have the technical and financial tools to implement successful bio-businesses ventures.</p>
Child Project Concept Outcomes/Outputs (Component 4)	CEO Endorsement Outcomes/Outputs (Component 4)
4.1	4.1.1. No changes to be reported.
4.2 A South-South learning and communication strategy implemented through the SCIP GP and other existing global networks, to disseminate international methods and lessons learned regarding sustainable cities.	<p>4.1.2. A learning and communication strategy between cities implemented through the SCIP GP and other existing global networks, to disseminate international methods and lessons learned regarding sustainable cities.</p> <p>The wording of the output was changed so that learning and communication between cities is across the globe; this is more in line with the objectives and actions of the SCIP GP.</p>
Child Project Concept Outcomes/Outputs (Component 5)	Child Project Concept Outcomes/Outputs (Component 5) N/A
N/A	As per GEF guidelines, M&E outcomes and outputs were included in a separate component (i.e., Component 5)

2. There are no responsible parties for this project. Two responsible partners were initially included in the Child Project concept note for the execution of technical activities for Component 2 (International Union for the Conservation of Nature ? IUCN) and 3 (Conservation International ? CI). These organizations participated in the design process of the project throughout the PPG stage. Both organizations withdraw from their roles in the project. The letter of withdrawal from the project from IUCN and CI is included in Annex 13: Additional agreements of the UNDP-GEF Project Document.

4) Alignment with GEF focal area and/or impact program strategies.

3. The project is aligned with the GEF7 Sustainable Cities Impact Program (SCIP). In addition, the project's strategy includes actions to address objectives of the GEF Biodiversity (BD) Focal Area Strategy and the Climate Change (CC) Focal Area Strategy. More specifically, the project is framed within BD Objective 1-1: Mainstream biodiversity across sectors as well as landscapes and seascapes; Objective 1 of Climate Change Mitigation (CCM-1-2): Promote innovation and technology transfer for sustainable energy breakthroughs for electric drive technologies and electric mobility; and Objective 2 of Climate Change Mitigation (CCM-2-5): Demonstrate mitigation options with systemic impacts for sustainable cities impact program.

5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF and co-financing.

4. The GEF will add to the baseline investments described in Section 2 above. Considering that significant cash/grant co-financing is being provided by the project's partners, the project will be able to use GEF resources to address efforts in developing an enabling framework, with regulatory and legal reforms and pilot initiatives that will enable a sustainable and resilient GAM that integrates transport and solid waste management and green infrastructure to improve the quality of life. With the GEF resources the project will delivering global environmental benefits (reduction of GHG emissions, biodiversity conservation and maintenance of carbon stocks) through the provision of incremental funding, to add on to investments already being made by project partners. As such the project can be deemed as entirely incremental. These actions, which will be implemented during a 5-year period with a GEF investment of USD 10,317,970 and USD 99,131,494 in cofinancing, will be added to the baseline contributions delivering GEBs as follows:

Baseline	Project Alternative and Justification of the Matching Incentive	GEBs
Urban growth relying on a policy framework and urban planning that does not consider urban areas as part of the larger landscape, generating pollution and negatively impacting KBAs	Strengthened national policy and institutional framework and sustainable integrated urban planning for mainstreaming biodiversity conservation and reducing GHG emissions in urban landscapes	1. Improved ecosystems connectivity between green urban areas, IUBC, and KBAs. 2. 2,000 ha of forest cover, green urban spaces, and IUBC restored.
Traditional market-oriented economy in the GAM with no incentives to protect the environment	Greening of private sectors in the GAM through incentives and development of bio-business models formed through PPPs	3. 17,402 ha of peri-urban areas under improved management (reforestation, protection of forested areas in production lands, and sustainable agricultural practices)
Solid waste and wastewater management within the GAM includes discharges into rivers with limited treatment	Incentives for the solid waste and wastewater sectors to improve management through the implementation of circular economy business models and/or industrial symbiosis with a gender focus for sound solid waste management, fecal sludge management, and wastewater management and reuse	3. Improved habitat for biodiversity. 4. 1,947,539 tCO ₂ e of reduced GHG direct and indirect emissions over 20 years (from transport, waste management and forest restoration)
Degradation of riverbanks and poor water quality of streams and rivers	Enhanced capacity of GAM authorities to implement sustainable and integrated urban planning, and monitor and control urban development on riverbanks improves water quality of rivers flowing into KBAs	5. 2,134,932 direct beneficiaries (1,067,466 women, 1,067,466 men)

Limited planning for mobility, lack of energy-efficient modes of transportation, and high GHG emissions in the GAM	Investments in sustainable mobility such as bike-friendly bridges, cycle paths, shared-use paths, pedestrian routes with green areas, and improvements in green sidewalks implemented, reducing GHG emissions towards decarbonization of transport	
Environmental conservation is financed from taxing hydrocarbons, mostly from the transport sector in the GAM	New fiscal policy instruments incorporate 'polluter pays' principles, reforms inequalities in taxation of different fuels, reduces solid waste contamination and GHG emissions through taxation, and aligns with the 2050 decarbonization target	
Solutions and sustainable urban practices not shared	Participation in the SCIP enables the exchange of best practices and knowledge regarding sustainable and integrated urban planning	

6) Global environmental benefits (GEFTF)

5. The global environmental benefits to be delivered by the project are:

? 2,000 ha of land restored. Area to be restored in green urban area in 20 municipalities. Restoration will contribute to: 1) consolidation of the green urban areas in the city, 2) increase in structural connectivity from restoration on connectivity routes, 3) support for the implementation of on-going restoration initiatives. Restoration actions will be verified through a geospatial analysis using high-resolution images (World View 3; 30 cm).

? 17,402 ha of landscapes under improved practices. Improved practices include investments in peri-urban areas, including land with potential for reforestation, areas of water recharge and maintaining forest areas linked to production, and the use of sustainable agricultural practices

? 1,947,539 tCO₂-eq mitigated directly in 20 years: a) Transport sector [transport development and sustainable mobility]: 193,500 tCO₂e; b) carbon sequestration as a result of restoration activities: 605,047 tCO₂e; and c) emissions reductions related to waste management: 948,992 tCO₂e. Indirect emissions: 200,000 tCO₂ (refer to Annex 12[2] for estimations of avoided GHG emission reductions)

? Improved quality of habitat for endemic and threatened urban species

? 2,134,932 direct beneficiaries (1,067,466 women, 1,067,466 men). People residing in 20 municipalities prioritized by the Project that belong to the GAM [urban and rural], population projection based on of the National Institute of Statistics and Censuses [INEC] for 2018.

7) Innovativeness, sustainability and potential for scaling up. ?

6. The project is highly innovative, as for the first time a strategy will be put into place that allows Costa Rica to transition from a traditional market-oriented economy to a green economy, bringing together multiple stakeholders from the public and private sectors, as well as from civil society and academia to develop the regulatory, financial, and institution arrangements needed to

effect this change. This strategy, which will be developed through Component 1, will lay the foundations for the implementation of specific actions in 20 municipalities of GAM. Biodiversity conservation objectives will be mainstreamed through Component 2 to address threats both within the GAM and associated KBAs that are being negatively impacted by the transport, industrial, manufacturing, services, and solid waste and waste water management sectors. Through Component 3, innovative municipal financial instruments will be implemented and the establishment of durable PPPs in the GAM will provide the necessary resources to ensure the sustainability of the project's outcomes. This strategy will result in an innovative urban center with inclusive growth and GEBs. In addition, the project will create a digital platform to better coordinate and support evidence-based planning to cover multiple integrated elements of urban sustainability under this project and other initiatives. Currently, this type of platform does not exist.

7. The basis of the project's sustainability relies on its capacity to engage a variety of stakeholders and build agreements to ensure that the conditions needed to transition to a green economy are in place, including a new environmental legal and regulatory framework, enhanced institutional arrangements and knowledge, market conditions that favor the participation of the private sector (transportation, industrial, manufacturing, services, and solid waste and waste water management sectors), and more environmental, urban land use, and financial information to guide decision-making and sustainable integrated urban planning. The implementation of environmentally friendly production practices by the public and private sectors, along with a stable source of funding from local governments (guaranteed by the legal and regulatory reforms), will provide the necessary resources to generate GEBs beyond project completion. This will translate into improved habitat for biodiversity, the consolidation of IUBCs that serve as areas of connectivity between the KBAs and buffer zones for streams and rivers that flow from the highlands through the GAM, contributing to a reduction in contamination and long-term urban resilience. The renewal of public spaces and green urban areas (green grid) will contribute to a sustainable supply of improved ecosystem services (for example, clean water and habitat for biodiversity) that will contribute to improving the health and quality of life of the residents of the GAM. Sustainable mobility plans will contribute significantly to reducing GHG emissions beyond the life of the project. The implementation of innovative municipal financial instruments (e.g., assessment of property value, improved mechanisms for charging for parking, adjustments for public works in the real estate tax, financing options for solid waste and wastewater management, charging for vehicular congestion, special contributions for investing in urban renovation and issuing green bonds) and the establishment of durable PPPs in the GAM (e.g., management of fecal sludge from the San Jos? sanitary sewer, sustainable urban mobility through bike-train services, solid waste management (organic) for municipal/industrial composting and for the construction of private green urban infrastructure, and recovery of plastic [PET/HDPE/PC] for recycling and reuse in consumer goods) will provide the necessary resources to ensure the sustainability of the project outcomes and generate stable social benefits, such as the increase of green jobs that guarantee gender equality and alleviate the impacts of the COVID 19 pandemic and contribute to economic recovery; it will also ensure durability and follow-up funding for the project.

8. The project will generate the necessary political support at the national and local levels to allow the replication and expansion of outcomes within the country. Project outcomes could be replicated in the other 11 municipalities that make up the GAM and that were not prioritized by the project; furthermore, project outcomes could be replicated in other urban centers in the country such as San Isidro de El General, Liberia, Gu?piles, and Ciudad Quesada, among others. Hence the environment regulatory and legal arrangements facilitated by the project and focused in the GAM area will apply to the whole national context and will be implemented by the roadmap for transitioning to green economy and decarbonization. Although the project is designed to respond to the specific conditions of Costa Rica, this approach has the potential to be replicated to other urban landscapes and cities with similar characteristics within the Latin American and Caribbean region and globally. To this end, the knowledge and lessons learned resulting from the implementation of the project would be systematized and made available through Component 4. The knowledge and lessons learned will be incorporated into guidance documents, capacity-building programs, and platforms for exchange of information and knowledge that promotes local learning and between cities in other countries, taking advantage of the knowledge platforms of Conservation International (CI), International Union for Conservation of Nature (IUCN), UNDP, and the GEF 7 SCIP-GP.

[1] <https://www.cbd.int/countries/profile/default.shtml?country=cr>

[2] Patrones y factores de cambio de la cobertura forestal natural de Costa Rica, 1987-2013, Rodrigo Sierra et al.

[3] Poblaci3n estimada para el 2019 seg3n el Instituto Nacional de Estadística y Censo (INEC). Disponible en INEC, 2020. <https://www.inec.cr/poblacion/temas-especiales-de-poblacion>.

[4] <http://ougam.ucr.ac.cr/index.php/la-gam>

[5] MIDEPLAN, 2010.

[6] State of the Nation Report (2017).

[7] Gonz3lez-Ball, R., Berm3dez-Rojas, T., & Romero-Vargas, M. (2017). Floristic composition and richness of urban domestic gardens in three urban socioeconomic stratifications in the city Heredia, Costa Rica. *Urban Ecosyst*, 20:51-63.

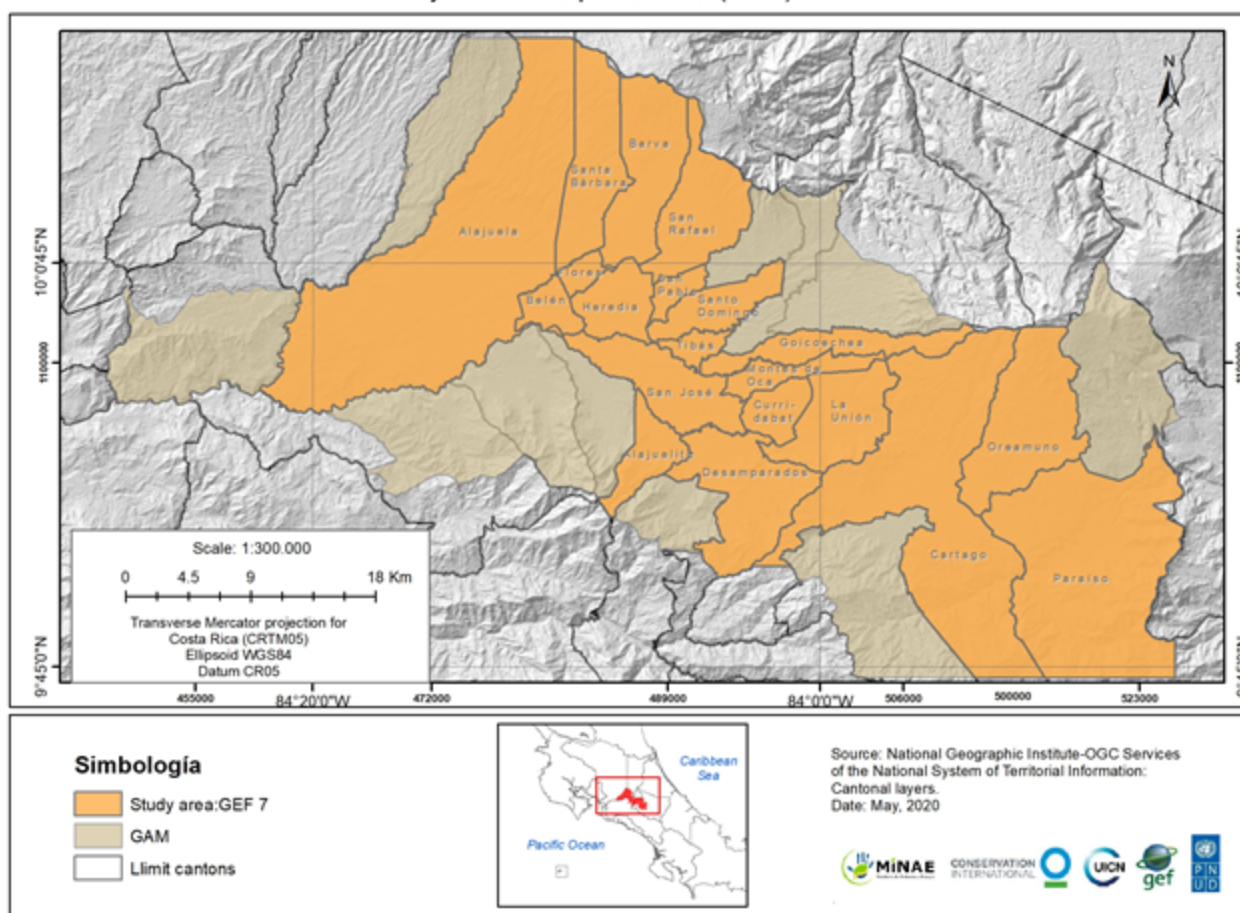
[8] Costa Rica 2019: 2do. Informe Bienal de Actualizaci3n ante la Convenci3n Marco de Naciones Unidas sobre el Cambio Clim3tico. Primera Edici3n.

[9] Fifth National GHG Inventory, 2012.

1b. Project Map and Coordinates

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

GEF 7 study area: Metropolitan Area (GAM) of Costa Rica



1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

1. The project is fully aligned with the SCIP strategy. The project's strategy is integrated across the IP objectives; the project will engage multiple stakeholders (central government, municipalities, and civil society) through Component 1 to work collaboratively to support **sustainable integrated urban planning and policy reform**. Through their multisectoral agreements, then integrated green space and sustainability mobility regional plan, followed by investments in green spaces and sustainable mobility interventions?all of which funded through a sustainable taxation model that aims to reduce CO₂, reduce plastic use, and reduce pollution, the project has a sustainable, integrated, logical approach. Existing urban platforms (e.g., MTR/MET and CMCRGT) will be strengthened to become spaces for technical and political dialogue to define plans, milestones, and decision-making mechanisms for transitioning to an inclusive green economy and sustainable and integrated urban planning. A coordinated and participatory roadmap for the transition to an inclusive green economy and sustainable and integrated urban planning, including decarbonization and greening will be developed. Planning processes for implementing sustainable integrated urban planning will be strengthened through the development and implementation of a Sustainable Regional Urban Renovation Plan that covers the 20 prioritized municipalities. Policy reform will be achieved through seven legal reform proposals, developed through a consultation process, to incorporate ?polluter pays? principles, reform inequalities in taxation of different fuels, and reduce solid waste contamination and GHG emissions through taxation, among others, so that Costa Rica advances

towards a green economy and sustainable integrated urban planning. Sustainable mobility investments under Component 1 will be linked to urban green space interventions under Component 2 (see below); coordination with the SCIP Labs on Strategic Urban Planning will be sought to strengthen related actions.

2. Under Components 2 and 3 the project will **advance innovative models for integrated solutions and investments** that will allow implementing concrete actions that generate environmental benefits. These investments include sustainable integrated low-carbon, resilient, conservation, and land restoration solutions that strengthen the resilience of vulnerable urban populations, contribute to the mitigation of climate change, and achieve decarbonization. Under these components innovative financing and business models for scaling-up sustainable urban solutions will be implemented, including new municipal financing instruments for the maintenance and restoration of urban ecosystem services, the implementation of circular economy business models and bio-business models for the use and transformation of solid wastes and wastewater, and to promote sustainable urban mobility.

3. Finally, Component 4 will facilitate **knowledge management and learning** to promote sustainable integrated urban planning and investments. Solutions and best practices will be shared with the SCIP, which through a national platform will be linked to the SCIP to exchange information and experiences on more sustainable and resilient cities worldwide. Learning will be achieved through the use of the products offered by SCIP, which will benefit urban professionals in Costa Rica as well as municipal technicians and local decision-makers, including women.

2. Stakeholders

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

Civil Society Organizations Yes

Indigenous Peoples and Local Communities Yes

Private Sector Entities Yes

If none of the above, please explain why:

1. Please refer to Annex 8 of the UNDP-GEF Project Document for the Project Comprehensive Stakeholder Engagement Plan. As part of the PPG process, meetings and consultations (both in person and virtual) were held with the different stakeholders including: central government ? ministries and institutes, local governments, national-level indigenous peoples organizations, women and women groups, environment and conservation interest urban groups and NGOs, academia and institutions providing technical and scientific support, development partners and staff of related initiatives underway or planned, the private sector, and multi stakeholder platforms. Consultation with this and other stakeholder will continue during project implementation and their participation in project activities will be ensured through different means. These include: workshops and meetings, consultations with experts, field visits, interviews, Project Board, and national and international events for exchanges of experiences among urban decision-makers and practitioners and other stakeholders, among others.

2. The project will develop a communication strategy as part of the Comprehensive Stakeholder Engagement plan that will be adapted to the project implementation needs given the diversity of the project stakeholders. The communications strategy will use informational formats that are considered to be optimal for contributing to the greatest understanding and appropriation of the project by the project stakeholders. In addition, the project includes a grievance mechanism to address and resolve complaints or grievances that arise during the project implementation phase. Stakeholders will be informed about its existence and may use it as they need to; the Project Manager will be in charge of documenting and managing grievances. Other important mechanisms for involving

stakeholders include the Gender Action Plan, the Indigenous Peoples Plan (IPP) (to be developed during project implementation base on the Indigenous Peoples Plan Framework [IPPF] developed during the PPG), UNDP's Social and Environmental Screening Procedure (SESP) tool and risk mitigation plans, and decentralized and participatory M&E. The project management unit (PMU) will implement the Comprehensive Stakeholder Participation Plan, the IPP/IPPF, the Gender Action Plan, as well as the guidelines related to safeguards and risk mitigation plans. The Project Manager will direct the PMU, and will promote the participation of stakeholders and will mediate conflicts that may arise between them. The above mechanisms for stakeholder participation are explained in detail in the Project Comprehensive Stakeholder Engagement Plan and the ESMF (Annex 9 of the UNDP-GEF Project Document).

3. Stakeholder engagement during the PPG included an inception workshop held on February 21, 2020 in San Jos?, Costa Rica, with the aim of providing information about the project's objective and the identification of key stakeholders and their actions in the GAM, as well as to identify various aspects related to the project's baseline. In-depth interviews, focus groups (mainly through virtual platforms because of the restrictions imposed by the COVID-19 pandemic), and online surveys were held from May through July 2020, including a Results Framework Workshop with over 103 participants (52% were women). A Validation Workshop was held on October 22, 2020, during which the project components, activities, budget, management arrangements, and environmental social safeguards were discussed and validated with over 100 participants. Specific information about the main activities that will be carried out with stakeholder involvement during the PPG phase is included in Annex 8: Comprehensive Stakeholder Engagement Plan.

Please provide the Stakeholder Engagement Plan or equivalent assessment.

Comprehensive Stakeholder Engagement Plan attached

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

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier; Yes

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

Executor or co-executor;

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Incorporation of gender equity and social issues mechanisms into the technical and political dialogue platform (MTM and CGICTR) in which the stages, milestones, and governance and decision-making mechanisms for the transition to an inclusive green economy and sustainable and integrated urban planning, including decarbonization, are defined. <i>(Output 1.1.1)</i>	Number of representatives of the municipal women's offices in the technical and political dialogue platforms	MTM: At least 5 representatives CGICTR: At least 5 representatives	0	Included as part of the project component.	Years 1 to 5	OTS Gender specialist Project Manager

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Preparation of the roadmap in a coordinated and participatory manner for the transition towards an inclusive green economy and sustainable and integrated urban planning, including decarbonization and verification with a gender perspective. <i>(Output 1.1.2)</i>	Number of consultation workshops with women's groups and care centers	At least 20 workshops (one per prioritized municipality)	0	Included as part of the project component. + \$1,500 for child care expenses of participating women and some of their transportation expenses (if required).	Years 1 and 2	OTS Gender specialist Project Manager Specialists in social issues and consultations
Preparation of the GAM Regional Plan for Sustainable Urban Renewal for 20 municipalities, which includes the gender perspective, together with all stakeholders involved and through participatory processes that include social groups of women, youth, people with disabilities, and older adults. <i>(Output 1.1.3 a)</i>	Number of consultation workshops with groups of women and representatives of young people, people with disabilities, and older adults	At least 1 consultation workshop per geographic segment (neighboring municipalities of the 20 that are prioritized by the project)	0	Included as part of the project component. + \$1,500 for child care expenses of participating women and some of their transportation expenses (if required).	Years 1 and 2	OTS Gender specialist Project Manager Specialists in social consultations
	Inclusion of sociodemographic variables in the spatial maps of the GAM Regional Plan for Urban Renovation	100% of the maps include sociodemographic variables	0	Included as part of the project component.	Years 1 to 3 (with results of the 2021 Census)	OTS Gender specialist GIS specialist

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Development of an urban green strategy to restore and conserve public and private green spaces for the provision of ecosystem services in the GAM, which considers citizen security and inclusion (<i>Output 1.1.3 b</i>)	Percentage of municipalities in which a green strategy is developed in which a population with low social development or in a condition of poverty resides	At least 30% of the prioritized municipalities	0	Included as part of the project component.	Years 1 and 2 of the project	OTS Gender specialist Project Manager
	Percentage of women who lead the teams that develop the strategy	At least 40%	0	Included as part of the project component.	The entire length of the project	
Implementation of the awareness and communication strategy on the objectives and desired effects of a reform of green legislation aimed at the urban sector with a gender and social inclusion perspective (<i>Output 1.1.4</i>)	Percentage of the target population in the national territory and productive sectors (including micro-small, associative, cooperatives) that know about the desired effects of a reform of green legislation oriented to the urban sector with a gender and social inclusion perspective	At least 60% of the target population with knowledge and understanding of the issues communicated with a gender perspective (awareness) measured through quantitative research tools (surveys)	0	Included as part of the project component.	Years 1 and 2 of the project	OTS Gender specialist Project Manager Communications Specialist

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
	Number of inquiries on awareness and communication strategy to be implemented	At least 1 qualitative consultation per target population segment in the GAM (youth, women, productive sectors)	0	Included as part of the project component. + \$1,500 for child care expenses for participating women and some of their transportation expenses (if required)		OTS Gender specialist Project Manager Specialist in social issues and consultations
	Percentage of registration and processing of consultations and responses to consultations received	100% of the consultations processed	0	Stakeholder plan	The entire length of the project	Project Manager
Preparation of legislative reform proposals (bills) and submission to the Legislative Assembly (<i>Output 1.1.5</i>)	Estimation of the social (with gender perspective) and productive impacts of the changes in production costs introduced by the proposed modifications in the bills	Analysis of the social and productive impact incorporated into documents that accompany the reform proposals	0	Included as part of the project component	Years 1 and 2 of the project	OTS and consultation for analysis Gender specialist
	Number of reviews by the Indigenous Consultation Commission and the Technical Unit for Indigenous Consultation (FPIC), as appropriate	All the necessary activations of the consultation process with the indigenous population and/or FPIC, as appropriate	0	Included as part of the project component and indigenous safeguard	Years 1 and 2 of the project	Project Manager

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Propose institutional reforms in the environmental sector aligned with the transition to a green economy with a gender and social inclusion perspective (<i>Output 1.1.6</i>)	Number of consultations with various social sectors on the institutional reform proposal	At least 1 workshop per sector identified to ensure social inclusion	0	Included as part of the project component. + \$1,500 for child care expenses for participating women and some of their transportation expenses (if required).	Years 1 and 2 of the project	OTS Gender specialist Specialists in social issues and consultations
	Estimation of the social impacts/ Social and environmental Assessment (SESA), according to UNDP SES requirements (with a gender perspective) of institutional reforms in the environment sector aligned with the transition towards a green economy	Analysis of social impact incorporated into documents that accompany the reform proposals	0	Included as part of the project component.	Years 1 and 2 of the project	OTS Gender specialist
Programming of institutional and capacity training with a gender perspective for at least 1,200 people (e.g., local	Percentage of women who benefit from training	At least 30%	0	Included as part of the project component	Years 1 and 2 of the project	OTS Gender specialist
	Percentage of women who provide training	At least 30%	0	+ Specific training		

[illegible]

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Restoration of critical urban areas; a) identification of intervention zones and prioritization of areas to restore with native species; b) coalition made up of public and private stakeholders that allows incorporating private areas into the restoration and conservation process; c) consolidation of public green spaces, urban green areas, and CBI creates resilience of vulnerable urban populations and contributes to the mitigation of climate change.	Number of representatives of the women's offices of the municipalities participating in the identification and monitoring of areas of intervention	1 representative of the women's offices per committee	0	Included as part of the project component.	Years 1 and 2 Monitoring of the orchards and maintenance through to the completion of the project	OTS Gender specialist Project Manager Specialists in social issues and consultations
	Number of consultation workshops by prioritized geographic segment	At least 1 consultation workshop per segment	0	Included as part of the project component. + \$1,500 for child care expenses for participating women and some of their transportation expenses (if required) to the workshop.	Years 1 and 2 of the project	OTS Gender specialist Project Manager Specialists in social issues and consultations

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
(2.1.1)	Percentage of women who participate in training and citizen awareness for silvicultural monitoring and maintenance of the restored areas. (Within Output 1.1.7)	At least 50% per municipality intervened	0	Included as part of the project component.	Years 1 and 2 Monitoring of the orchards and maintenance through to the completion of the project	OTS Gender specialist Project Manager Specialists in social issues and consultations
	Percentage of women who undertake restoration, follow-up, and monitoring tasks (such as nurseries and supply of vegetative material)	At least 40%	0	Included as part of the project component.	The entire length of the project	IUCN Gender specialist
Participatory plans for the management of the green urban spaces per municipality with a gender perspective. (2.1.2)	Number of participants who support the gender approach in consultation meetings on the green network management plan	At least 1 representative of the women's offices and 1 leader of community groups in the meetings scheduled for consultation in each of the 20 municipalities	0	Included as part of the project component.	The entire length of the project	OTS

[illegible]

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Economic analysis developed to promote business models under different innovative business and financing figures to achieve decarbonization and the delivery of global environmental benefits in the GAM. This includes analysis of the Business-as-Usual Scenario versus the reformed scenario for management of solid waste (for example, plastics and	Analysis of experiences of affirmative actions around gender issues.	Incorporation of at least 3 experiences of affirmative actions on gender issues in the document relevant to the GAM.	0	Included as part of the project component.	Years 1 and 2	OTS Gender specialist Project Manager Consultant, or business consultant, for developing circular economy business models, with an emphasis on inclusion of female labor.
	Preparation of proposals for the incorporation of productive models of circular economy.	Definition of at least 2 productive models of circular economy with a gender perspective.				OTS Gender specialist Project Manager

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
organic waste), sewage, fecal sludge, bio businesses in urban areas, and active mobility. This will promote a circular economy and actions to increase equitable employment rates for men and women in the sector and includes an evaluation of the efficiency of the economic instruments currently applied, both by the central government and by local governments. (3.1.1)	Number of consultations on ways to facilitate women's access to the labor market through activities that promote circular economy productive models.	At least 1 consultation workshop per prioritized geographic segment, with a gender perspective.	0	Included as part of the project component. + \$1,500 for child care expenses for participating women and some of their transportation expenses (if required) to the workshop.	Years 1 and 2	OTS Gender specialist Project Manager Specialists in social issues and consultations. Consultant with experience in labor issues, as well as experience in gender themes as they apply to labor.
New municipal financing instruments implemented with a gender focus (for example, instruments for capturing value, improved mechanisms for charging for parking, property tax adjustments for	Number of jobs created by labor initiatives or undertakings of circular economy production models that, due to their conditions, favor women's access to the labor market in addition to men's.	At least 500 green jobs (50% women; 50% men) generated as a result of innovative financing and business models.	0	Included as part of the project component.	From Year 2 to 5	OTS Gender specialist Project Manager

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
<p>public works, financing options for wastewater and solid waste management, charging for vehicular congestion, special contributions for investment in urban renewal and issuance of green bonds), as well as improving the efficiency of implementation of current economic instruments, which promote the following:</p> <p>a) Maintenance and restoration of urban ecosystem services;</p> <p>b) Business models of circular economy and/or industrial symbiosis with a gender approach for the management of solid waste, fecal sludge, and wastewater, the management and reuse and achievement of decarbonization, including</p>	Percentage of women who benefit from jobs	50%	0	Included as part of the project component.	The entire length of the project	<p>OTS</p> <p>Gender specialist</p> <p>Project Manager</p>

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
At least three bio-business models, made up of public-private partnerships (PPPs), micro- and small businesses and associations at the community level with a gender focus established within the GAM to support inclusive investments for the maintenance of urban ecosystem services and the restoration of CBI, good management of solid waste and sewage, fecal sludge, and active mobility linked to the Electric Train. (3.1.3)	Number of bio-business models established that have a gender focus	3 bio-business models	0	Included as part of the project component.	From Year 2 to 5	OTS Gender specialist Project Manager
Technical support to companies that work in bio-businesses to boost their market power and demonstrability at-scale for their replicability. (3.1.4)	Number of pilot experiences of mechanism implementation	At least 1	0	Included as part of the project component.	From Year 2 to 5	CI Gender specialist Project Manager
	Percentage of women who participate in the pilot implementation	At least 40%	0	Included as part of the project component.	Entire length of the project	CI Gender specialist Project Manager

Gender-related activity	Indicator	Target	Baseline	Budget	Timeline	Responsibility
Component 4. Advocacy, Knowledge Exchange, Capacity Building, and Partnerships.						
Information and knowledge exchange actions established at the national level allow the systematization of lessons learned and best practices, and increase awareness about sustainable integrated urban planning, the transition to an urban green economy, and gender aspects, among other issues (4.1.1)	Number of knowledge products (such as publications and knowledge exchanges) on green economy and urban sustainability with a gender and social inclusion perspective, available at the local, national, and regional levels, including the SCIP web platform, for replication and scaling of successful experiences in other urban landscapes.	At least 4	0	Included as part of the project component.	From Year 2 to 5	OTS Communication specialist Gender specialist
South-South learning and communication strategy implemented through SCIP and other existing global networks, to disseminate international methods and lessons learned about sustainable cities with a gender perspective (4.1.2)	Number of urban professionals, municipal technicians, and local decision-makers, among others, who use the knowledge acquired from the training or materials of the Sustainable Cities Impact Program (SCIP)	At least 500	0	Included as part of the project component	From Year 2 to 5	OTS Gender specialist
	Percentage of women who benefit from the learning and communication strategy	At least 50%	0%			

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;

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

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.

1. The private sector engagement strategy will focus on liaising with companies currently investing or willing to invest in businesses to reduce solid waste, wastewater, and transport sector-related environmental problems in the GAM. The project will broker private sector investment in these areas by supporting bio-business models formed from public-private partnerships PPP. This will include: a) Management of fecal sludge from the San Jos? sanitary sewer (Los Tajos Plant), through a public-private alliance (public service concession), in which the AyA grants a concession to operate the plant to a company with international experience in these matters, or a local company that may have a ?Joint Venture? with an international company; b) Sustainable urban mobility through bike-train services with emphasis on the north and south axes of the GAM, through a private operator or in a complementary operation to the MET concession; and c) Solid waste management (organic) for municipal/industrial composting and for the construction of private green urban infrastructure such as green roofs and walls and public urban infrastructure (parks, roads, etc.) through private enterprises.

2. The project will also leverage blended finance solutions for nature-based investments in the urban landscape. This may include the creation of private conservation/protection reserves as part of the strategy to establishing Urban Natural Parks (PANUs). Private reserves can be created in protected/forest lands that are partially urban developments, such as condominiums, commercial strips, and industrial areas. The project will engage private landowners to establish private reserves and encourage them to invest in their management as a biodiversity conservation and nature-based solution.

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

1. During the PPG, the project risks were updated and mitigation measures were proposed based on UNDP's Social and Environmental Screening Procedure (SESP) and other risks identified at the time of the Child Project concept note, including climate change. The project has been classified as substantial risk.

2. Climate Risks: The most frequent and extreme events that produce weather events are tropical depressions, tropical storms, hurricanes, low-pressure systems, troughs, and cold fronts. Any of these phenomena can cause intense flooding.[1] Climate variability in Costa Rica is more related to ENSO (El Niño Southern Oscillation). During El Niño there is a greater likelihood that the Pacific slope and Central regions experience a range of dry to extremely dry conditions, while in the Caribbean there is a greater likelihood of extremely rainy conditions. According to the National Meteorological Institute projections, temperatures by 2070 will increase 3-6 °C compared to average temperatures recorded between 1961-1990. In addition, a National Climate Change Strategy (ENCC) and Action Plan has been developed[2] and Costa Rica has the goal to achieve a decarbonized economy with net-zero emissions by 2050.[3]

3. The project's vulnerability to climate change is related primarily to landslides and flooding (extreme hydrometeorological events), which are becoming more common in the GAM and are associated with poor land use planning and the presence of unstable soils. Severe or local storms are common and frequent in the GAM and are sometimes accompanied by electrical storms. The most common problems are associated with floods that range from urban overflows due to failures in the sewer systems to overflowing rivers, destruction of diverse infrastructure, landslides, and other high-level impacts in the urban and rural areas of the GAM. In addition, Costa Rica's location on the subduction zone of the Coco, Caribe, and Nazca tectonic plates gives rise to its high seismicity profile (seismic vulnerability). There is a large number of local faults within the GAM that have caused destructive earthquakes of intermediate magnitudes (5.0 > Ms > 6.5). Their destructive potential is associated with the region's vulnerability because of its growing population density within a context of extremely irregular topography, urbanization of areas with active fault zones, poor land use planning, progressive degradation of construction quality, and an increase of informal human settlements in urban and peri-urban areas.[4]

4. The exposure of the project to climate change is moderate as well as the likelihood of the occurrence of climate-related events has been rated as moderate. This rating considers the vulnerability of the GAM and the impact of extreme climate events on the project, especially due to the likelihood of floods and landslides the rainy. Accordingly, this risk is rated as moderate.

5. The mitigation measures considered include:

? The restoration of degraded areas to reducing the risk of flooding and flash floods of rivers. Most of these impacts are due to the problems of improperly maintaining the urban hydraulic infrastructure, construction deficiencies, or the location of infrastructure in high-risk areas, as well as poor land use planning. In general this does not negatively affect the functioning of the project, except for instances of temporary road closures, for example. Nevertheless, because of the project's interaction with a great diversity of planning and decision-making stakeholders, including local governments, there are numerous possibilities to promote actions that can be taken to reduce negative impacts from flooding and heavy precipitation. These must also incorporate the efforts and vision for sustainable development promoted by the project, particularly through the wastewater management initiative *¿Mi Barrio Se Conecta?*

? Coordinate actions with the National Risk Prevention System of the National Commission for Risk Prevention and Emergency Management (CNE).

? Sustainable mobility plans to support alternative modes of urban transportation will reduce GHG emissions and build resiliency to climate change in the GAM.

? Because of its interaction with a great diversity of planning and decision-making stakeholders, including local governments, the project has an enormous potential to advocate and promote defined actions aimed at reducing seismic vulnerabilities. These must also incorporate the efforts and vision for sustainable development promoted by the project and the expertise of the hired staff.

6. COVID-19 risks:

? The risk of the spread of COVID-19 and other virulent communicable diseases in the project area is substantial. The GAM includes conurbations of the four largest cities in the country and has a population of 3 million inhabitants in an area of 2,044 km², constituting the main urban area of Costa Rica. The capital city, San José, acts as a great employment and services provider attracting people traveling many kilometers in public transport and vulnerable to situations that facilitates the rapid spread of COVID-19. The Pandemic has significantly impacted the country in terms of lives lost; a saturated health service that has reduced attention and treatment for other pathologies; an economic contraction that resulted from the closure of business activity due to social distancing restrictions; and a huge decrease of international tourism arrivals which typically generate close to 8% of GDP. With 21% of government revenues depending on of hydrocarbon consumption taxes, the reduction of oil prices in 2020, substantially impacted fiscal revenues implying in a reduction of future government expenditures. The project will work to promote structural changes that will redesign how fiscal revenues are generated in the country, meaning Costa Rica can recover better and sustainably detaching growth and public expenditure from revenues generated by fossil fuels. The project offers a unique opportunity for national and local government entities and private sector to collaboratively discuss, agree, plan and implement economic policy reforms as one of the key tools for economic transitioning towards a green economy.

? Mitigation measures: Government authorities have adopted sanitary and restricted movement measures and have provided information reduce spaces for spreading contagion. In general, people have learned to abide by these requirements in public places and workplaces, and apply the recommendations in their homes. The network coverage and access to communications technology in the GAM is quite acceptable, and this allows for business continuity for those activities that do not require physical presence. As of September 20, 2021, the Ministry of Health reported that 38.81% of the population was fully vaccinated. Further, the government has begun vaccinating the large number of refugee and regular or irregular resident migrants (source: Ministry of Health 09-17-2021) in the GAM. restrictions when planning all project activities.

The risks that might prevent the project objectives from being achieved are summarized below including their mitigation strategy:

[1] Third National Communication to the UNFCCC (2015).

[2] Costa Rica. Ministerio de Ambiente, Energía y Telecomunicaciones. 2009. Estrategia Nacional de Cambio Climático.

[3] National Decarbonization Plan. Government of Costa Rica, 2018-2050.

[4] Fernández & Montero, Revista Geológica de América Central, 26: 25-37, 2002.

#	Description	Risk Category	Impact & Probability	Risk Treatment / Management Measures	Risk Owner
---	-------------	---------------	----------------------	--------------------------------------	------------

1	<p>SESP Risk 1: As a partial result of limited capacities in the municipalities, poorly execution of project activities could damage critical or sensitive habitats, including within and adjacent to protected areas and KBAs and through the introduction of invasive alien species during forest restoration activities.</p>	<p>Moderate</p> <p>Operational Strategic Environmental</p>	<p>Currently there is limited capacity of municipal governments to enforce protection zones (i.e., buffer areas surrounding water springs and along rivers and streams within private lands, and in preventing urbanization along riverbanks, generates problems such as pollution and solid waste dumping.</p> <p>This type of problem crosses the political-administrative borders of the municipalities, which lack mechanisms for effective coordination for environmental management.</p> <p>The project targets to restore 2,000 ha of forest areas with native species, including green urban spaces, urban riverbanks, and IUBCs in the GAM.</p> <p>L = 4 I = 3</p>	<p>Component 1 of the project will implement a municipal training program to enhance the capacity needed to implement environmental and sustainable integrated urban planning in the project area. In addition, through Component 4, the project will implement knowledge management activities directed to share project-related information that will also contribute to increase the capacity of municipalities to implement project activities according to environmental risk assessment.</p> <p>For this risk, a Biodiversity Action Plan will be prepared. Restoration activities, including reforestation, will only include native species.</p> <p>Capacity development needs were assessed as part of the PPG using UNDP's Capacity Development Scorecard and a baseline score and targets were determined.</p> <p>Sustainable integrated urban planning includes the development and implementation of a coordinated and</p>	<p>MINAE OTS</p>
---	--	--	---	---	----------------------

2	<p>SESP Risk 2: Policy proposals could have unintended negative social and/or environmental impacts if social and cultural aspects are not considered and in consequence, design and execution will have no social legitimacy and sustainability will be compromised.</p>	<p>Substantial]</p> <p>Political Regulatory</p>	<p>The project will support a legislative reform that eliminates perverse incentives promoting emissions and loss of biodiversity in urban landscapes, which may result in unintended negative social and/or environmental impacts.</p> <p>L = 3 I = 4</p>	<p>During the PPG, a feasibility assessment of the legislative reform to reduce emissions and loss of biodiversity in urban landscapes was conducted, including consultations with stakeholders that may be impacted.</p> <p>A SESA will be required for the policy-level activities as detailed in the ESMF and noted in the specific activities (in the ProDoc, Output 1.1.5).</p>	<p>MINAE OTS</p>
---	--	---	--	--	----------------------

3	<p>SESP Risk 3: Political conflicts could arise from the new policy and tax regulations, from the private sector and other stakeholders.</p>	<p>Substantial</p> <p>Political Regulatory</p>	<p>The project will support a legislative reform that introduces new taxes for innovative urban financing. Private sector representatives could consider tax regulations and norms related to pollution control as harmful for economic development of their enterprises and could carry out advocacy actions against the bills of law in the Congress and the media.</p> <p>L = 5 I = 3</p>	<p>To mitigate this risk, a process of communication and permanent dialogue with the private sector will be necessary, including information on the evidence of the economic benefits of proposed legislation. It will be included in the SESA for activities in Component 1 (Outputs, 1.1.4 and 1.1.5)</p> <p>It will be necessary to evaluate the need for transition measures (subsidies, compensation, incentives for technological change, for example) to encourage companies to move towards a green economy.</p>	<p>MINAE OTS</p>
---	---	--	--	--	----------------------

4	SESP Risk 4: Risk of illegal disposal of polluting waste, both solid and liquid, as a result of new regulations related to the green economy.	Substantial Regulatory Environmental	The project will support a legislative reform that eliminates perverse incentives promoting emissions and loss of biodiversity in urban landscapes, which may result in unintended negative social and/or environmental impacts. L = 3 I = 4	This risk will be mitigated by establishing in the proposed laws, policy actions aimed at offering incentives to companies to transform their waste disposal methods and also promoting education on the subject, both for companies and for the population that could be affected. It will be included in the SESA for Output 1.1.5.	MINAE OTS
5	SESP Risk 5: Changes in land values as a result of project interventions could increase land taxes beyond the reach of the lower income population.	Substantial Regulatory Social	The project will support a legislative reform that eliminates perverse incentives promoting emissions and loss of biodiversity in urban landscapes, which may result in unintended negative social and/or environmental impacts. L = 4 I = 4	This risk will be mitigated by including in the law proposals, specific actions to protect the socioeconomically vulnerable population from its negative impacts. It will be included in the SESA for Output 1.1.5.	MINAE OTS

6	SESP Risk 6: There could be adverse impacts to gender equality and limited access to opportunities and benefits by women.	Moderate Social Operational Strategic	Costa Rica has made great progress in empowering women and achieving gender equality in the past few decades. However, women still face lower participation rates, higher rates of unemployment, underemployment and informal work, and lower-than-average wages than men. The GAM concentrates the largest number of women in situations of vulnerability (immigrants, heads of household, inhabitants in risk-prone areas, for example). L = 2 I = 3	This risk will be managed through the Gender Action Plan also developed as part of the PPG and which will include specific activities for gender mainstreaming and gender-based indicators. In addition, the PRF includes gender-based indicators.	MINAE OTS
---	---	--	--	--	--------------

7	<p>SESP Risk 7: Project activities and outcomes (urban land and IUBC restoration, improved landscapes, investments in sustainable mobility) will be vulnerable to the potential impacts of climate change and other natural or anthropic risks.</p>	<p>Moderate</p> <p>Social and Environmental Strategic</p>	<p>Costa Rica's central valley and its surrounding mountain ranges are susceptible to climate change, and changes in temperature and precipitation may occur. In particular more frequent and intense rainfall may affect degraded areas</p> <p>L = 3 I = 3</p>	<p>The restoration of degraded will contribute to reducing the risk of flooding and flash floods of rivers. As restoration areas have not yet been defined, this risk has been covered in the ESMF; it will be evaluated in the course of the ESIA, and included in the ESMP as determined necessary. In addition the project will coordinate actions with the National Risk Prevention System of the National Commission for Risk Prevention and Emergency Management (CNE).</p> <p>The project will also improve ecosystem connectivity between mountain ranges surrounding the GAM and downstream KBAs; this will be achieved by strengthening IUBCs improving the resilience of urban biodiversity through increasing species' mobility and providing refuge against climate variability. In addition, sustainable mobility plans to support alternative modes of urban transportation will reduce GHG emissions and build resiliency to climate change in the GAM.</p>	<p>MINAE OTS</p>
---	--	---	---	---	----------------------

8	SESP Risk 8: The design of biological corridors, urban green areas and mobility zones may not consider the needs of people with disabilities, women and the most vulnerable age groups.	Moderate Social Operational Strategic	Poor design of conservation and urban mobility solutions may exclude vulnerable urban populations. L = 4 I = 2	To mitigate this risk, an ESIA will be prepared for each project when its characteristics and location are defined, considering national legislation on accessibility (Law 7600 for example) and the risks ascribed to gender and age.	MINAE OTS
---	---	--	--	--	--------------

9	<p>SESP Risk 9: The Project poses potential health risks to individuals handling waste, including plastics, which may contain hazardous or dangerous materials such as chemicals. Project activities may result in exposure of staff and stakeholders to COVID-19.</p>	Social Operational Strategic	<p>The project includes activities to promote the sound management and reuse of solid waste management, fecal sludge, and wastewater.</p> <p>The COVID-19 pandemic may still not be under control by the time the project is implemented</p> <p>L = 4 I = 3</p>	<p>The design of project activities project will include the adoption of international hazard guidelines regarding the management of solid waste and wastewater management, including best practice guidance for waste-plastic management and such as those of the International Labour Organization of the United National and UN Water for wastewater management to reduce this risk. This risk has been covered in the ESMF; it will be evaluated in the course of the ESIA, and included in the ESMP as determined necessary.</p> <p>To manage the risk of exposure to pandemic situations (COVID-19, for example),, activities in the field will be rescheduled and carried out remotely, as feasible (telephone communications, forums, online/Website, network exchanges, etc.) and taking into account related government and UN DSS guidance health regulations. In addition UNDP corporate tools for COVID-19 risk management,</p>	MINAE OTS
---	---	------------------------------------	---	--	--------------

10	SESP Risk 10: Policy changes aimed at the control and treatment of solid waste could lead to negative responses from the private sector, which could carry out counter-advocacy actions in Congress and influence other stakeholders in civil society.	Moderate Regulatory Social	The project will support a legislative reform that eliminates perverse incentives promoting emissions and loss of biodiversity in urban landscapes, which may result in unintended negative social and/or environmental impacts. L=4 I=3	The upstream aspect of this risk will be covered by the SESA (Output 1.1.5).	MINAE OTS
11	SESP Risk 11: The Project may result in economic displacement (e.g. loss of assets or access restrictions) due to field activities (IUBC, restoration, for example) along ecological sensitive areas such as riverbanks and forested buffer zones in the GAM.	Moderate Social Strategic	The project will develop sustainable and integrated urban plan for the GAM that will allow consolidating spatial planning green public spaces, green urban areas, IUBCs, and restoring urban riverbanks. L = 4 I = 3	This risk will be evaluated in the course of the ESIA, and included in the ESMP as determined necessary..	MINAE OTS

12	<p>SESP Risk 12: Policy and legal reforms proposed under Component 1, may affect the human rights, lands, natural resources, territories and traditional livelihoods of indigenous peoples.</p>	<p>Moderate</p> <p>Social and Environmental Political Regulatory Strategic</p>	<p>Some legal reforms that the project will propose may have an impact on indigenous peoples, their livelihoods and territories. In particular, their rights to self-determination and management of their territories and natural resources could be affected.</p> <p>L = 3 I = 3</p>	<p>During the PPG, a preliminary assessment of these potential impacts was carried out; based on that assessment it was determined that the project's activities under Component 1 require an IPPF, which. The project will establish an Indigenous Peoples Consultative Commission (IPCC) that will evaluate legislative and normative proposals SES according to SES requirements and international standards of indigenous rights in order to assess whether consultation and / or FPIC is required. The IPCC will be established in the IPPF as part of the risk mitigation strategy, including a grievance mechanism in line with Standard 6 requirements.</p>	<p>MINAE OTS</p>
----	--	--	--	---	----------------------

13	SESP Risk 13: the proposed Project may result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values within the GAM.	Moderate Social Cultural Strategic	The project will promote sustainable mobility in the municipalities of the GAM connected by the electric train; site or structures of cultural value may be present along the route of the electric train L = 2 I = 3	To avoid this risk and to establish the necessary measures for the protection of the heritage, the design of sustainable mobility facilities, biological corridors, restoration areas and landscape improvement will consider the cultural heritage respect and conservation.	MINAE OTS
14	SESP Risk 14: During the project implementation process (ecosystem restoration, biological corridors, sustainable mobility...), workers' rights may not be respected.	Moderate Social Operational Strategic	L = 2 I = 3	All contracts signed in the context of the project execution will contain clauses related to the respect of labour laws and worker's rights. The project will coordinate a permanent inspection mechanism with the Ministry of Labor.	MINAE OTS

15	SESP Risk 15: Activities stemming from Project cofinancing may not comply with the UNDP SES.	Moderate Social Environmental Strategic	All co-financing (USD 99,131,494) fall under category 1.b: Co-financing not administered by UNDP but included in UNDP project, of the categories for co-financing and UNDP accountability.. L=2 I=4	During first year of project execution the project Specialist in Environmental and Social Safeguards, in coordination with the Project Manager, will review all project-related activities (including those directly supported by partners/co-financing) to ensure that potential social and environmental risks of those activities do not compromise the outcomes and outputs of UNDP-supported activities. Mitigation measures will be proposed as needed and risks will be revised and updated annually. This risk has been included in the ESMF.	UNDP OTS
----	--	--	---	---	-------------

16	Other Risks 1: the financial incentives that will be made available by the project may not be enough to promote the transition to a green economy and private sector investments may be limited.	Moderate Financial Political Strategic	<p>Municipalities finance most of their spending obligations with their own resources, although in some cases they receive funds from the national government. The transition to an urban green economy will require additional resources to support certain activities from local governments. However, due to the dire fiscal situation of the country caused by the COVID-19 crisis, there is no real financing from the national government to local governments, so local financing mechanisms will need to be created</p> <p>L = 2 I = 4</p>	<p>To mitigate this risk, the project will work very closely with the 20 prioritized municipalities to ensure that new municipal financing instruments (assessment of property value, improved mechanisms for charging for parking, adjustments for public works in the real estate tax, financing options for solid waste and wastewater management, charging for vehicular congestion, special contributions for investing in urban renovation and issuing green bonds) develop and implement them. In case the policy reforms proposed by the project are not approved, the project will take advantage of the existing opportunities in Costa Rican legislation to direct more resources for sustainable urban solutions.</p>	MINAE OTS
----	--	---	--	---	--------------

17	Other Risks 2: Lack of political will limits the development of legal reforms and financial instruments to support the transition to a green economy	Moderate Political Strategic	<p>Lack of agreement on a legal and policy reform will prevent the transitioning to a green economy, the decarbonization in the GAM, and the delivery of GEBs.</p> <p>L = 3 I = 4</p>	<p>During the project design wide political support to achieve the project's objective was achieved. This includes support from the Minister of the Environment and Energy (MINAE) and the Office of the First Lady/Presidential House, and the participation of representatives from other government agencies (e.g., Ministry of Finance, MOPT, MIVAH, SINAC, MIDEPLAN, INCOFER, and AyA) as well of municipalities in the GAM in the design of the project. During the implementation political dialogue will continue to build further support to the project, including for the proposed legal and policy reform.</p> <p>A national awareness-raising and communication strategy will be implemented to build awareness among the public and decision-makers (including the Legislative Assembly and the candidates for president and deputies during the campaign for the elections for the constitutional period 2022-2026) about the importance of legal and institutional</p>	MINAE OTS
----	---	--	---	--	--------------

18	<p>Due to the COVID-19 pandemic, there may be delays in the execution of some project activities, particularly in the field, and low budget execution in the early stages of project implementation.</p>	<p>Moderate</p> <p>Environmental Social Operational</p>	<p>Initial arrangements and inter-institutional coordination with government partners at the national and municipal level may be delayed.</p> <p>At the field level, activities could be postponed and even come to a halt due to restrictions in movement and curfews at the municipal level.</p> <p>L = 3 I = 3</p>	<p>To mitigate this risk and taking into account the government regulations, meetings with partners (Project Board, Technical Committee, etc.) at the central and municipal level will be held through virtual platforms.</p> <p>If it is not possible to work in the field, activities will be rescheduled and carried out remotely, as feasible (telephone communications, forums, online/Website, network exchanges, etc.).</p> <p>The planned activities will be evaluated quarterly with the project partners; adaptive management will be used, as needed.</p> <p>Apply UNDP corporate tools for COVID-19 risk management, including UNDP's response offer on green recovery and pathway beyond recovery towards 2030.</p> <p>GEF Guidelines regarding Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics have been considered</p>	<p>MINAE OTS</p>
----	--	---	---	--	----------------------

19	Climate change may affect project activities and outcomes	Environmental	<p>Costa Rica is highly vulnerable to climate change. In the GAM more intense precipitation and extreme events such as storms and floods are expected. On other hand, Costa Rica has made an international commitment to become carbon neutral.</p> <p>L = 3 I = 3</p>	<p>The project will increase connectivity and strengthen ecosystem services in the GAM, in particular in IUBCs, which build resilience to climate change. In addition, the project will promote adjustments to the governmental institutions including the Climate Change Directorate (CCD/MINAE), for mainstreaming and expanding its actions with other governmental institutions in such a way that the actions related to climate change are a matter of national development and permeate from different institutional sectors such as agriculture, economic, urban, science and technology. In addition the project will implement a municipal and institutional training program focusing on land and urban green space management in response to climate change.</p> <p>Finally, Costa Rica has a nationwide network of meteorological monitoring stations administered by the by the National Meteorological</p>	MINAE OTS
----	---	---------------	--	---	--------------

[1] Third National Communication to the UNFCCC (2015).

[2] Costa Rica. Ministerio de Ambiente, Energía y Telecomunicaciones. 2009. Estrategia Nacional de Cambio Climático.

[3] National Decarbonization Plan. Government of Costa Rica, 2018-2050.

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

1. The Project will have a Project Board/Steering Committee made up of the MINAE as Project Executive and the Ministry of Finance, the Ministry of Housing and Human Settlement (MIVAH), and UNDP as development partners. Beneficiary representatives will include the Institute of Housing and Urbanism (INVU), National Institute of Women (INAMU), Municipalities, Urban CSOs and NGOs. The Project Board will be responsible for overall project coordination and providing strategic guidance to the project, as well as the approval of the Annual Work Plans, among others.

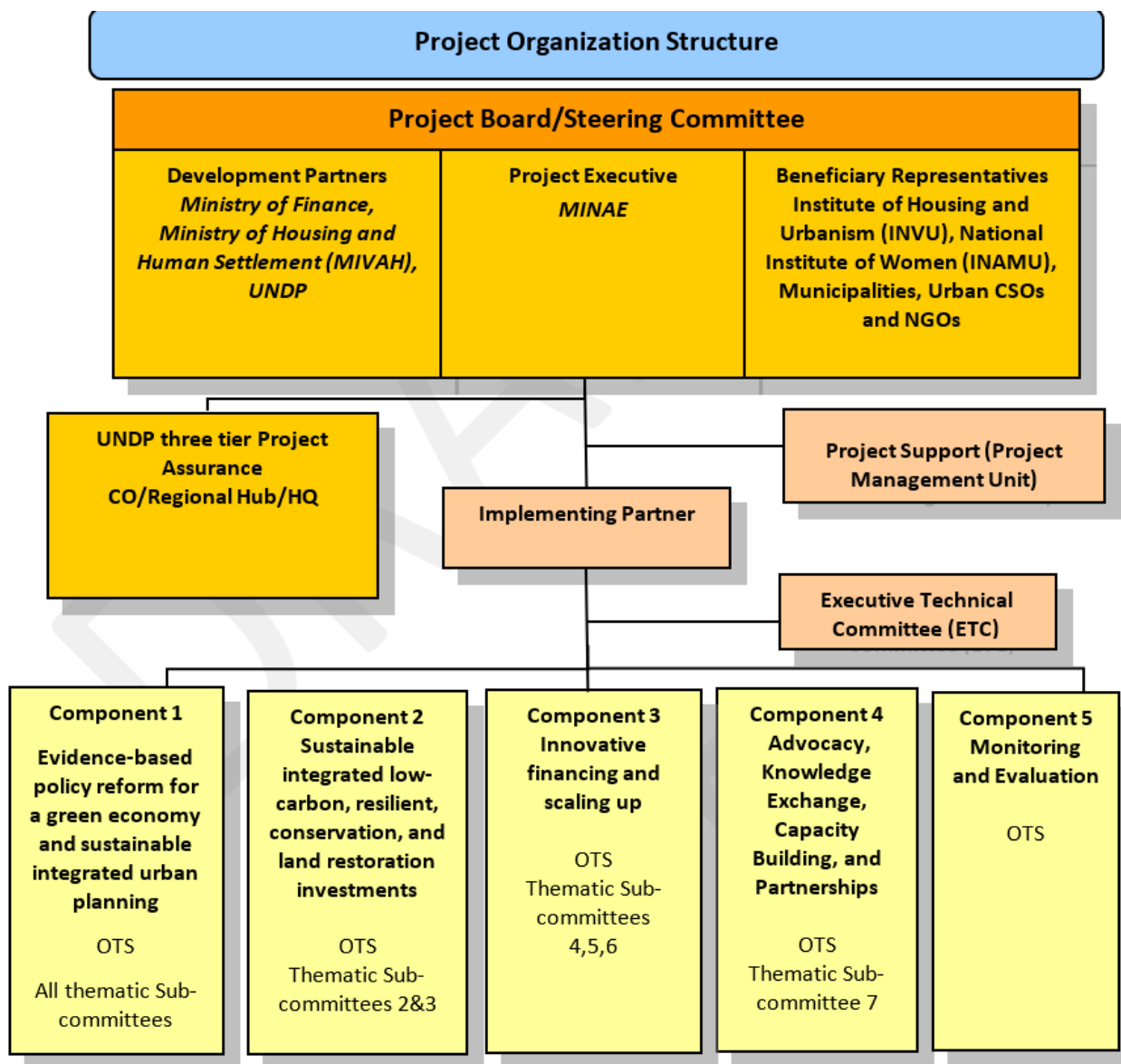
2. The Implementing Partner for this project is the Organization for Tropical Studies (OTS). A competitive process was undertaken during PPG to select the IP of the project. OTS presented the higher score among the 4 participants invited to participate and was subjected to an independent micro-assessment in compliance with UNDP HACT policies. OTS presented a low-risk result of the micro-assessment and a no objection declaration was by MINAE in agreement to include OTS as IP. The selection form is included as Annex 13: Additional agreements of the UNDP-GEF Project Document. A fee of 6.8% to OTS, originally proposed in OTS' selection, is no longer included in the project budget because GEF resources cannot cover an implementing partner's administrative/overhead costs. OTS' administrative/overhead costs will instead be covered by PMC co-financing. On no account can this originally envisaged 6.8% fee, or any share of it, be paid from GEF resources to OTS during project implementation.

3. While the Organization of Tropic Studies is the Implementing Partner of the project, the technical and strategic decisions regarding project execution lies with the Executive Technical Committee (ETC) of the project. This committee is an inter-institutional multi-level national coordination space responsible to provide feedback and guidance to OTS managerial decisions. It will request updates on project delivery; monitor progress in implementing the acquisition plan; comment on ToRs of acquisitions or services over \$50,000 and will review and approve annual work plans before submission to project board and before OTS starts implementation. The ETC will ensure fluid inter-sectoral communication and collaboration within and among the stakeholders and will provide technical guidance to the Project Manager and the project unit to support the achievement of the project outcomes, among other roles. The Technical Committee will be composed by formally designated delegates from the Ministry of Public Works and Transportation (Secretariat of Sector Planning, MOPT), the National Institute for Housing and Urbanism (INVU) (general director of Urbanism); the National Association of Mayors and Intendants (ANAI), the Institute of Municipal Promotion and Advisory (IFAM), the National System of Conservation Areas (SINAC), the Costa Rican Institute of Aqueducts and Sewers (AyA), Local Committee of the Inter-urban Biological Corridor of Torres River (CBTorres), Local Committee of the Inter-urban Biological Corridor of Mar?a Aguilar (CBIMA), The Foundation for Sustainability and Equity (Aliarse), Costa Rican Union of Business Chambers (UCCAEP), the Multi-level Technical Working Group oriented to transport development in the area of influence of the Train (MTM), and the National Institute for Women (INAMU).

4. To promote local governments leadership and involvement in project decision-making as well as wider stakeholder participation as defined in the Comprehensive Stakeholder Engagement Plan included in Annex 8 of the UNDP-GEF Project Document, technical sub-committees will be established for the core thematic areas of the Project. The following 7 thematic subcommittees will be led by the following national and municipal institutions:

Thematic Subcommittee		Lead institution
1	Transport	Ministry of Housing and Human Settlement (MIVAH)
2	Water and waste water management	Costa Rican Institute of Aqueducts and Sewers (AyA)
3	Green areas restoration	National System of Conservation Areas (SINAC)
4	Legal and regulatory reforms	Ministry of Planning and Economic Policy (Project Steering Committee)
5	Municipal finance	Institute of Municipal Promotion and Advisory (IFAM)
6	Solid waste management	Ministry of Health
7	Urban renovation plan and urban indicators	National Institute for Housing and Urbanism (INVU) (general director of Urbanism)

5. The following diagram illustrates the project's organizational structure. Institutional arrangements are described in detail in Section VIII: Governance and Management Arrangements of the UNDP-GEF Project Document.



1. The project will coordinate actions with the UNDP-GEF 6 project *Conserving biodiversity through sustainable management in production landscapes in Costa Rica* (GEF ID 9416) currently under implementation. Lessons learned from the UNDP-GEF 6 project will be particularly relevant for outputs of this project that are related to increasing forest cover within urban areas, controlling solid waste and discharge into rivers, and promoting the connectivity of urban green areas, conservation, and rehabilitation of riparian forests of rivers crossing the GAM.

2. Partnerships will be established with the project *Sustainable mobility, Urban Planning, Equipment and Assessment of Public Space (MUEVE)* that promotes integral urban development, in the fifteen municipalities of the influence area of the Electric Train, and implemented by the National Union of Local Governments (UNGL) with financial support from the European Commission. The project objective is to strengthen urban governance, ensure the inclusion of vulnerable groups and the respect of gender equity in the management of urban mobility, improve the economical reactivation and urban innovation, and contribute to environmental quality and resilience in overcrowded urban areas.

3. Partnerships will be established and lessons learned will be exchanged with the *MiTransporte: Climate change mitigation in Costa Rica's transport sector* project that supports the

Government of Costa Rica in the implementation of GHG reduction measures in the transport sector in municipalities of the San José Metropolitan Area and the GAM, by promoting environmentally-friendly and efficient transport, non-motorized modes of transport, and vehicles with alternative propulsion systems, among other measures. The project is currently being executed by GIZ, the Directorate of Climate Change, MINAE, and MOPT and will end in 2021.

4. In addition, partnerships will be established with the *Biodiver-City* Project financed by the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) of Germany, and implemented GIZ-SINAC-MINAE. This project seeks that public institutions (MINAE, SINAC, municipal administrations) and private key stakeholders (private sector, non-governmental organizations, urban initiatives) incorporate urban ecosystem services and the establishment and management of IUBCs in the planning of urban development of the GAM. Through actions to protect, restore and re-naturalize forest and green areas, it will have a positive effect on the carbon balance (CO₂ emissions), contributing to related country goals.

5. Actions will be coordinated with the PMAAMSJ, which is currently executing AyA/PAPS. The PMAAMSJ includes the rehabilitation, strengthening, and expansion of the network of collectors and secondary networks of sanitary sewers in 11 municipalities (San José, Desamparados, Goicoechea, Alajuelita, Viquez de Coronado, Tibás, Moravia, Montes de Oca, Curridabat, La Unión and Escazú). The actions carried out through the PMAAMSJ will support the implementation of a pilot experience to improve the water quality of the upper part of two polluted urban watersheds of the GAM (Torres and Maraca Aguilar rivers) and to coordinate actions for water quality monitoring.

6. Synergies will be established with the *Global Programme to Support Countries with the Shift to Electric Mobility* to be funded by the GEF 7 (GEF ID 10114) with support from United Nations Environment Programme and currently under review for approval. The project will support countries to design and implement electric mobility programs as part of an overall shift to sustainable, low carbon transport sector.

7. In addition, lessons learned and experiences will be exchanged with the Inter-American Development Bank (IADB)-GEF 5 project *Sustainable management of ecosystem services* (GEF ID 4852) currently under execution by SINAC. This project aims to improve biodiversity conservation and sustainable use through management of landscape ecosystem services, by developing and implementing an ecosystem services compensation mechanism. The link with this project herein is related to the lessons stemming from the update of the urban planning law, as well as guidelines for the preparation of municipal and regional land use plans that incorporate an ecosystems-based approach, as well as imparting training modules to introduce the ecosystems-based approach for decision-makers and authorities including staff from government agencies and municipalities.

8. Lessons learned and experiences can also be exchanged with the regional project (Colombia, Jamaica, Panama) United Nations Environment Programme (UNEP)-GEF 7 project *Reduce marine plastics and plastic pollution in Latin American and Caribbean cities through a circular economy approach* (GEF ID 10547). It has the objective of reducing regional marine plastics and plastic pollution by facilitating governments and businesses at the city-level, to accelerate the transition to a circular economy. The project can exchange lessons and experiences on the strengthening of municipal governance to promote circular economy strategies related to plastic waste and, and exchange about the development of innovative investments with the participation of the private sector for the development of waste management solutions and the recycling.

9. The project will facilitate collaboration between city and municipal officials beyond the urban boundaries of the GAM. This will be achieved through vertical and horizontal integration, with one project component focused on central government alignment on urban and green economy policy, and the other component focused on multi-municipal policy alignment in the GAM. As such, the project will implement actions with 20 municipal governments but will strive for nation-wide and economy-wide replication through the approval of policy changes proposed under Component 1.

10. Finally, coordination and knowledge exchange with the other 8 countries and 24 cities (Child Projects) that are part of the Sustainable Cities Impact Program (SCIP) will be achieved through the project's participation in the SCIP Global Platform.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

1. This Child Project is consistent with the National Urban Development Policy (NUDP) 2018-2030 and Action Plan 2018-2022, which aim at ensuring that cities implement the sustainable urban development approach of the New Urban Agenda, agreed at the United Nations Conference Habitat III and the Sustainable Development Goals of Agenda 2030. The NUDP has five strategic lines with which the project is aligned: 1. Effective and efficient urban planning; 2. Mobility, transport and urban structure; 3. Universal access to public and recreational services; 4. Governance in the administration of cities; and 5. Education and participation for well-being in cities. In addition, the NUDP is articulated with the National Climate Change Strategy, which include actions aimed at reducing emissions and mitigating climate change in urban settings. Costa Rica has made an international commitment to become carbon neutral by 2021; the 2018-2050 National Decarbonization Plan constitute a State-level commitment to strengthen capacities of municipal and city governments on carbon sustainability nationwide. The National Development Plan 2019-2022 includes actions to address unsustainable policies so that they are conducive to greening the economy, to strengthen capacities to reduce emissions from transport, energy, industrial, and waste management sectors, and for transforming the public transportation system into an efficient electric system.

2. The project is consistent with the National Biodiversity Policy 2015-2030 for Costa Rica, which highlights the need to improve biodiversity by safeguarding ecosystems, species, and genetic diversity; increasing the benefits of biodiversity and ecosystem services for the population; integrating biodiversity in productive seascapes and landscapes; and reducing the urban environmental footprint and improving implementation through participatory planning, knowledge management, and capacity-building. The National Biodiversity Strategy (2016-2025) has prioritized the following themes (four out of eight priorities), which directly relate to the proposed project: a) the need to increase biodiversity resilience through connectivity, restoration of riparian forests, and other threatened ecosystems that provide essential services (in strategic productive landscapes and seascapes as well as urban development); b) integrate biodiversity in landscapes and seascapes and under priority sectors (e.g., industry, water management, and finance); c) strengthen ecosystem services into spatial planning and accumulated impacts, including the reduction of the urban footprint; and d) strengthen biodiversity-related information for decision-making and law enforcement, including the development of land use monitoring systems.

3. In addition, Costa Rica's National Climate Change Strategy (ENCC-2010) and the Nationally Determined Contribution (NDC 2016) include actions aimed at reducing emissions and mitigating climate change in urban environments. The ENCC and its Action Plan has as its main objective to achieve carbon neutrality by 2021. This means working with the transportation, energy, industrial, and solid waste sectors. Both the ENCC and the NDC include emission reduction recommendations focused on the urban transport and energy sectors, which will be addressed in the project. The National Adaptation Policy prioritizes work in cities and favor the development of urban biological corridors and the National Biodiversity Policy 2015-2030 highlights the need to safeguard biodiversity of urban landscapes and to reduce the environmental footprint of cities.

4. The project is also part of the UNDP's effort to support Costa Rica's progress towards achieving Sustainable Development Goals (SDGs). Accordingly, the project will contribute towards achievement of the following SDGs: 5 (Gender equality), 6 (Clean water and sanitation), 9 (Industry, innovation and infrastructure), 11 (Sustainable cities and communities), 12 (responsible consumption and production), 13 (Climate action); 15 (Life on land), and 17 (Partnerships for the goals). Finally, the project is aligned with the United Nations Development Assistance Framework (UNDAF) 2018-2022 for

Costa Rica, in particular with Strategic Priority 1- Strengthened capacities of public institutions, private organizations and civil society to facilitate and forge national, innovative, transformative and dialogue-based pacts and agreements, in order to accelerate the fulfillment of the SDGs for a sustainable development with equality.

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

5. Knowledge management will be achieved through a national-level platform for information and knowledge exchange, which will increase awareness about sustainable cities, biodiversity conservation, and climate change mitigation in urban landscapes, among other topics. It will be linked with the SCIP GP to provide its registered users with the opportunity to exchange information and experiences on more sustainable and resilient cities around the globe. In addition, the project will be part of the SCIP GP, which will allow cooperation between cities for the exchange of knowledge on international methods and lessons learned on sustainable cities. The project and stakeholders will benefit from the different laboratories and forums of the SCIP GP for strategic planning, through which information/data on a variety of topics related to the advancement of sustainable development can be obtained. The project will systematize and disseminate knowledge and lessons learned through different means, including documents that will allow replication and scaling-up of successful experiences in other urban landscapes and cities in Costa Rica and the Central American region. As part of the project results framework the following targets to knowledge management have been set: a) At least four (4) knowledge products (e.g., publications, in-city knowledge exchanges) about the green economy and urban sustainability with a gender and social inclusion perspective made available locally, nationally, and regionally, including the SCIP web platform, for the replication and scaling-up of successful experiences in other urban landscapes; and b) 500 (50% women, 50% men) urban professionals in Costa Rica, and municipal technicians and local decision-makers, among others, who use the knowledge acquired from the training or materials from SCIP GP.

KM Budget and Timeline

Item	Cost (USD)	Timeline
Specialist in communication / knowledge management. Communication and documentation activities and systematization of lessons learned and best practices in the project. Coordination with the SCIP Global Platform.	60,000	15 months for 5 years.
Travel expenses to participate in SCIP GP events.	250,000	5 years
Design of the national platform for information exchange on issues related to sustainable cities, biodiversity conservation and climate change mitigation in urban landscapes; implementation of a public campaign to publicize the platform and development of the user guide.	20,000	Year 1
Knowledge management and communications products and materials.	10,425	5 years
Total	340,425	

9. Monitoring and Evaluation

Describe the budgeted M and E plan

Monitoring and Evaluation Plan and Budget:		
GEF M&E requirements	Indicative costs (US\$)	Time frame
Inception Workshop	4,660	Within 60 days of CEO endorsement of this project.
Inception Report	None	Within 90 days of CEO endorsement of this project.
M&E of GEF core indicators and project results framework, update of UNDP Capacity Assessment Scorecard, monitoring of cofinancing	52,192	Annually and at mid-point and closure.
GEF Project Implementation Report (PIR)	None	Annually typically between June-August
Development of SES management plans and monitoring of IPPF/IPP, Gender Action Plan, Comprehensive Stakeholder Participation Plan, and ESMF, etc.	0	On-going.
Supervision missions	None[1]	Annually
Independent Mid-term Review (MTR)	50,222	10/2023
Independent Terminal Evaluation (TE)	92,156	07/2026
TOTAL indicative COST	199,230	

[1] The costs of UNDP CO and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCE/SCCF)?

1. The socioeconomic benefits to be delivered by the project at the national level consist of enhancing capacity of staff from national public institutions (e.g., MIVAH, MINAE, INVU, MOPT, AyA, DCC, and SINAC) and 20 municipalities for implementing structural environmental and financial policy reforms, sustainable integrated urban planning, and the delivery of GEBs, among other topics. This will benefit 1,200 people (30% women) including managers, technicians and local decision-makers, legislative advisors, and officials. Through an awareness-raising and communication strategy decision-makers and the public will become aware about the objectives and desired effects of a reform in fiscal legislation proposed by the project, and which will contribute to improve their quality of life by building resilience to climate change through decarbonization and the sound management of solid waste, fecal sludge, and wastewater while generating global environmental benefits. Restoration actions in critical urban areas in the GAM will build resilience of vulnerable urban populations, especially of those that live in areas prone to landslides, and will contribute to the mitigation of climate change, at the same time that contribute to enhancing ecosystem connectivity and improving habitat for urban biodiversity. The quality

of the urban residents of the GAM will also improve through investments in sustainable mobility such as bike-friendly bridges, cycle paths, shared-use paths, pedestrian routes with green areas, and improvements in green sidewalks; and through a pilot experience to improve water quality in the upper portion of two polluted urban watersheds within the GAM based on the "Clean Rivers: National Strategy for the Recovery of Urban Watersheds 2020-2030, an initiative that contributes to the improvement of ecosystems and the quality of life of people living around urban watersheds and seeks the sustainability of water resources, development of knowledge, and promotes the creation of a culture of water through social participation.

2. At the local level, micro- and small businesses, as well as community associative arrangements will benefit from new municipal financial instruments to establish new ventures for the use and transformation of solid (plastic and organic) and liquid waste, as well as sustainable mobility, including training on how to start a business and how to run it successfully. In addition, at least three bio-business models formed from PPPs, micro and small businesses, and associations at the community level with a gender focus will be established that will contribute to the maintenance of urban ecosystem services and the restoration of IUBCs, and management of solid waste and waste water. To ensure the success of the bio-business models, participants will benefit from a technical assistance program that will ensure its financing. It is expected that 500 new green jobs with gender equality in the GAM will result from innovative financing and business models. Through knowledge management activities and products, including the operationalization of a national platform for exchanging information about issues related to sustainable cities and a learning and communication strategy between cities implemented through the SCIP GP 500 (50% women, 50% men), urban professionals in Costa Rica, and municipal technicians and local decision-makers (among others) will benefit. In total, the project will directly benefit 2,134,932 people (1,067,466 women, 1,067,466 men) residing in 20 municipalities in the GAM.

11. 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.

<i>Risk Description (broken down by event, cause, impact)</i>	<i>Impact and Likelihood (1-5)</i>	<i>Significance (Low, Moderate Substantial, High)</i>	<i>Comments (optional)</i>	<i>Description of assessment and management measures for risks rated as Moderate, Substantial or High</i>

<p>Risk 1: As a partial result of limited capacities in the municipalities, poorly execution of project activities could damage critical or sensitive habitats, including within and adjacent to protected areas and KBAs and through the introduction of invasive alien species during forest restoration activities.</p> <p>Standard 1: q1.1, q1.2, q1.6, q1.7, q1.8</p>	<p>I = 3</p> <p>L =4</p>	<p>Moderate</p>		<p>Component 1 of the project will implement a municipal training program to enhance the capacity needed to implement environmental and sustainable integrated urban planning in the project area. In addition, through Component 4, the project will implement knowledge management activities directed to share project-related information that will also contribute to increase the capacity of municipalities to implement project activities according to environmental risk assessment.</p> <p>For this risk, a Biodiversity Action Plan will be prepared, based on the ESIAs, as part of or supplementing the ESMPs. Restoration activities, including reforestation, will only include native species.</p> <p>Capacity development needs were assessed as part of the PPG using UNDP's Capacity Development Scorecard and a baseline score and targets were determined.</p> <p>Sustainable integrated urban planning includes the development and implementation of a coordinated and participatory roadmap, and a sustainable and integrated regional urban renovation plan for the GAM that will also contribute to manage this risk.</p>
--	--------------------------	------------------------	--	--

<p>Risk 2: Policy proposals could have unintended negative social and/or environmental impacts if social and cultural aspects are not considered and in consequence, design and execution will have no social legitimacy and sustainability will be compromised.</p> <p>Standard 1: q1.2, q1.3; Standard 2: q2.3; Standard 3: q3.1, q3.6; Standard 5: q5.2, q5.4; Standard 6: q6.3.</p>	<p>I = 4</p> <p>L = 3</p>	<p>Substantial</p>		<p>During the PPG, a feasibility assessment of the legislative reform to reduce emissions and loss of biodiversity in urban landscapes was conducted, including consultations with stakeholders that may be impacted.</p> <p>A SESA will be required for the upstream activities as detailed in the ESMF and noted in the specific activities (in the ProDoc, Output 1.1.5).</p>
<p>Risk 3: Political conflicts could arise from the new policy and tax regulations, from the private sector and other stakeholders.</p> <p>Human Rights: P12.</p> <p>Principle Accountability: P13, P14.</p> <p>Standard 5: q5.2, q5.4; Standard 7: q7.1, q7.6; Standard 8: q8.2, q8.4</p>	<p>I = 3</p> <p>L = 5</p>	<p>Substantial</p>	<p>Private sector representatives could consider tax regulations and norms related to pollution control as harmful for economic development of their enterprises and could carry out advocacy actions against the bills of law in the Congress and the media.</p>	<p>To mitigate this risk, a process of communication and permanent dialogue with the private sector will be necessary, including information on the evidence of the economic benefits of proposed legislation. It will be included in the SESA for activities in Component 1 (Outputs, 1.1.4 and 1.1.5)</p> <p>It will be necessary to evaluate the need for transition measures (subsidies, compensation, incentives for technological change, for example) to encourage companies to move towards a green economy.</p> <p>The project will also establish a project-level Grievance Redress Mechanism (GRM) at the start of implementation.</p>

<p>Risk 4: Risk of illegal disposal of polluting waste, both solid and liquid, by other entities (not the project itself) as a result of new regulations related to the green economy.</p> <p>Standard 8: q8.2, q8.4, q8.5</p>	<p>I=4</p> <p>L=3</p>	Substantial		<p>This risk will be mitigated by establishing in the proposed laws, policy actions aimed at offering incentives to companies to transform their waste disposal methods and also promoting education on the subject, both for companies and for the population that could be affected. It will be included in the SESA for Output 1.1.5.</p>
<p>Risk 5: Changes in land values as a result of project interventions could increase land taxes beyond the reach of the lower income population.</p> <p>Principle Human rights: P4, P5</p> <p>Standard 5: q.5.2</p>	<p>I= 4</p> <p>L=4</p>	Substantial		<p>This risk will be mitigated by including in the law proposals, specific actions to protect the socioeconomically vulnerable population from its negative impacts. It will be included in the SESA for Output 1.1.5.</p>
<p>Risk 6: There could be adverse impacts to gender equality and limited access to opportunities and benefits by women.</p> <p>Principle Human rights: P4;</p> <p>Principle Gender equality and women's empowerment: P9, P10, P11, P12.</p>	<p>I = 3</p> <p>L =2</p>	Moderate		<p>This risk will be managed through the Gender Action Plan also developed as part of the PPG and which includes specific activities for gender mainstreaming and gender-based indicators. In addition, the PRF includes gender-based indicators. The SESAs and ESIAs will also consider gender risks and further measures will be updated/incorporated as needed.</p>

<p>Risk 7: Project activities and outcomes on the ground (urban land and IUBC restoration, improved landscapes, investments in sustainable mobility) will be vulnerable to the potential impacts of climate change and other natural or anthropic risks.</p> <p>Standard 2: q2.1, q2.2, q2.3; Standard 3: q3.1, q3.6;</p>	<p>I = 3</p> <p>L =3</p>	<p>Moderate</p>	<p>The restoration of degraded areas will contribute to reducing the risk of flooding and flash floods of rivers. As restoration areas have not yet been defined, this risk has been covered in the ESMF; it will be evaluated in the course of the ESIA, and included in the ESMP as determined necessary. In addition, the project will coordinate actions with the National Risk Prevention System of the National Commission for Risk Prevention and Emergency Management (CNE).</p> <p>The project will also improve ecosystem connectivity between mountain ranges surrounding the GAM and downstream KBAs; this will be achieved by strengthening IUBCs and improving the resilience of urban biodiversity through increasing species' mobility and providing refuge against climate variability. In addition, sustainable mobility plans to support alternative modes of urban transportation will reduce GHG emissions and build resiliency to climate change in the GAM.</p> <p>All activities involving modifications to the natural environment will be subject to an ESIA/ESMP and will be designed taking into account risk prevention and infrastructure resilience criteria.</p>
---	--------------------------	------------------------	--

<p>Risk 8: The design of biological corridors, urban green areas and mobility zones may not consider the needs of people with disabilities, women and the most vulnerable age groups.</p> <p>Principle Human rights: P4, P5, P6.</p> <p>Principle Gender equality and women's empowerment: P9, P10, P12</p> <p>Principle Accountability: P13.</p>	<p>I=4</p> <p>L=2</p>	<p>Moderate</p>	<p>To mitigate this risk, per the ESMF, an ESIA will be prepared for each sub-project when its characteristics and location are defined, considering national legislation on accessibility (Law 7600 for example), the SES requirements, and the risks ascribed to gender and age.</p>
---	-----------------------	------------------------	--

<p>Risk 9: The Project poses potential health risks to individuals handling waste, including plastics, which may contain hazardous or dangerous materials such as chemicals.</p> <p>The Project may lead to the production of hazardous and non-hazardous waste; there will be a risk of management of significant volumes of solid waste and wastewater, including plastics that must be handled and disposed.</p> <p>Project activities may result in exposure of staff and stakeholders to COVID-19.</p> <p>Standard 3: q3.5, q3.6; Standard 8: q8.2, q8.3, q8.4, q8.5.</p>	<p>I=3</p> <p>L=4</p>	<p>Moderate</p>	<p>The project activities include the adoption of international hazard guidelines regarding the management of solid waste and wastewater management, including best practice guidance for waste-plastic management and such as those of the International Labour Organization of the United National and UN Water for wastewater management to reduce this risk. This risk has been covered in the ESMF; it will be evaluated in the course of the ESIA, and included in the ESMP as determined necessary.</p> <p>To manage the risk of exposure to pandemic situations (COVID-19, for example), activities in the field will be rescheduled to be carried out remotely, as feasible (telephone communications, forums, online/Website, network exchanges, etc.) and taking into account related government and UN DSS guidance health regulations. In addition UNDP corporate tools for COVID-19 risk management, including UNDP's response offer on green recovery will be applied. Also, GEF Guidelines regarding Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics have been considered..</p>
--	-----------------------	------------------------	--

<p>Risk 10: Policy changes aimed at the control and treatment of solid waste could lead to negative responses from the private sector, which could carry out counter-advocacy actions in Congress and influence other stakeholders in civil society.</p> <p>Standard 3: q3.5, q3.6; Standard 8: q8.2, q8.3, q8.4, q8.5.</p>	<p>I=3</p> <p>L=4</p>	<p>Moderate</p>		<p>The upstream aspect of this risk will be covered by the SESA (Output 1.1.5), the Stakeholder Engagement Plan, and the forthcoming GRM.</p>
<p>Risk 11: The Project may result in economic displacement (e.g. loss of assets or access restrictions) due to field activities (IUBC, restoration, for example) along ecological sensitive areas such as riverbanks and forested buffer zones in the GAM.</p> <p>Standard 5: q5.2, q5.4.</p>	<p>I=3</p> <p>L=3</p>	<p>Moderate</p>		<p>This risk will be evaluated in the course of the ESIA, and included in the ESMP as determined necessary.</p>

<p>Risk 12: Policy and legal reforms to be proposed under Component 1 may affect the human rights, lands, natural resources, territories and traditional livelihoods of indigenous peoples.</p> <p>Principle Human Rights: P2, P4</p> <p>Standard 6: q6.1, q6.3, q6.4, q6.5, q6.6, q6.7, q6.8, q6.9.</p>	<p>I=3</p> <p>L=3</p>	<p>Moderate</p>	<p>Field activities of this project don't affect indigenous territories and communities. The only potential impact on indigenous peoples is the possibility that the bills of law can affect their rights to self-determination in their territorial and natural resources management.</p>	<p>During the PPG, a preliminary assessment of these potential impacts was carried out; based on that assessment it was determined that the project's activities under Component 1 require an IPPF, which has been prepared. The project will establish an Indigenous Peoples Consultative Commission (IPCC) that will evaluate legislative and normative proposals according to SES requirements and international standards of indigenous rights in order to assess whether consultation and / or FPIC is required. The IPCC will be established and will operate as described in the IPPF as part of the risk mitigation strategy, including a grievance mechanism in line with Standard 6 requirements. The planned SESAs will also serve to address this risk.</p>
<p>Risk 13: The proposed Project's field activities might potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values within the GAM.</p> <p>Standard 4: q4.1, q4.2, q4.3, q4.4</p>	<p>I=3</p> <p>L=2</p>	<p>Moderate</p>		<p>To avoid this risk and to establish the necessary measures for the management/protection of the heritage, the risk will be covered by the ESIAs/ESMPs.</p>

<p>Risk 14: During the project implementation process (ecosystem restoration, biological corridors, sustainable mobility...), workers' rights may not be respected.</p> <p>Standard 7: q7.1, q7.2, q7.3, q7.5, q7.6</p>	<p>I=2</p> <p>L=4</p>	<p>Moderate</p>	<p>Municipalities and government agencies involved respect national laws and ILO conventions related to worker's rights. However, private companies contracted for work related to component 2, may not be able to do so, notably in reference to migrant workers and child labor.</p>	<p>All contracts signed in the context of the project execution will contain clauses related to the respect of labour laws and worker's rights and written labor management procedures will be established in line with Standard 7, as noted in the ESMF. The project will coordinate a permanent inspection mechanism with the Ministry of Labor. This risk will be further assessed and managed through the ESIA/ESMPs.</p>
<p>Risk 15: Activities stemming from Project cofinancing may not comply with the UNDP SES.</p>	<p>I=4</p> <p>L=2</p>	<p>Moderate</p>	<p>All co-financing (USD 111,948,49) fall under category 1.b: Co-financing not administered by UNDP but included in UNDP project, of the categories for co-financing and UNDP accountability.</p>	<p>During first year of project execution the project Specialist in Environmental and Social Safeguards, in coordination with the Project Manager, will review all project-related activities (including those directly supported by partners/co-financing) to ensure that potential social and environmental risks of those activities do not compromise the outcomes and outputs of UNDP-supported activities. Management/oversight measures will be proposed as needed and risks will be revised and updated annually. This risk has been included in the ESMF. The ESIA/ESMPs and SESAs will consider the co-financing activities as part of the project's context during the course of those assessments, as required by the SES and as noted in the ESMF.</p>

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
PIMS 6270_ESMF IPPF_25 May 2021_JM_clean and cleared FINAL_updated	CEO Endorsement ESS	
PIMS 6270 SESP 14-may- 2021_JM_cleared	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).

This project will contribute to the following Sustainable Development Goal (s): 5, 6, 9, 11, 12, 13, 15 and 17.				
This project will contribute to the following country outcome (UNDAF): Strategic Priority 1- Strengthened capacities of public institutions, private organizations and civil society to facilitate and forge national, innovative, transformative and dialogue-based pacts and agreements, in order to accelerate the fulfillment of the SDGs for a sustainable development with equality				
	Objective and Outcome Indicators (no more than a total of 20 indicators)	Baseline	Mid-term Target	End of Project Target
Project Objective: To achieve decarbonization in the Great Metropolitan Area (GAM) through fiscal and policy reform and sustainable integrated urban planning	Mandatory <u>Indicator 1 (GEF Core Indicator 11):</u> # direct project beneficiaries disaggregated by gender (individual people)	0 -	921,342 (460,671 women, 460,671 men)	2,134,932 (1,067,466 women, 1,067,466 men) (People residing in 20 municipalities prioritized by the Project that belong to the GAM [urban and rural], population projection based on of the National Institute of Statistics and Censuses [INEC] for 2018)
	Mandatory <u>Indicator 2 (GEF Core Indicator 3):</u> Area of land restored (hectares - ha)	0	840 ha	2,000 ha
	Mandatory <u>Indicator 3 (GEF Core Indicator 4):</u> Area of landscapes under improved practices (ha)	0	8,700 ha	17,402 ha

	<u>Mandatory</u> Indicator 4 (GEF Core Indicator 6): Greenhouse Gas Emissions Mitigated (metric tons of CO2e)	0	? Direct emissions: 20,557 metric tons of CO2e: a) transport development and sustainable mobility): 3,387 tCO2e; and b) carbon sequestration as a result of restoration activities: 17,170 tCO2e	? Direct Emissions: 1,747,539 metric tons of CO2e: ? a) Transport sector (transport development and sustainable mobility): 193,500 tCO2e; and b) carbon sequestration as a result of restoration activities: 605,046 tCO2e c)waste management: 948,992 tCO2e ? Indirect emissions: 200,000 tCO2e
Component 1:	Evidence-based policy reform for a green economy and sustainable integrated urban planning			

<p><i>Outcome 1.1: Local and national governments have strengthened institutions, processes, and capacities to undertake evidence-based policy reform and for sustainable integrated planning in the GAM</i></p>	<p><u>Indicator 5:</u> Number of multi-sectoral and inter-institutional agreements for transitioning to a green economy and sustainable and integrated urban planning, including decarbonization, as a result of the project</p>	<p>0 (Acknowledging the existence of agreements that will serve as a reference and support for the project, these include: Pacto for the Mar?a Aguilar, AIRMA; Rios Limpios Strategy, Ko-M?nitas, Multilevel Technical Table, among others)</p>	<p>5 a. Multisectoral collaborative action agreement between AyA, Ministry of Health, ESPH and municipalities, for the sanitation of GAM waters to improve water quality in the tributaries of the T?rcoles River b. Agreements between municipalities, MOPT, INVU and the private sector for collaborative action to promote sustainable mobility within the GAM. c. Agreements between municipalities, INVU and the private sector for collaborative action to promote integrated regional sustainable urban planning for the GAM. d. Agreement between the Ministry of Finance and municipalities, for an adequate programming of investments for sustainable mobility using fuel tax resources e. Agreements between municipalities, SINAC and the private sector, for the development and implementation of management plans for biological corridors for the supply of ecosystem</p>	<p>5 a. Multisectoral collaborative action agreement between AyA, Ministry of Health, ESPH and municipalities, for the sanitation of GAM waters to improve water quality in the tributaries of the T?rcoles River b. Agreements between municipalities, MOPT, INVU and the private sector for collaborative action to promote sustainable mobility within the GAM. c. Agreements between municipalities, INVU and the private sector for collaborative action to promote integrated regional sustainable urban planning for the GAM. d. Agreement between the Ministry of Finance and municipalities, for an adequate programming of investments for sustainable mobility using fuel tax resources e. Agreements between municipalities, SINAC and the private sector, for the development and implementation of management plans for biological corridors for the supply of ecosystem services. f) Agreements between MINAE SINAC, municipalities, IUBC committees, and local community groups to develop an urban</p>
--	--	---	--	---

	<p><u>Indicator 6:</u> Number of legislative reforms to reduce emissions and loss of biodiversity in urban landscapes, as a result of the project</p>	0	<p>7 projects submitted to the Legislative Assembly:</p> <p>a. Plastic taxes to reduce pollution and incentive mechanisms to promote use of plastic waste in the production process.</p> <p>b. Elimination of exemptions for contaminating with chemical inputs, through the amendment to paragraph 3 of article 11 of the Value Added Tax Law.</p> <p>c. Gradual elimination of sources of fiscal revenue from hydrocarbon use: change to the Tax Simplification and Efficiency Law No. 8114.</p> <p>d. Reforms to the Vehicle Property Tax.</p> <p>e. Development of a "polluter pays" principle in Solid Waste Management Law No. 8839 and Discharge and Reuse Wastewater Law No. 33601, and introduction of incentives for the transition to a circular economy and the use of waste in the production process.</p> <p>f. Reform of the Law for the Regulation of the</p>	<p>5 projects approved by the Legislative Assembly among these:</p> <p>a. Plastic taxes to reduce pollution and incentive mechanisms to promote use of plastic waste in the production process.</p> <p>b. Elimination of exemptions for contaminating with chemical inputs, through the amendment to paragraph 3 of article 11 of the Value Added Tax Law.</p> <p>c. Gradual elimination of sources of fiscal revenue from hydrocarbon use: change to the Tax Simplification and Efficiency Law No. 8114.</p> <p>d. Reforms to the Vehicle Property Tax.</p> <p>e. Development of a "polluter pays" principle in Solid Waste Management Law No. 8839 and Discharge and Reuse Wastewater Law No. 33601, and introduction of incentives for the transition to a circular economy and the use of waste in the production</p>
--	---	---	---	---

	<p><u>Indicator 7:</u> Change in institutional capacity to implement structural environmental and financial policy reforms, sustainable integrated urban planning, and the delivery of GEBs (measured through the score of UNDP's Capacity Development Scorecard).</p>	<p>Central government: 28/48 (58%; average for seven agencies) Municipalities: 34/54 (63%; average for 20 municipalities) -</p>	<p>Central government: 29/48 (60%; average for seven agencies) Municipalities: 35/54 (65%; average for 20 municipalities) -</p>	<p>Central government: 31/48 (65%; average for seven agencies) Municipalities: 39/54 (72%; average for 20 municipalities) -</p>
--	--	---	---	---

<p>Outputs to achieve Outcome 1.1</p>	<p>1.1.1 Technical and political dialogue platforms, including the Multilevel Technical Roundtable for Transportation-Oriented Development for the Metropolitan Electric Train ((MTR-MET) and the Comprehensive Management Commission of the Río Grande de Tárcoles Watershed (CMCRGT), expanded and strengthened with plans and decision-making mechanisms to transition to an inclusive green economy, sustainable and integrated urban planning, decarbonization, and to coordinate actions with other related platforms and supported by a digital platform to better coordinate and support evidence based planning</p> <p>1.1.2 Coordinated and participatory roadmap for the transition to an inclusive green economy and sustainable and integrated urban planning, including decarbonization and greening is defined based on an analysis of legal, political, institutional, technical, and fiscal barriers, and approved by the government through public policy.</p> <p>1.1.3 Sustainable and integrated regional urban renovation plan for the GAM defined, includes:</p> <p>a) Development of a Sustainable Regional Urban Renovation Plan that covers the 20 prioritized municipalities, 15 of them joined together by MET and 5 within its area of influence, designed to consolidate green public spaces, green urban areas, IUBCs, and sustainable mobility (by the different modalities), integrated into the Municipal Regulatory Plans.</p> <p>b) Development of an urban green strategy to restore and conserve public and private green spaces for the provision of ecosystem services in the GAM, which considers citizen security and inclusion, and Urban Natural Parks (PANU) as a new management category proposed by MINAE</p> <p>1.1.4 National awareness-raising and communication strategy implemented builds awareness among the public and decision-makers about the objectives and desired effects of a reform in fiscal legislation that will make progress towards a green legislation, comply with the National Decarbonization Plan, and generate global environmental benefits.</p> <p>1.1.5 Legal proposal for green taxation drafted through consultation, presented and promoted for approval in the Legislative Assembly of Costa Rica.</p> <p>1.1.6 Proposal for reforms/institutional adjustments of the environment, land use, and transportation sectors defined and aligned with the transition to a green economy and the National Decarbonization Plan, analyzed and discussed with the Executive Branch and promoted for implementation.</p> <p>1.1.7 Municipal and institutional training program implemented with a gender perspective benefits 1,200 people (managers, technicians and local decision-makers, legislative advisors, officials of public institutions linked to urban development, environmental management, and land use planning.</p> <p>1.1.8 Proposals for urban indicators to the National Ecological Monitoring Program (PRONAMEC) of the National System of Conservation Areas (SINAC) adopted, along with the design of protocols for decision-making by local governments and IUBCs.</p>
<p>Component 2</p>	<p>Sustainable integrated low-carbon, resilient, conservation, and land restoration investments</p>

<p><i>Outcome 2.1: Local and national governments have undertaken sustainable integrated low-carbon, resilient, conservation, and land restoration investments</i></p>	<p><u>Indicator 8:</u> Condition of urban biodiversity and green urban spaces, measured through: a) Rate of change in the bird diversity index in the GAM b) Total of green urban spaces (ha) in the project area -</p>	<p>a) Bird diversity index for the GAM: (Shannon Diversity Index [H]): 1.609 decits/individual (the baseline and targets will be validated during the first year of project implementation) b) Total of green urban spaces in the project area: 3,585 ha (including watershed and river protection areas: 2,933 ha; railway line: 483 ha; and urban parks: 168 ha)</p>	<p>a) Bird diversity index for the GAM: (Shannon Diversity Index [H]): 1.609 decits/individual b) Total of green urban spaces in the project area: 4,545 ha -</p>	<p>a) Bird diversity index for the GAM: (Shannon Diversity Index [H]): 1.609 decits/individual b) Total of green urban spaces in the project area: 5,585 ha -</p>
--	---	--	---	---

	<p><u>Indicator 9:</u> Habitat quality for the aquatic biodiversity of the upper part of the Rio Torres and Mar?a Aguilar micro-watersheds measured through:</p> <p>a) Water quality biological index of measured through the diversity of benthic macro invertebrates (BMWP-CR, according to decree 33903 - MINAE)</p> <p>b. Dutch water quality index (according to decree 33903 MINAE)</p>	<p>Biological index <i>Rio Torres</i> <i>(sampling stations)</i></p> <p>A. Puente Calle Asahar 79: Class 2</p> <p>B. Puente Colegio de Bi?logos 49: Class 3</p> <p>C. Polideportivo Aranjuez 16: Class 4</p> <p>D. Puente San Jos? Palacio 8: Class 5</p> <p>E. Aguas Arriba de Los Tajos 6: Class 6</p> <p>F. Aguas Debajo de Los Tajos 6: Class 6</p> <p><i>R?o Mar?a Aguilar (sampling stations)</i></p> <p>A. Finca Hospital Psiqui?trico: N.D.</p> <p>B. Puente Bosques y Fresales 38: Class 3</p> <p>Dutch index <i>R?o Torres</i> <i>(sampling stations)</i></p> <p>A. Puente Calle Asahar 10: Class 4</p> <p>B. Puente Colegio de Bi?logos 12: Class 4</p> <p>C. Polideportivo Aranjuez 14: Class 5</p> <p><i>R?o Mar?a Aguilar (sampling stations)</i></p> <p>A. Finca Hospital Psiqui?trico 8: Class 3</p> <p>B. Puente Bosques y Fresales 8: Class 3</p> <p>C. La Perif?rica Curridabat 11: Class 4</p> <p>(The baseline will be verified during the first year of project implementation)</p>	<p>Biological index <i>Rio Torres</i> <i>(sampling stations)</i></p> <p>A. Puente Calle Asahar: Class 2</p> <p>B. Puente Colegio de Bi?logos: Class 3</p> <p>C. Polideportivo Aranjuez: Class 4</p> <p>D. Puente San Jos? Palacio: Class 5</p> <p>E. Aguas Arriba de Los Tajos: Class 6</p> <p>F. Aguas Debajo de Los Tajos: Class 6</p> <p><i>R?o Mar?a Aguilar (sampling stations)</i></p> <p>A. Finca Hospital Psiqui?trico 2</p> <p>B. Puente Bosques y Fresales: Class 3</p> <p>Dutch index <i>R?o Torres</i> <i>(sampling stations)</i></p> <p>A. Puente Calle Asahar: Class 4</p> <p>B. Puente Colegio de Bi?logos: Class 4</p> <p>C. Polideportivo Aranjuez: Class 5</p> <p><i>R?o Mar?a Aguilar (sampling stations)</i></p> <p>A. Finca Hospital Psiqui?trico: Class 3</p> <p>B. Puente Bosques y Fresales: Class 3</p> <p>C. La Perif?rica Curridabat: Class 4</p>	<p>Biological index <i>Rio Torres</i> <i>(sampling stations)</i></p> <p>A. Puente Calle Asahar: Class 1</p> <p>B. Puente Colegio de Bi?logos: Class 2</p> <p>C. Polideportivo Aranjuez: Class 3</p> <p>D. Puente San Jos? Palacio: Class 4</p> <p>E. Aguas Arriba de Los Tajos: Class 5</p> <p>F. Aguas Debajo de Los Tajos: Class 5</p> <p><i>R?o Mar?a Aguilar (sampling stations)</i></p> <p>A. Finca Hospital Psiqui?trico 1</p> <p>B. Puente Bosques y Fresales: Class 2</p> <p>Dutch index <i>R?o Torres</i> <i>(sampling stations)</i></p> <p>A. Puente Calle Asahar: Class 3</p> <p>B. Puente Colegio de Bi?logos: Class 3</p> <p>C. Polideportivo Aranjuez: Class 4</p> <p><i>R?o Mar?a Aguilar (sampling stations)</i></p> <p>A. Finca Hospital Psiqui?trico: Class 2</p> <p>B. Puente Bosques y Fresales: Class 2</p> <p>C. La Perif?rica Curridabat: Class 3</p>
--	---	---	--	--

	<u>Indicator 10:</u> Total length (km) of mobility solutions as a result of the project	0 km	Cycle paths: 3 km; shared roads and pedestrian routes: 1 km; sidewalks with improved access and green sidewalks: 8 km	Cycle paths: 8 km; shared roads and pedestrian routes: 3 km; sidewalks with improved access and green sidewalks: 20 km.
	<u>Indicator 11:</u> Investments (USD) to promote integrated sustainable low-carbon management, biodiversity conservation and restoration in the GAM as a result of the project (financed with the resources obtained with the financial-municipal instruments of Component 3)	USD 0	USD 660,435	USD 1,651,088
	<u>Indicator 12.</u> <u>Investment (USD)</u> <u>in sustainable</u> <u>mobility.</u>	USD 0	USD 8,000,000	USD 20,000,000 (10% of municipal investment in mobility derived from fuel taxes)
Outputs to achieve Outcome 2.1	<p>2.1.1. Critical urban areas restored that build resilience of vulnerable urban populations and contributes to the mitigation of climate change, including the following: a) identification of intervention zones and prioritization of areas to restore with native species; b) strategic alliances with stakeholders that allow the incorporation of public and private areas into the restoration and conservation process; and c) consolidation of green public spaces, green urban areas, and IUBCs.</p> <p>2.1.2. Participatory plans for the management of green urban spaces by municipality, with a gender approach contribute to the conservation of the existing urban green spaces, the reduction of GHG emissions, and the implementation of the management plans of the IUBCs, to improve the impact of the restoration carried out, and to facilitate the development of an integrated urban green strategy for the GAM under Component 1 (Output 1.1.3).</p> <p>2.1.3. Investments in sustainable mobility such as bike-friendly bridges, cycle paths, shared-use paths, pedestrian routes with green areas, and improvements in green sidewalks implemented, reduce GHG emissions and are integrated into a GAM regional vision that facilitates the interconnection of neighborhoods, municipalities, urban-natural landscapes, and an improved quality of life for their inhabitants.</p> <p>2.1.4. Pilot experience to improve water quality in the upper portion of two polluted urban watersheds within the GAM (Torres and Ma. Aguilar rivers) implemented, based on the "Clean Rivers: National Strategy for the Recovery of Urban Watersheds 2020-2030," includes the restoration of river protection areas and the control of irregular wastewater and solid waste discharges and promotes connectivity to the sanitary sewer system.</p>			
Component 3	Innovative financing and scaling-up.			

<p><i>Outcome 3.1: Local and national governments initiate innovative financing and business models for scaling-up sustainable urban solutions</i></p>	<p><u>Indicator 13:</u> Financing (USD / year) for the fulfillment of the goals of the National Decarbonization Plan, obtained from the implementation of the reforms proposed in Component 1 and the municipal financing mechanisms of Component 3</p>	0%	USD 50.27 million	USD 167.58 million
	<p><u>Indicator 14:</u> Number of new green jobs with gender equality in the GAM that result from innovative financing and business models for scaling-up sustainable urban solutions.</p>	0	250 (50% women; 50% men)	500 (50% women; 50% men)
	<p><u>Indicator 15:</u> Number of innovative financial mechanisms and/or business models for scaling-up sustainable urban solutions</p>	<p>a) Circular economy business models and/or industrial symbiosis b) At least one (3) bio-business models</p>	<p>a) Circular economy business models and/or industrial symbiosis: One (1) b) Bio-business models: At least one (1)</p>	<p>a) Circular economy business models and/or industrial symbiosis: Three (3) b) Bio-business models: At least three (3) (i. management of fecal sludge, ii. sustainable urban mobility, iii. organic solid waste management for municipal/industrial composting and for the construction of private green urban infrastructure; and iv recovery of plastic for recycling and reuse in consumer goods)</p>

Outputs to achieve Outcome 3.1	<p>3.1.1 Economic analyses performed facilitate the development of business models under different innovative business and financing schemes to achieve decarbonization and the delivery of global environmental benefits in the GAM, including an analysis of the Business-as-Usual Scenario versus the project's reformed scenario for the management of solid waste (e.g., plastics and organic waste), sewage, fecal sludge, and active mobility.</p> <p>3.1.2 Improved efficiency of current economic instruments and new municipal financing instruments (assessment of property value, improved mechanisms for charging for parking, adjustments for public works in the real estate tax, financing options for solid waste and wastewater management, charging for vehicular congestion, special contributions for investing in urban renovation and issuing green bonds) implemented with gender awareness, promotes the following:</p> <p>a) Maintenance and restoration of urban ecosystem services (e.g., groundwater recharge, restoration of connectivity in IUBCs, reduced heat island effect, food provision, pollination, and reduced water runoff)</p> <p>b) Circular economy business models and/or industrial symbiosis with a gender focus for sound solid waste management, fecal sludge management and wastewater, management and reuse, includes financing through the banking system under favorable conditions (favorable payment terms, grace periods, lower interest rates).</p> <p>c) New ventures that favor micro- and small businesses, as well as community associative arrangements, for the use and transformation of solid (plastic and organic) and liquid waste, as well as sustainable mobility.</p> <p>3.1.3 At least three bio-business models formed from public-private partnerships (PPPs), micro and small businesses, and associations at the community level with a gender focus established within the GAM, support inclusive investments: maintenance of urban ecosystem services and the restoration of IUBCs, the best management of solid waste (identified as part of the Waste Nationally Appropriate Mitigation Action [NAMA]) and wastewater, fecal sludge, and active mobility linked to the Electric Train</p> <p>3.1.4 Implemented technical assistance program for companies that work in bio-businesses facilitates access to markets and replicability at scale.</p>			
Component 4	Advocacy, Knowledge Exchange, Capacity Building, and Partnerships			
<i>Outcome 4.1: Solutions and best practices shared with the Sustainable Cities Impact Program Global Platform (SCIP GP) and other global events and communities of practice (e.g., Natural Neighbors, URBES project, ICLEI initiatives) and initiatives from Latin America (e.g., Integrated Management of</i>	<u>Indicator 16:</u> Number of knowledge products (e.g., publications, in-city knowledge exchanges) about the green economy and urban sustainability with a gender and social inclusion perspective made available locally, nationally, and regionally, including the SCIP web platform, for the replication and scaling-up of successful experiences in other urban landscapes.	0	At least two (2)	At least four (4)

<i>biodiversity and ecosystem services action Plan of Medellin, and its ?biodiversity roundtable? and others)</i>	<u>Indicator 17:</u> Number of urban professionals in Costa Rica, and municipal technicians and local decision-makers, among others, who use the knowledge acquired from the training or materials from the Sustainable Cities Impact Program (SCIP) GP (gender disaggregated).	0	175 (50% women, 50% men)	500 (50% women, 50% men)
Outputs to achieve Outcome 4.1	4.1.1 Information and knowledge exchange platform established at the national level increases awareness about sustainable integrated urban planning, transitioning to an urban green economy, and gender aspects, among other topics. 4.1.2 A learning and communication strategy between cities implemented through the SCIP GP and other existing global networks, to disseminate international methods and lessons learned regarding sustainable cities. 4.1.3 Project Gender Action Plan, Stakeholder Engagement Plan, and other management plans related to the social and environmental safeguards implemented.			
Component 5	Monitoring and Evaluation (M&E)			
<i>Outcome 5.1. M&E assesses project impact and guides adaptive management.</i>	<u>Indicator 18:</u> Progress in M&E Plan implementation	- 0%	- 50%	- 100%
Outputs to achieve Outcome 5.1	5.1.1 Monitoring and Evaluation (M&E) plan implemented.			

[1] MIVAH, MINAE, INVU, MOPT, AYA, DCC, and SINAC.

[2] San Jos?, Goicoechea, Tib?s, Alajuelita, Desamparados, Montes de Oca, Curridabat, Alajuela, Cartago, Para?so, Oreamuno, La Uni?n, Heredia, Bel?n, Flores, Santo Domingo, San Pablo, Barva, Santa B?rbara, and San Rafael.

[3] Areas made up of urban parks; green zones; tree-lined streets, avenues, and railway lines; and forests rivers banks and other protected wild areas (or *trama verde*, Decree No. 40043-MINAE, 2017).

Water quality biological index of measured through the diversity of benthic macro invertebrates (BMWP-CR, decree 33903 - MINAE): Class 1: Waters of excellent quality; Class 2: Waters of good quality, Class 3: Waters of fair quality, Class 4: Waters of poor quality contaminated, Class 5: Waters of poor quality, highly contaminated, Class 6: Waters of very poor quality.

[5] Dutch water quality index (decree 33903 MINAE). Class 1: No contamination, Class 2: Incipient contamination, Class 3: Moderate contamination, Class 4: Severe contamination, Class 5: Very severe contamination.

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).

Secretariat Comment at PIF/Work Program Inclusion: 10/11/2019		
Comment	Response	Reference in CEO Endorsement Document
Indicators and targets need to be firmed up for various country projects and the global project	Indicators and targets were confirmed and/or updated through a Project Results Framework workshop with the participation of multiple stakeholders, and in coordination with UNEP and the World Resources Institute (WRI) to ensure alignment with the indicators of the SCIP Global Program.	B. Project Description Summary; Annex A: Project Results Framework
The country projects are expected to align the project components more strongly with the program strategy and the EOIs at the CEO Endorsement stage	The project is aligned with the program strategy; representatives of UNEP and WRI to ensure full alignment revised initial drafts of the project.	B. Project Description Summary; 3) The proposed alternative scenario with a description of outcomes and components of the project
STAP Comments; Date of Screening: 12/02/2019		
Comment	Response	Reference in CEO Endorsement Document
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.	As requested, information on specific aspect the child project has been included. In summary Direct GHG emissions reduction as a result of the project are: 58,733 metric tons of CO ₂ e: a) Transport sector (transport development and sustainable mobility): 9,675 tCO ₂ e; and b) carbon sequestration as a result of restoration activities: 49,058 tCO ₂ e (1,947,539 tCO ₂ e during 20 years: a) Transport sector [transport development and sustainable mobility]: 193,500 tCO ₂ e; b) carbon sequestration as a result of restoration activities: 605,047 tCO ₂ e; and c) emissions reductions related to waste management: 948,992 tCO ₂ e). Detailed information on these estimates are included in Annex 12: GEF focal area specific annexes, of the UNDP-GEF Project Document	Annex 12: GEF focal area specific annexes, of the UNDP-GEF Project Document

<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>Resource decoupling has been addressed in the project?s theory of change (TOC) diagram and the narrative and in line with the SCIP GP?s TOC.</p>	<p>3) The proposed alternative scenario with a description of outcomes and components of the project.</p>
Council Member Comments: December 2019 Work Program		
Germany		
Comment	Response	Reference in CEO Endorsement Document
<p>Germany would recommend mainstreaming the issues of durability and follow-up funding for each Child Project, as the proposal does not address this issue in sufficient detail.</p>	<p>The durability and follow-up funding for the project will be ensure through an environmental legal reform that will allow the implementation of innovative municipal financial instruments (e.g., assessment of property value, improved mechanisms for charging for parking, adjustments for public works in the real estate tax, financing options for solid waste and wastewater management, charging for vehicular congestion, special contributions for investing in urban renovation and issuing green bonds) and the establishment of durable public-private partnerships (PPPs) in the GAM (e.g., management of fecal sludge from the San Jos? sanitary sewer, sustainable urban mobility through bike-train services, solid waste management (organic) for municipal/industrial composting and for the construction of private green urban infrastructure, and recovery of plastic [PET/HDPE/PC] for recycling and reuse in consumer goods) that will provide the necessary resources to ensure the sustainability of the project outcomes and generate stable social benefits.</p>	<p>7) Innovativeness, sustainability and potential for scaling up.</p>
Norway/Denmark		

<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, Costa-Rica and Indonesia. There is also a large co-investment by the Chengdu Environment Group in China. Only USD 11.5 is expected from private actors. This lack of private investors may be explained by the fact that it involves long-term investment with significantly complex interactions between sectors and without a standardized measurement, hence difficult for investors to measure the anticipated impact, and hence make decisions based on anticipated impact. Is the objective with the ?innovative finance? above to increase the amount of private investment leveraged or to be innovative with existing public finance available? It is positive to note that the SCIP Global Platform aims to focus on a number of key areas for private sector engagement.</p>	<p>The co-financing for the Costa Rica project is primarily from the central and local governments. However, the project will engage the private sector by establishing of durable PPPs in the GAM as part of the strategy to advance innovation financing; these will include at least three (3) bio-business models for: i) management of fecal sludge, ii) sustainable urban mobility, iii) organic solid waste management for municipal/industrial composting and for the construction of private green urban infrastructure, and iv) recovery of plastic for recycling and reuse in consumer goods. To incentivize private sector participation, the project may use a Bio-Business Innovation Challenge through which seed funding is awarded to private sector entities that propose scalable urban solutions. Every private sector partner (either contract holders selected through competitive processes and Innovation Challenge awardees) must provide co-financing from cash sources, in kind (valued), such as labor.</p>	<p>3) The proposed alternative scenario with a description of outcomes and components of the project.</p> <p>UNDP-GEF Project Document, Annex 19: Technical Annex on Bio-Businesses (Component 3 / Output 3.1.3)</p>
<p>Other comments</p>		
<p>The risk and mitigation matrix is fairly high level. We have not noted references to cross-cutting issues such as anti-corruption, gender, environmental risks or human rights.</p>	<p>During the project design stage, the social and environmental screening (SESP) was updated and the overall project risk categorization was changed from moderate to substantial, in line with the new UNDP Environmental and Social Standards (SES). The SES includes human rights and gender equality and women's empowerment principles and environmental standards that allow assessing any associated risk and defining mitigation measures as needed. In addition, as part of the mitigation strategy of gender associated risks a gender analysis for the GAM and a detailed Gender Action Plan were developed.</p>	<p>3. Gender Equality and Women's Empowerment. 5. Risks</p>

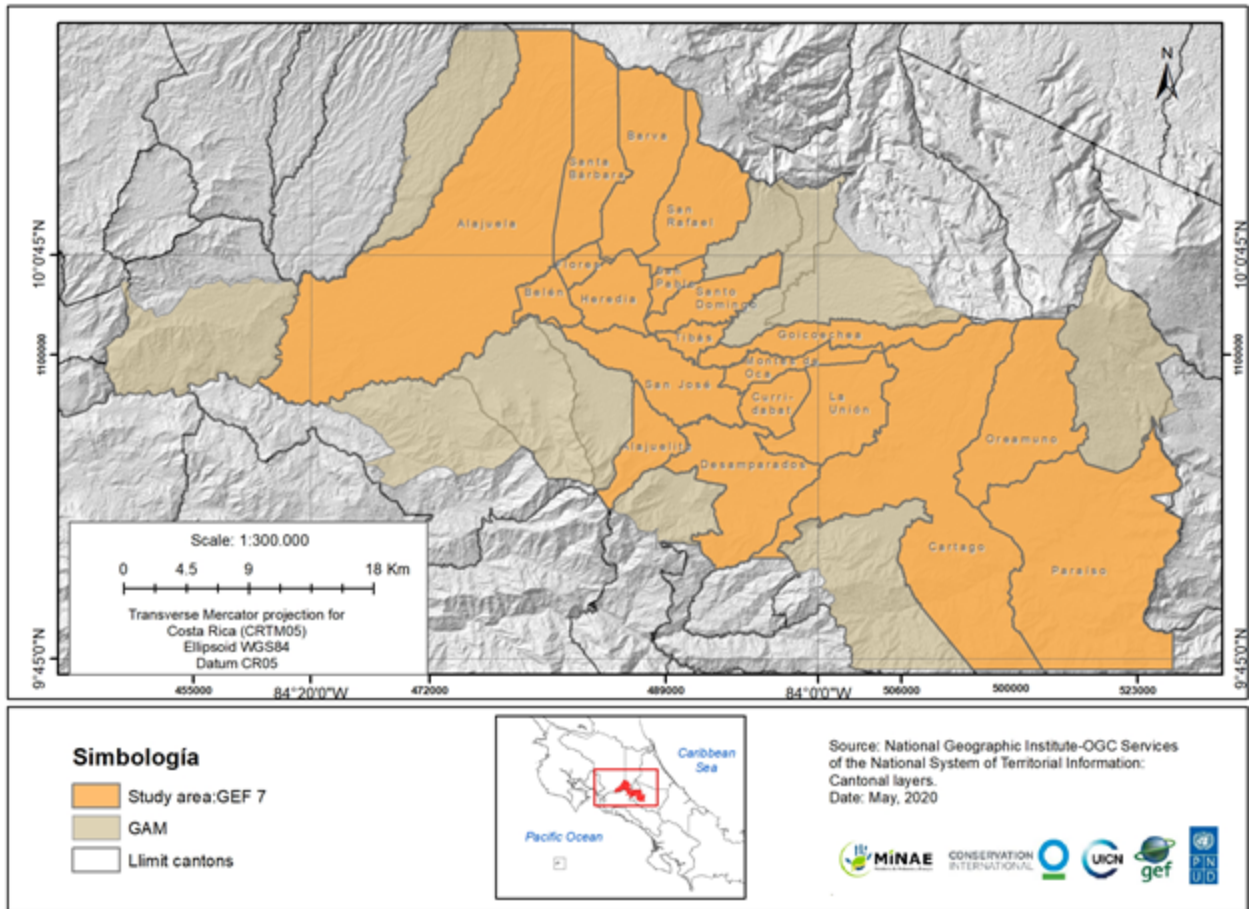
ANNEX C: Status of Utilization of Project Preparation Grant (PPG).
(Provide detailed funding amount of the PPG activities financing status
in the table below:

<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Project preparation grant to finalize the UNDP-GEF project document for project ?Transitioning to an urban green economy and delivering global environmental benefits?	150,000	145,544	4,456
Total	150,000	145,544	4,456

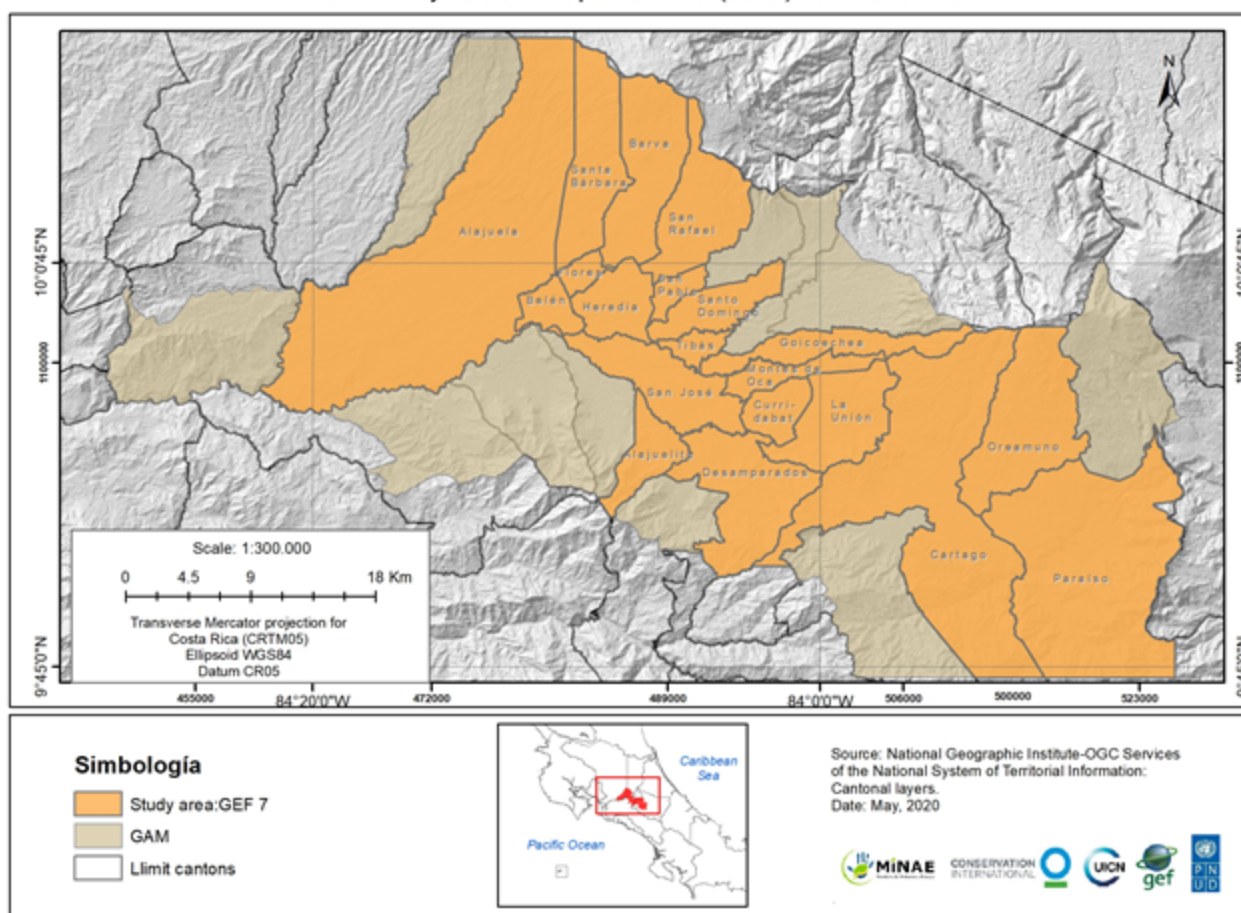
ANNEX D: Project Map(s) and Coordinates

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

GEF 7 study area: Metropolitan Area (GAM) of Costa Rica



GEF 7 study area: Metropolitan Area (GAM) of Costa Rica



ANNEX E: Project Budget Table

Please attach a project budget table.

Expendi ture Categor y	Detailed Description	Component (USDeq.)							Total (USDe q.)	Respons ible Entity (Executi ng Entity receivin g funds from the GEF Agency) [1]
		Compo nent 1	Compo nent 2	Compo nent 3	Compo nent 4	Sub- Total	M& E	PMC		

Equipme nt	? Computers (2) and software license. Total cost: USD 4,454; USD 2,227/unit during year 1. Outputs 1.1.1 to 1.1.8. ? Video projector (1): Total cost: USD 1080 during year 1. Outputs 1.1.1 to 1.1.8.	5,534				5,534			5,534	Organiza tion for Tropical Studies (OTS)
Equipme nt	? 5 community nurseries in order to have material available to supply local restoration processes and community gardens. Total cost: USD 139,800; USD 27,960/ nursery during years 2 and 3. Output 2.1.1. ? Plant material (trees-bushes) for restoration, material for establishment (shovels, picks, hydrokeeper, organic fertilizer), maintenance (pruning and land clearing tools). Total cost: USD 838,800; USD 167,760/year for 5 years (cost per hectare USD 419.40, for a total of 2,000 has). Output 2.1.1.		978,600			978,600			978,600	Organiza tion for Tropical Studies (OTS)

Equipme nt	? 5 GPS. Total cost: USD 1,880; USD 376/unit during year 1. Output 2.1.1 and 2.1.4. ? Telephone services/communication. Total cost: USD 11,184. USD 186.40/month for 60 months. Outputs 2.1.1, 2.1.2 and 2.1.4.		13,064			13,064			13,064	Organiza tion for Tropical Studies (OTS)
Equipme nt	? Maintenance and operation of transport/constru ction equipment to support "Mi barrio se conecta". Total cost: USD 16,776; USD 3,355.20/year for 5 years. Outputs 2.1.1, 2.1.2 and 2.1.4		16,776			16,776			16,776	Organiza tion for Tropical Studies (OTS)

Equipment	? 5 computers with software licenses. Total cost: USD 11,950 USD 2,390/unit during year 1. Outputs 2.1.1, 2.1.2 and 2.1.4. ? High capacity computer for satellite image reading, processing and final cartography generation (USD 10,000) and ArcGis Esri Intermediate licenses (USD 3,000). Total cost: USD 13,000 during year 1. Outputs 2.1.1 to 2.1.4. ? Satellite images of the GAM (World View) at the beginning and end of the project Total cost: USD 50,000; USD 25,000/purchase during years 1 and 5. Outputs 2.1.1 to 2.1.4..		74,950			74,950			74,950	Organization for Tropical Studies (OTS)
Equipment	? 3 computers and software license. Total cost: USD 7,269; USD 2,423/unit during year 1. Outputs 3.1.1 to 3.1.4.			7,269		7,269			7,269	Organization for Tropical Studies (OTS)
Equipment	? Office furniture. Total cost: USD 2,799 during year 1.					-		2,799	2,799	Organization for Tropical Studies (OTS)

Equipme nt	? Computers (2). Total cost: USD 2,796; USD 1,398/unit during year 1. ? Printer (1). Total cost: USD 496 during year 1 ? Video projector (1). Total cost: USD 466 during year 1.					-		3,75 8	3,758	Organiza tion for Tropical Studies (OTS)
Grants	? ?Mi barrio se conecta" (in English: "My Neighborhood Connects"): 150 connections to the sanitary sewer system. Total cost: USD 225,000; USD 75,000/year during years 2, 3 and 4 (cost per home installation USD 1,500/connection ; 60% of the unit cost is invested and the remaining 40% by user. Output 2.1.4. Grants will follow UNDP policy on Low- Value Grants.		225,000			225,00 0			225,00 0	Organiza tion for Tropical Studies (OTS)

Contractual services-Company	<p>? Development of technical instruments, organization and support to processes of fostering transit-oriented development and the management for basins, for MTM and CCRGT. Total cost: USD 186,400; USD 37,280/year, for 5 years. Output 1.1.1.</p> <p>? Development and operation of a digital platform for better coordination and evidence based planning. Total cost: USD 44,736; USD 22,368 during year 1 and USD 5,592/year for years 2 to 5. (Output 1.1.1).</p> <p>? Process of building a roadmap towards a decarbonized economy. Total cost: USD 42,512 during years 2 and 3. Output 1.1.2.</p> <p>? Regional Urban Renovation Plan that includes urban renewal in the 20 cantons of the Great Metropolitan Area (GAM) and actions for implementation. Total cost: USD 615,120 during years 2 and 3. Output 1.1.3.</p> <p>? Surveys on legislative/institutional reforms (1000 interviews/10-15 questions/3% margin of error). Total cost: USD</p>	1,314,691				1,314,691			1,314,691	Organization for Tropical Studies (OTS)
------------------------------	--	-----------	--	--	--	-----------	--	--	-----------	---

Contractual services-Company	<p>? Specialized organization, which provides technical assistance in the field, environmental education (awareness), support in urban restoration, urban agriculture, and nurseries. It is required to provide 3 permanent forestry technicians. Total cost: USD 184,536; USD 36,907.20/year for 5 years.</p> <p>Output 2.1.1.</p> <p>? Establishment of an interactive platform for registration, monitoring of restoration actions and publicizing the benefits of the green urban areas</p> <p>?Trama Verde Cantonal?</p> <p>Management plans through a public access viewer (e.g. SNIT). Total cost: USD 13,980 during year 2.</p> <p>Outputs 2.1.1, and 2.1.2.</p> <p>? Training for bird watchers (Training 2 times in the year, 15 days each training) 60 people. Total cost: USD 13,980 during year 2.</p> <p>Output 2.1.2</p> <p>? Investments in sustainable mobility: pedestrian and biking bridges, bicycle paths, crosswalks, shared use routes, pedestrian routes</p>	1,574,112					1,574,112		1,574,112	Organization for Tropical Studies (OTS)
------------------------------	--	-----------	--	--	--	--	-----------	--	-----------	---

Contractual services-Company	<p>? Company specialized in environmental impact modeling; cost benefit analysis of environmental, economic and social instruments design; cost benefit analysis of economic instruments, design and implementation of mechanisms aimed at restoring ecosystem services. Total cost: USD 153,600 during year 2. Output 3.1.1.</p> <p>? Company with experience in policies for the promotion of circular economy. Total cost: USD 90,970 during year 1. Output 3.1.1.</p> <p>? Company with experience in municipal legislation and municipal tax administration. Legal analysis of current and new economic and financial instruments, municipal regulatory framework and evaluation of financing sources. Total cost: USD 56,200; USD 562/day, for 100 days during years 2, 3 and 4. Output 3.1.2.</p> <p>? Company for the development of circular economy business models, with emphasis on</p>			1,684,400		1,684,400			1,684,400	Organization for Tropical Studies (OTS)
------------------------------	---	--	--	-----------	--	-----------	--	--	-----------	---

Contractual services-Company	? Design of the national platform for information exchange on issues related to sustainable cities, biodiversity conservation and climate change mitigation in urban landscapes; implementation of a public campaign to publicize the platform and development of the user guide. Total cost: USD 46,657 during year 1. Output 4.1.1.				46,657	46,657			46,657	Organization for Tropical Studies (OTS)
International Consultants	? Monitoring and Evaluation Expert: mid-term review of the project. Total cost: USD 31,806 during year 3 (Includes reports in Spanish-English). Output 5.1.1 ? Monitoring and Evaluation Expert (2): Final evaluation of the project. Total cost: USD 63,125 during year 5 (Includes reports in Spanish-English). Output 5.1.1					-	94,931		94,931	Organization for Tropical Studies (OTS)

Local Consultants	<p>? Leading advisor for political dialogue. Leads dialogue processes with political parties, the Legislative Assembly, the Executive Branch, and municipalities to assess the political feasibility of legal and institutional reforms. Total cost: USD 264,000; USD 5,500/month, for 48 months. Outputs 1.1.1, 1.1.4, and 1.1.5.</p> <p>? Professional in economics, with knowledge and experience in fiscal policy. Leads the preparation of draft laws, analysis of social and economic impacts of tax reforms, municipal and national financial instruments, and cost/benefit studies. Part-time. Total cost: USD 111,840; USD 3,728/month, 30 months during 5 years. Outputs 1.1.1, 1.1.4, 1.1.5, and 1.1.6.</p> <p>? Professional specialized in Urban Planning. Participates in the technical processes of the multilevel dialogue platforms, as well as in the definition of urban renewal areas, together with the municipalities</p>	1,272,000						1,272,000	1,272,000	Organization for Tropical Studies (OTS)
-------------------	---	-----------	--	--	--	--	--	-----------	-----------	---

Local Consulta nts	<p>? Expert biologist, in forestry or related fields. Leads the restoration of critical areas in the 20 municipalities of GAM. Total cost: USD 223,680, USD 3,728/month for 60 months. Outputs 2.1.1 and 2.1.2.</p> <p>? Urban Planning Specialist in Mobility/ Transport. Analyzes and defines the investments in sustainable mobility to be implemented in the cantons and includes the GAM regional vision in the solutions, combines restoration actions with the transit-oriented development (TOD), generating local investments that benefit sustainable mobility. Total cost: USD 148,800. USD 3,100/month for 48 months in 5 years. Output 2.1.3.</p> <p>? Professional in economics with a specialty in environmental economics. Responsible for cost/benefit valuation studies, of ecosystem services at a spatial level, applying ROAM, INVEST and other analytical and digital tools; analysis of</p>	908,000			908,000			908,000	Organiza tion for Tropical Studies (OTS)
--------------------------	--	---------	--	--	---------	--	--	---------	--

[illegible]

[illegible]

Local Consultants	<p>? Monitoring and Evaluation Specialist: Update at mid-term and at the end of the project the GEF 7 core indicators and other necessary monitoring tools (UNDP Capacity Development Scorecard). Total cost: USD 18,640; USD 4,660/month for 4 months in years 3 and 5. Output 5.1.1.</p> <p>? Monitoring and Evaluation Expert: mid-term review of the project Total cost: USD 10,960 during year 3. Output 5.1.1.</p> <p>? Monitoring and Evaluation Expert: Final evaluation of the project. Total cost: USD 16,310 during year 5. Output 5.1.1.</p> <p>? Monitoring and Evaluation Specialist: coordinates and conducts project monitoring and evaluation activities in accordance with government, UNDP Country Office, and UNDP-GEF requirements, including updating indicators in the project results framework and monitoring of cofinancing. Total cost: USD 32,620; USD 3,262/month for 10 months during 5 years. Output 5.1.1.</p>						78,530		78,530	Organization for Tropical Studies (OTS)
-------------------	--	--	--	--	--	--	--------	--	--------	---

[illegible]

Training, Workshops, Meetings	<p>? Workshops/trainings for MTM and CCRGT. Total cost: USD 6,990; USD 1,398/year for 5 years (USD 699/workshop for 10 workshops). Output 1.1.1.</p> <p>? Workshops to prepare the Roadmap. Total cost: USD 6,990; USD 1,398/year for 5 years (USD 699/workshop for 10 workshops; 2 sectoral, 4 municipal, 1 women, 1 institutional, 1 private sector, 1 environmental sector and 2 socialization and validation workshops) Output 1.1.2.</p> <p>? Workshops linked to the results of the Regional Urban Renovation Plan. Total cost: USD 15,378; USD 3,075/year for 5 years (USD 699/workshop for 22 workshops, 20 cantons and 2 regional workshops). Output 1.1.3.</p> <p>? Workshops/seminars for the presentation of draft bills and institutional reforms with sectors. Total cost: USD 9,087; USD 1,817.40/year for 5 years (USD 699/workshop for 13 workshops) Outputs 1.1.5 and 1.1.6.</p>	38,445					38,445		38,445	Organization for Tropical Studies (OTS)
-------------------------------------	--	--------	--	--	--	--	--------	--	--------	---

Training, Workshops, Meetings	<p>? Public awareness workshops for the restoration of critical areas, as well as monitoring and maintenance of the restored areas, two for each of the 7 IUBCs. Total cost: USD 9,786; USD 1957.20/year for 5 years (USD 699/workshop for 14 workshops). Output 2.1.1.</p> <p>? Workshops to promote biodiversity monitoring. Total cost: USD 1,398; USD 699/workshop for 2 workshops during year 2. Output 2.1.1.</p> <p>? Workshops for the preparation of Municipal Restoration Plans (1 for each canton and 1 regional). Total cost: USD 14,679; USD 2,935.80/year for 5 years (USD 699/workshop for 21 workshops). Output 2.1.2.</p> <p>? Workshops/seminars for the definition of sustainable urban mobility works. Total cost: USD 5,592; USD 1,118.40/year for 5 years (USD 699/workshop for 8 workshops). Output 2.1.3.</p> <p>? Community training "My Neighborhood Connects" (?Mi barrio se conecta?). Total cost: USD 2,097.</p>	33,552						33,552	33,552	Organization for Tropical Studies (OTS)
-------------------------------	---	--------	--	--	--	--	--	--------	--------	---

Training, Workshops, Meetings	<p>? Workshops with municipal technicians to analyze and review proposals for financial instruments for decarbonization, ecological restoration and generation of environmental benefits. Discussions with local authorities (mayors and governors). 20 workshops (1 per canton) with technicians, 5 sub-regional workshops with technicians and 5 with local authorities. Total cost: USD 17,475 over 5 years (USD 699/workshop/25 workshops). Output 3.1.2.</p> <p>? Public awareness days on green economy and the importance of bio-business. Total cost: USD 10,485 over 5 years (USD 699/workshop/15 workshops). Outputs 3.1.1 and 3.1.3.</p> <p>? Meetings, seminars, and workshops for the restructuring of the 4 proposed bio-businesses. Total cost: USD 8,388 over 5 years (USD 699/workshop for a total of 12 workshops). Outputs 3.1.3 and 3.1.4</p>			36,348		36,348			36,348	Organization for Tropical Studies (OTS)
-------------------------------	---	--	--	--------	--	--------	--	--	--------	---

[illegible]

Training, Workshops, Meetings	? Project Inception Workshop. Total cost: USD 4,660 during year 1. Output 5.1.1. ? Workshops related to the mid-term review of the project. Total cost: USD 932 during year 3. Output 5.1.1. ? Workshops related to the final evaluation of the project. Total cost: USD 1,398 during year 5. Output 5.1.1.					-	6,990		6,990	Organization for Tropical Studies (OTS)
Travel	? In-country travel costs. Total cost: USD 9,320; USD 1,864/year for 5 years. Outputs 1.1.1 to 1.1.7.	9,320				9,320			9,320	Organization for Tropical Studies (OTS)
Travel	? In-country travel costs. Total cost: USD 9,320; USD 1,864/year for 5 years. Outputs 2.1.1, 2.1.2 and 2.1.4.		9,320			9,320			9,320	Organization for Tropical Studies (OTS)
Travel	? In-country travel costs. Total cost: USD 15,378; USD 3,075.60/year for 5 years. Outputs 3.1.2, 3.1.3, and 3.1.4.			15,378		15,378			15,378	Organization for Tropical Studies (OTS)
Travel	? Travel expenses to participate in SCIP GP events. Total cost: USD 233,000; USD 46,600/year for 5 years. Output 4.1.2.				233,000	233,000			233,000	Organization for Tropical Studies (OTS)

Travel	? Travel expenses for the mid-term review of the project. Total cost: USD 6,524 during year 3. Output 5.1.1. ? Travel expenses for the final evaluation of the project. Total cost: USD 11,323 during year 5. Output 5.1.1. ? Travel expenses for project monitoring activities. Total cost: USD 932 for 5 years. Output 5.1.1.					-	18,779		18,779	Organization for Tropical Studies (OTS)
Office Supplies	? Office and computer supplies. Total cost: USD 3,075; USD 615 / year for 5 years.					-		3,075	3,075	Organization for Tropical Studies (OTS)
Other Operating Costs	? Publications and videos supporting legal, political and institutional reforms. Materials for dialogue platforms, roadmap building and training program. Advertising guidelines and special programs for the implementation of the political communication strategy in radio, TV, social media, buses, etc. Total cost: USD 93,200 over for 5 years. Outputs 1.1.1, 1.1.2, 1.1.4, 1.1.5, and 1.1.7.	93,200				93,200			93,200	Organization for Tropical Studies (OTS)

Other Operating Costs	? Technical design of communication materials on restoration, urban gardens, solid waste and wastewater management, maintenance of restoration processes, for public awareness/local stakeholders. Total cost: USD 18,640; USD 3,728/year for 5 years. Outputs 2.1.1, 2.1.2, and 2.1.4.		18,640			18,640			18,640	Organization for Tropical Studies (OTS)
Other Operating Costs	? Production of materials that promote circular economy processes and the establishment of bio-businesses, as well as publications and videos that facilitate the understanding and adoption of the use of municipal financial instruments. Total cost: USD 19,784 USD 3,956.80/year for 5 years. Output 3.1.2.			19,784		19,784			19,784	Organization for Tropical Studies (OTS)

Other Operating Costs	? Knowledge management and communications products and materials. Total cost: USD 9,700; USD 1,940/year for 5 years. Outputs 4.1.1 and 4.1.2. ? Communications products and materials related to the Gender Action Plan and Comprehensive Stakeholder Engagement Plan. Total cost: USD 13,500; USD 2,700/year for 5 years. Output 4.1.3.				23,200	23,200			23,200	Organization for Tropical Studies (OTS)
Other Operating Costs	? Project audit costs. Total cost: USD 23,300; USD 4,660/year for 5 years.					-		23,300	23,300	Organization for Tropical Studies (OTS)
Grand Total		2,733,190	3,852,014	2,390,779	651,425	9,627,408	199,230	491,332	10,317,970	

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an 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).