

Transitioning to an urban green economy and delivering global environmental benefits

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID 10467 **Countries** Costa Rica **Project Name** Transitioning to an urban green economy and delivering global environmental benefits **Agencies UNDP** Date received by PM 6/19/2021 Review completed by PM 11/14/2021 **Program Manager** Aloke Barnwal Focal Area Multi Focal Area

Project Type

FSP

PIF □ CEO Endorsement □

Part I? Project Information

Focal area elements

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

Secretariat Comment at CEO Endorsement Request

Yes, the project is aligned with Sustainable Cities Impact Program strategy of GEF 7. It will contribute to multiple GEBs related to climate change, sustainable land management and biodiversity.

The Rio Marker needs to be revised to make climate change mitigation as 2 given that climate is a Principal objective of the project.

Please also revise the focal area outcome to: Transforming cities through integrated urban planning and investments in innovative sustainability solutions.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response

10/19/2021:

The Rio Marker was changed to 2 as suggested.

The focal area outcome was changed as suggested.

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

Yes, the design is appropriate and aligned with the design of the Sustainable Cities Impact Program. The design represents a sound integration approach covering land use planning, waste management, biodiversity conservation, restoration and protection, circularity and sustainable transport options. It also focuses on creating enabling systems e.g. through policies, taxes, multi-stakeholder platforms and regulations.

The project may benefit from one additional enabling support. Given that GAM will cover multiple and integrated elements of urban sustainability under this project and other initiatives, the project may consider supporting the government in creating a digital platform which can help in better coordination and evidence based planning. If such a platform already exists, the project may strengthen it further by integrating sustainability aspects e.g. new indicators/parameters, high resolution maps, citizen information dissemination systems, etc.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response 10/19/2021:

As suggested, 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. The Multilevel Technical Roundtable for Transportation-Oriented Development for the Metropolitan Electric Train (MTR-MET) in the GAM, which forms part of the technical committee of the project, is the most comprehensive multistakeholder platform upon which to design and plan the development of this type of digital tool. This tool, which will contribute to strengthening the MTR-MET (Component 1), will include, among other things, geospatial information about urban restoration projects, information about recycling and waste management services according to the location of platform users, a central repository of information and guidance documents, and other elements to be defined through the project. The Ministry of Housing and Human Settlement (MIVAH), which coordinates the MTR (http://www.mivah.go.cr/Desarrollo-Urbano-Transporte.shtml), will host the digital platform and operate the server. The MIVAH will assume the costs of operating and maintaining the platform after project completion, thereby ensuring its sustainability. Multiple institutions and stakeholders participate in the MTR, such as national government agencies linked to urban planning,

transportation, land management, and land use (e.g., MIVAH, INVU, IFAM, INCOFER, MOPT, Ministry of Finance, MIDEPLAN, National Registry, MINAE, and CONAPDIS); local government offices represented in the 15 municipalities that are part of the Electric Train project right-of-way; the UNGL and the ANAI; real estate associations and councils; and cooperation agencies and academia. Therefore, the potential impact of the digital tool in promoting better coordination and evidence-based planning is significant.

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response Co-financing

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

Secretariat Comment at CEO Endorsement Request Yes.

The link with NDC project will add a great value to the project in linking directly with Costa Rica's commitment to Paris Goals. Given that the project has a significant biodiversity component, the project may consider collaboration with equivalent national commitments/policies related to Convention on Biological Diversity (CBD). Cities are often not discussed within the CBD framework and therefore through this and other SCIP projects, we can make this link stronger and enhance role of cities in achieving global biodiversity targets.

GEFSEC 20 October

Thanks. Comment cleared with request to integrate the key points in the response below in the CEO Endorsement document/entry.

Agency Response 10/19/2021:

The Project Coordinator will liaise regularly with the focal point of the CBD and invite them to key project milestones such as inception workshops and high-level events. In addition, the project is aligned with and will contribute to implementing the National Biodiversity Strategy (NBS) (2016-2025), which identifies the need to increase biodiversity resilience through connectivity, restore riparian forests, and restore other threatened ecosystems that provide essential services, including urban landscapes. The Ministry of the Environment and Energy (MINAE), the Ministry of National Planning and Economic Policy (MIDEPLAN), the National System of Conservation Areas (SINAC), and the Biodiversity Financing Initiative (BIOFIN) are all members of the Executive Board that oversees the implementation of the NBS, and are important project stakeholders. The MINAE and SINAC are members of the Project Board and the Executive Technical Committee, respectively; in addition, the MINAE and BIOFIN-UNDP are project co-financiers. These agencies? roles within the project will ensure that there are direct links and collaboration with national commitments and policies related to the CBD and a direct contribution to achieving global biodiversity targets through the implementation of actions for biodiversity conservation in the GAM

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a costeffective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response Core indicators

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

Secretariat Comment at CEO Endorsement Request Please confirm if the CI 3 target is 2000 hectares (section 6) or 4000 hectares (core indicator entry). Please provide a rationale behind 20% factor for estimating CI 4. This indicator target is a significant reduction from the concept stage which will have an overall high impact on BD related target proposed in the PFD stage.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response

- The correct CI 3 target is 2,000 ha; this was updated in the portal.
- The estimation of CI 4 was revised considering land use/land cover data for the GAM. The total area for the five Interurban Biological Corridors (IUBC) in the GAM was confirmed as 58,006 ha, of which 30% (17,402 ha) are peri-urban areas other than forests and urban areas, where improved practices can be implemented to benefit biodiversity. Accordingly, the target for CI 4 indicator was updated form 11,600 ha to 17,402 ha. Achieving this target is considered feasible because 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.

Part II? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

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. Please elaborate how will the project build on this baseline for the targeted urban region.

Thanks. Comment cleared.

Agency Response

The project will support the operationalization of the newly created category Urban Natural Parks (PANU; Decree N? 42742-MINAE). The project will support SINAC to establish the first PANUs within the GAM through three main tasks:

- 1) Help identify areas that could be declared as PANUs within the GAM and the 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.
- 2) Provide technical support to the SINAC commission to operationalize the process of establishing three new PANUs: La Colina (Desamparados-Curridabat) Parque del Este, Montes de Oca, and El Santuario in Bel?n. This will include writing a technical report containing biogeographical information, land tenure, design and government arrangements. The project will also support a consultation and validation process through participatory processes.
- 3) Provide legal support services to draft the decree of creation of the three new PANUs.
- 3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion Please see a few comments below:

- The theory of change is hard to read. Please shorten the outputs boxes with key points.
- Component 4 on financing focuses on waste and transport. Given that the project has an intensive focus on urban biodiversity and nature based solutions, the financing component should include this also as part of developing innovative implementation and business models which can leverage public, private and other market based financing for nature including carbon finance. A lot of innovation has been happening in this space and this project presents a great opportunity with a strong baseline in place.
- Component 1 and 2 is well described with clear outputs and outcomes. While the focus on 20 municipalities within the GAM and the IUBC is well noted, the project has the potential to not only conserve and restore biodiversity within the urban regions but also in surrounding ecosystems beyond the GAM e.g. forests, water basins and rural areas. This is in line with the emerging role of cities in contributing to global biodiversity goals and also a critical aspect of urban sustainability e.g. supply of drinking water, clean air, etc. The project can establish coordination of relevant departments in this

regard to develop plans which can benefit both the metro region as well as surrounding ecosystems.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response

- The output boxes in the ToC were shortened as suggested.
- Component 3 on financing provides an opportunity to leverage blended finance solutions for nature-based investments in the urban landscape. This element has been added to the project and will be linked to the creation of private conservation/protection reserves as part of the strategy to establishing PANUs. Private reserves can be created in protected/forest lands that are partially urban developments, such as condominiums, commercial strips, and industrial areas. These are areas that are critical for enhancing ecosystems connectivity; protecting riverbanks and buffer areas to reduce the impacts of floods, landslides, and water pollution; and improving carbon stocks through the restoration of degraded 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.
- 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-level 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.

In addition, the following five stakeholders from the Technical Committee are key for linking project actions beyond the GAM:

- SINAC has two important mandates to expand project actions nationally, in particular restoration actions through the establishment of PANUs and establishing and supporting local committees for biological corridors.
- 2) The ANAI includes mayors from municipalities adjacent to the GAM who can contribute to strengthening ecosystem connectivity and restoration efforts in areas of biodiversity importance surrounding the GAM. In addition, the ANAI mayors include

heads of municipal governments in other urban areas in Costa Rica that may benefit from lessons learned from the project.

- 3) The Institute for Municipal Promotion and Advisory (IFAM) has a mandate to train municipal governments, providing an opportunity to use lessons learned from the project to create capacity development programs and training material that may be used by IFAM beyond the GAM.
- 4) The Local Committee of the Inter-urban Biological Corridor of Torres River (CBTorres) and,
- 5) The Local Committee of the Inter-urban Biological Corridor of Maria Aguilar River (CBIMA). Both CBTorres and CBIMA have the experience to help replicate successful experiences in the management of biological corridors and establishing new local committees to expand project actions.

A subcommittee will be established consisting of the technical representatives of these entities, civil society and other stakeholders related to the topic to promote project actions in municipalities beyond the reach of the direct project influence. This committee will support lessons learned, knowledge management, and dissemination of lessons beyond the GAM.

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

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

6. Is there further and better elaboration on the project?s expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request Yes. Please refer to comments earlier regarding the GEBs targets.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response

As mentioned previously, the target for the CI 4 indicator was updated to 17,402 ha, considering land use/land cover data for the GAM, which is a better elaboration of the project?s expected contribution to GEBs.

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

Secretariat Comment at CEO Endorsement Request

Yes. Please refer to earlier comment regarding establishing/strengthening digital platform/center for effective integrated planning, coordination, monitoring and engagement with key stakeholders and beneficiaries.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response Please refer to response 2 stating the project will support the government in creating a digital platform for better coordination and evidence-based planning.

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

Yes. Please refer to the comment above regarding the project's influence in regions beyond the urban boundaries. A number of municipalities in the map are bordering other eco-regions which could benefit from the program.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response Please refer to the response 3 (part II) above to the comment on how the project can establish coordination of relevant departments in this regard to

develop plans, which will benefit both the metro region as well as surrounding ecosystems.

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Gender Equality and Women?s Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

As highlighted earlier, the project design lacks private sector engagement in urban biodiversity and nature based solutions. The project presents a great potential to develop PPP models around maintenance and restoration of green and blue spaces including ecotourism in and around the GAM, and also the possibility to leverage private sector financing e.g. nature bonds, etc. to raise capital.

The project refers to working with companies on bio-business models in transport and waste sector. The project should also consider engaging with private sector in nature based solutions and biodiversity spaces also.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response Please refer to the response 3 (part II) above to the comment on how the financing component (i.e., (Component 3) can develop innovative implementation and business models related to urban biodiversity and nature-based solutions.

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

As per GEF Secretariat guidance, please include a section on COVID-19 context of the project, risks and opportunities to support a green recovery.

Also, please provide a bit more elaboration on climate change induced risk on the project. Please refer to GEF STAP guidance in this regard. At minimum, please elaborate a bit more on specific climate hazards and risks in the target region, how it may affect outputs and the mitigation strategy.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response

Covid-19 and other communicable diseases (High Risk)

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 km?, constituting the main urban area of Costa Rica. The capital city, San Jos?, 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.

Seismic vulnerability (Moderate Risk)

Costa Rica's location on the subduction zone of the Coco, Caribe, and Nazca tectonic plates gives rise to its high seismicity profile. There many local geographical faults in the four cardinal points of 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 (Fern?ndez & Montero, Revista Geol?gica de Am?rica Central, 26: 25-37, 2002).

Mitigation measures: 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.

Extreme hydrometeorological events (Low Risk)

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.

Mitigation measures: 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.?

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

Please provide a bit more rationale regarding selection of the executing agency whose capacity and expertise in the urban development and sustainability sector seems quite limited. Their expertise in biodiversity conservation seems to be good but not on other core urban issues. The project may consider a combination of executing arrangement with partial engagement of a relevant government department at metropolitan level or national level.

Please also elaborate how local governments and leadership will be involved in project decision making and management of project activities. The project will have significant influence beyond urban boundaries. Please describe how the project will facilitate collaboration between city authorities and departments which govern these surrounding regions.

GEFSEC 20 October

Thanks. Comment cleared.

Agency Response

The governance and management arrangements have been adjusted to address the comments and and to clarify the coordination arrangements for the participation of local governments. The main changes reflecting the response below are:

- 1. Changes in project Organization Structure to highlight technical committee;
- 2. Inclusion of sub-committees, lead institutions and their roles in project governance
- 3. Re-definition of Executive Technical Committee roles
- 4. The stakeholder in Stakeholder engagement Plan has been adjusted to include thematic subcommittees and their potential participants.

1.Rationale regarding selection of the executing agency

The rationale for the selection of the executing agency other than MINAE or a municipal agency is related to the legal and regulatory framework for public budgets in Costa Rica.

The Costa Rican Law No. 8131 on the Financial Administration of the Republic and Public Budgets regulates the economic-financial regime of the organs and entities that are administrators or custodians of public funds and is governed by the concept of "Unique Fund". This law defines that all income/revenues received by the Government of the Republic, whatever source, will form part of a single fund in charge by the National Treasury.

As a result, any resources received by any central government entity of Costa Rica (including MINAE) would have to be incorporated in the Budget of the Republic to be executed within the corresponding fiscal year, subject to the approval of the Legislative Assembly. Also, if the specific budget is not executed, the use of the remainder resources is not automatically authorized to be used in the following year. Hence, this grant could face restrictions of budgetary spending from one year to the next (fiscal austerity rules).

Considering the diverse risks to international funds implied by this framework, the Costa Rican government requests execution support services to guarantee funds will be spend timely and in the same project. The original design of the project considered the Ministry of Environment and Energy as Executing Agency with UNDP providing execution support services. As the authorization for ?Support to NIM execution modality? was not granted by the GEF, MINAE defined a shortlist of third party organizations to act as the Execution Agency and requested UNDP to undertake the selection process.

The shortlist included the following institutions: National Parks Foundation; Fundecooperacion; FUNDEVI (Foundation of the University of Costa Rica); and the Organization of Tropical Studies (OTS). A selection process was led by UNDP involving two phases: a) a review of a set of criteria (including best total fee for service) and then b) passing a financial micro-evaluation by an independent audit firm with low risk.

The Organization of Tropical Studies scored higher in the selection process and obtained low Risk rating in the micro-assessment. The results were presented to the Minister of Environment that approved and vetted the result, awarding the Organization for Tropical Studies as the EA/IP of the project. All the details of the selection process of EA can be found in Annex 13 of the UNDP-GEF PRODOC.

The OTS is a leader interdisciplinary research focused on advancing understanding of tropical ecosystems. As a consortium of more than 30 prestigious universities and seven research institutions from the US and Costa Rica, OTS can deliver technical advice on forest restoration as well as be a point of access to multi-disciplinary expertise related to cities and green economy.

In Costa Rica, OTS has a partnership with the College of Architects (CACR - CFIA) for the organization of the course? Conservation of the Tropical Landscape? every two years. From this experience OTS will create - with the inputs and participation of municipal leaders and national policy makers - a center of studies on tropical cities. The new? Center for the Urban Tropics: Research, Innovation, and Practice? will be located both physically and intellectually in Costa Rica to support the transition to a low carbon and just green economy with thought leadership on nature-based solutions in the urban environment. The Center will be a credible source of information and knowledge on environment, biodiversity, climate change, and sustainability for the global urban tropics and will exchange closely with the Global team.

OTS commitment has been confirmed with a co-finance letter of US\$2,183,000.

2.Combination of executing arrangement with partial engagement of a relevant government department at metropolitan level or national level/ - How local governments and leadership will be involved in project decision-making and management of project activities/ - how the project will facilitate collaboration between city authorities and departments, which govern these surrounding regions.

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 TDRs 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 members of the Committee are:

- Ministry of Public Works and Transportation (Secretariat of Sector Planning, MOPT)
- National Institute for Housing and Urbanism (INVU) (general director of Urbanism);
- National Association of Mayors and Intendants (ANAI)
- Institute of Municipal Promotion and Advisory (IFAM).
- National System of Conservation Areas (SINAC)
- 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)
- Multi-level Technical Working Group oriented to transport development in the area of influence of the Train (MTM)
- National Institute for Women (INAMU)

The executive technical committee will be held on a bimonthly basis and will be convened and facilitated by project manager including also the financial director of the OTS and technical advisor of OTS to the project. All meetings will have minutes that will be reported in annual implementation reports.

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 PRODOC, technical subcommittees will be established for the core thematic areas of the Project. The following seven thematic subcommittees have been proposed in PRODOC to 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 (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

All institutions part of the Stakeholder Engagement Plan can provide representatives to the different **thematic subcommittees** formed by government officials, municipal officials, representative of city councils, private sector, local communities, NGOs. In the subcommittees all the technical and participatory consultations will take place. The lead institution of each sub-committee will be supported by a technical specialist part of PMU hired by the project (draft ToRs of project team are included in Annex 7 of the UNDP PRODOC).

Subcommittees will meet periodically to consult stakeholders and to draft the technical recommendations for project implementation. The proposals and work plans delivered by the Subcommittees will be reviewed and approved by the Executive Technical Committee before OTS implement activities. The objectives of this arrangement (Technical committee and thematic subcommittees) is to provide technical and political guidance to OTS for executing the project activities guaranteeing national ownership. It will also allow wider stakeholder participation and empowerment of municipal institutions and local organizations.

The OTS will sign **cooperation agreements with** the Executive Technical Committee and with the additional lead institutions of subcommittees which are not part of the Executive Technical Committee. These agreements will define roles, responsibilities, timelines, focal points and specific commitments of each organization in the implementation of the project.

OTS, as the implementing partner of the project, may also enter into a written agreement with other organizations (governmental or civil society) as responsible parties, to provide goods, services, carry out project activities and produce outputs using the project budget (always when the unique budget law allows). During design CI and IUCN were thought to be the responsible parties of the project, but they have withdrawn from these roles before submission of the PRODOC to the GEF. During project implementation a further screening of comparative advantages and specialized skills of metropolitan organizations (non-governmental and civil society) will be undertaken to

identify possible responsible partners to the project, aiming to mitigate risk and to relieve administrative burdens. The relevant legal instrument of the IP will be used to engage identified responsible parties, which are directly accountable to the implementing partner in accordance with the terms of their agreement or contract.

The core objective of the project is to influence and improve national environmental policy with the validation of demonstrative activities and socio-economic analysis undertaken by the project. These multilevel interdisciplinary platforms of participation are expected to facilitate collaboration not only between city authorities and departments but also with stakeholders beyond the urban boundaries. With a robust communication and knowledge management strategy supported by digital platforms for communication the project will facilitate and promote this collaboration beyond the GAM.

The following adjustments to project?s governance and management arrangements have been undertaken to clarify further the coordination mechanism of the project:

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Knowledge Management

Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Project Results Framework

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request Comments provided in relevant sections above.

GEFSEC 26 October:

The Agency is requested to address the following additional comments and resubmit the project for consideration.

1. Expected Completion date is wrong - please amend (84 months from 12/1/2021 would be 11/30/2028):

2. There are differences in budget allocation to component 1 and 2 between the budget table at Annex E (\$2,697,190 and \$3,877,214 respectively) and the Portal?s table B (\$2,745,190 and \$3,829,214)? the difference is \$48,000 please amend so the figures will match.

3. Budget table:

- (i) Office furniture should be charged to PMC but not to components:
- (ii) Office supplies should be charged to PMC but not to components:
- (iii) UNDP?s budget in the ProDoc includes this line: ?6.8% for NGO management/administrative costs inclusive to each budget line, and it will be charged to the same budget line accordingly?. There are three observations with this:
- a. All budget tables have to match: the one in Annex E in Portal, the other appended to the Documents? tab and the last one in ProDoc.
- b. GEF resources cannot cover administrative costs of the executing partner? please ask the Agency to remove this and adjust the rest of the budget lines accordingly.
- c. Having a non-eligible budget line in ProDoc but not in the other two budget tables is inappropriate.

4. Co-financing:

- i- The links to the co-financing letters highlighted in Table C, below, are in Spanish. We noticed that translations have been provided in the PRODOC. Please see some comments below:
- ii. All the Co-financing letters stipulate in cash co-financing but then include a paragraph saying that by CASH co-finance they do no mean CASH. The agency should correct the translations in the PRODOC to adequately reflect the source of co-financing stipulated in Table C of the Portal.
- iii. The co-financing from Fedeheredia dates from 2018 and the stipulated time frame was 2018-2022. Since we are close to 2022, please request the agency to provide a reasonable estimation of the actual financial commitment to the GEF project considering that per the starting date included in Portal, the GEF project will only coincide for a month with the timeframe of the co-financing.

November 14, 2021

Thanks for the responses. All comments are technically cleared.

November 16, 2021

- Comment 1: not addressed ? please modify both ?the expected implementation start date (due to the 4-weeks circulation, it cannot start on 12/2/2021), and the expected completion date. We noted the response that the project period has been revised to 60 months. However, in the portal 84 months is entered. Please revise as appropriate.
- Comment 3 (iii): not addressed ? in the Review Sheet the Agency says that ?The NGO

fee (6.8%) has been excluded from the GEF budget and administrative costs will be covered by PMC cofinancing.? Please note that as mentioned ion October 26th, in the budget table included in the previous ProDoc, the 6.8% for NGO Management/administrative costs was included in each budget line:

Hence, one would have expected that in this resubmission each budget line would have costed -6.8% compared with the previous version. After having examined the version of the budget included in Annex E of the previous CEO Endorsement in Portal (attached) with the current version, it is evident that the budget lines remained unchanged, which means that the 6.8% % for NGO Management/administrative costs was not removed. For the next resubmission, please (i) remove 6.8% of each budget line; (ii) clearly indicate how the ?savings? (6.8% across all budget lines) will be re-distributed.

GEFSEC December 1, 2021

Thanks for adjusting the budget items to reflect the reduction of 6.8%. The comment is cleared for further review by the PPO. Well noted that the Agency is not able to edit the duration in the portal. The GEFSEC will try to fix this in the portal.

Agency Response

- 1. Completion rate has been adjusted in portal. "Please note that the duration of the project is 60 months. Accordingly, the expected completion date was corrected to 11/30/2026.
- 2. Budget tables in Annex E and Portal table B have been aligned
- 3. On budget table:
- (i) Office furniture has been excluded from components
- (ii) Office supplies have been excluded from components
- (iii) Response to three observations:
- A. All budgets have been aligned in PRODOC and Portal
- B. The NGO fee (6.8%) has been excluded from the GEF budget and administrative costs will be covered by PMC cofinancing.
- C. Non- eligible budget lines in PRODOC have been excluded.
- 4. (ii) Government contributions in cash were stated as public investment because they refer to planned investments from public budget that are directly linked to project activities. The clarification paragraph in the letters is to explain that no direct cash transfer to UNDP or Executing Agency should be expected. The explanation of cash

cofinance as public investment has been added to the translations; ? By Cash Cofinance (public investment, as per GEF definition) we refer to the monetary equivalent that the municipalities will invest in the aforementioned period for actions that coincide with the effects and deadlines of the GEF-UNDP project and the municipality's goals. Under no circumstances should cash co-financing be understood as a transfer of financial resources to the UNDP, but rather only the coordination of investments for the benefit of common objectives.?

(iv) The cofinancing from Fed Heredia has been excluded from PRODOC as the GEF project will only coincide for a month with the timeframe of the co-financing.

Responses to GEF secretariat of November 30th:

Comment 1: Kindly note that 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 reduced in 24 months to take into consideration stakeholder needs. As the PIF stage in the portal is approved, we cannot make edits. At CEO endorsement submission stage the duration of the project is 60 months, this change has been included in the PIF/CEO endorsement table of changes in in CEO ER. The expected completion date was corrected to 01/30/2027.

Comment 2:

All Budget lines have been adjusted to address the 6.8% fee reduction. The overall rates for project staff, contractual companies, travel, equipment, etc have been reduced in all budget lines and notes. The table below shows the specific changes to incorporate additional resources saved with fee exclusion. Additional changes to budget have been reflected in: Annex 7 (Overview of Project Staff and Technical Consultancies), Procurement Plan (year 1), Monitoring and Evaluation Plan, Gender Action Plan, Stakeholder Engagement Plan, Environmental and Social Management Framework and Budget.

Budget note number	Comments
	Component 1. Evidence-based policy reform for a green economy and sustainable integrated urban planning

1 [1] ¹	71300 Local Consultants
	USD 1,272,000
	All lines deducted 6.8% except: ? Professional specialized in Urban Planning, which time increased from 30 to 60
	months. The total cost increased from USD 96.000 to USD 186,000 (USD
	3,100/month, 60 months during 5 years)
	? Inclusion of Multistakeholder facilitator to support the project coordinator and
	different project specialists on the management of relationships with project partners
	and advises on development of participation methodologies. Total cost: 120,760;
	3,019/month, 40 Months during 5 years. Outputs 1.1.1 to 1.1.8.
2	71600 Travel
	USD 9,320
	6.8% deducted
3	72100 Contractual services ? Companies
	USD 1,314,691 All lines deducted 6.8%, except:
	? Regional Urban Renovation Plan that includes urban renewal in the 20 cantons of
	the Great Metropolitan Area (GAM) and actions for implementation. Total cost
	decreased from 660.00 to USD 615,120 during years 2 and 3. Output 1.1.3.
	decreased from 600.00 to 555 013,120 daring years 2 and 3. Surput 1.1.3.
4	72800 Information Technology Equipment
	USD 5,534
	6.8% deducted
<u>5</u>	74200 Audio Visual&Print Prod Costs
	USD 93,200
	6.8% deducted
<u>6</u>	75700 Training, workshop, conference
	USD 38,445
_	6.8% deducted.
	Component 2. Sustainable integrated low-carbon, resilient, conservation, and land restoration investments
7 [2] ²	71300 Local Consultants
/ [2]	USD 908,000
	All consultants rates reduced in 6.8%, except:
	? Urban Planning Specialist in Mobility/ Transport time increased form 30 to 48
	months. Total cost: USD 148,800. USD 3,100/month for 48 months in 5 years.
	Output 2.1.3.
	? GIS expert monthly total cost reduced from USD 93.000 to USD 90,000; USD
	3,000/month; 30 months during 5 years.
	? Expert in political negotiations time increased from 12 to 22 months as this
	component will demand high community engagement. Total cost increased form USD
	60.000 to USD 110,000.
8	71600 Travel
	USD 9,320
	6.8% deducted

9	72100 Contractual services ? Companies USD 1,574,112
	All budget notes reduced 6.8%, except for the invesment in sustainable mobility and
	TA to training communities which kept similar previous amounts. ? Investments in sustainable mobility total cost reduced from USD 1,226,450 to USD
	1,188,582;
	? Company to provide technical assistance and training to communities in improving
	water quality and sustainable management of wastewater and solid waste, and supervision of the quality of works and investments kept previous cost of USD 57,000
	during years .
10	72300 Materials & Goods
	USD 978,600 6.8% deducted form all budget lines
11	72400 Communic & Audio Visual Equip
	USD 11,184
10	6.8% deducted
12	72500 Supplies USD 16,776
	6.8% deducted
13	72600 Grants
	USD 225,000 ? ?Mi barrio se conecta" total amount increased to cover 150 connections instead of
	originally planned 100. Total cost of activity increased from 150.000 to USD 225,000
	(USD 75,000/year during years 2, 3 and 4)
14	72800 Information Technology Equipment USD 76,830
	Line increased slightly to add one more GPS as well as one more PC.
15	74200 Audio Visual&Print Prod Costs
	USD 18,640
16	6.8% deducted 75700 Training, workshop, conference
	USD 33,552
	6.8% deducted
17 [2]3	Component 3. Innovative financing and scaling-up
17 [3] ³	71300 Local Consultants USD 627,600
	Budget line increased to include Circular Economy Specialist to provide technical
	support in upcycling and material transformation to local governments, community
	organizations and NGOs and advise to project initiatives related to circular economy and solid waste management. Total cost: 150,000 (USD 5,000/month for 30 months)
18	71600 Travel
	USD 15,378
19	6.8% deducted 72100 Contractual services ? Companies
17	USD 1,684,400
	Amounts reduced in 6.8% or higher

20	72800 Information Technology Equipmt		
	USD 7,269 ? 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.		
21	74200 Audio Visual&Print Prod Costs		
	USD 19,784		
	Budget line increased in USD 7.204 to increase the overall amount of circular		
	economy dissemination materials to be developed by new expert.		
22	75700 Training, workshop, conference		
	USD 36,348		
_	6.8% deducted		
	Component 4. Advocacy, Knowledge Exchange, Capacity Building, and		
00.5474	Partnerships		
23 [4] ⁴	71300 Local Consultants		
	USD 296,842 All lines reduced 6.8% except for SESA Expert, which was increased in 5 months at		
	reduced rate. Total cost from USD 17,500 to USD 32,620		
24	71600 Travel		
	USD 233,000		
	Amounts reduced in 6.8% or higher		
25	72100 Contractual services ? Companies		
	USD 46,657		
	Line increased USD 26. 657 for the design of a more robust national platform for		
	information exchange on issues related to sustainable cities.		
26	74200 Audio Visual&Print Prod Costs		
	USD 23,200		
27	Amounts reduced in 6.8% or higher		
27	75700 Training, workshop, conference USD 51,726		
	Amounts reduced in 6.8% or higher		
	Component 5. Monitoring and Evaluation (M&E)		
28[5]5	71200 International Consultants		
	USD 94,931		
	MTR and TE fees of consultants increased to allow more experienced professionals		
29[6] ⁶	71300 Local Consultants		
	USD 78,530		
	Amounts reduced in 6.8% or higher		
30	71600 Travel		
	USD 18,779 Amounts reduced in 6.8%		
2.1			
31	75700 Training, workshop, conference USD 6,990		
	Amounts reduced in 6.8%		
	PROJECT MANAGEMENT UNIT		
	PROJECT MANAGEMENT UNIT		

32[7] ⁷	71300 Local Consultants USD 458,400
	Budget line increased to include Procurement Specialist. Develop, implement, and manage procurement strategies and processes (Total USD 33,410; 1,392/month for 24 months).
33	72200 Equipment and Furniture
	USD 2,799
	Amounts reduced in 6.8%
34	72500 Supplies
	USD 3,075
	Amounts reduced in 6.8%
35	72800 Information Technology Equipment
	USD 3,758
	Amounts reduced in 6.8%
36	74100 Professional Services
	USD 23,300
	Amounts reduced in 6.8%

[1] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

[2] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

[3] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

[4] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

[5] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

[6] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

[7] See Annex 7 for more details on local consultancies, such as the proposed rate and level of effort.

Council comments

Secretariat Comment at CEO Endorsement Request The project will be circulated for 4-week Council review since it is a child project.

Agency Response STAP comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

The agency is requested to address the comments provided in the review sheet and resubmit the project.

22 October, 2021

Yes, the project is recommended for CEO Endorsement.

26 October, 2021

Please address additional comments included in the "GEF Secretariat Comments" section and resubmit the project.

14 November, 2021

All outstanding comments are addressed now. The project is recommended for CEO Endorsement.

16 November, 2021

The project has been returned to address additional comments in the GEF Secretariat Comments section above. Please address these comments and resubmit the project.

December 1, 2021

The outstanding comments have been addressed. The project is technically cleared.

Review Dates

Secretariat Comment at CEO Endorsement	Response to Secretariat comments

First Review	9/9/2021
Additional Review (as necessary)	10/22/2021
Additional Review (as necessary)	10/26/2021
Additional Review (as necessary)	11/14/2021
Additional Review (as necessary)	11/16/2021

CEO Recommendation

Brief reasoning for CEO Recommendations

The **?GEF ID 10467 Transitioning to an urban green economy and delivering global environmental benefits?** project in Costa Rica aims to achieve decarbonization in the San Jose Metropolitan Area (GAM) and contribute to country?s National Decarbonization Plan 2018-2050 and NDC. It is a child project under the Sustainable Cities Impact Program. Through a GEF grant of \$10.3 million and co-finance of nearly \$114 million (1:11 ratio), the project will reduce 1.9 million tons of GHG emissions, improve management of 17,400 hectares of land, support restoration of 2000 hectares of GAM and benefit nearly 2 million people in the 20 municipalities of the metropolitan region.

The project will influence national policy with a fiscal reform that aims to allow the transition to a low carbon and green economy promoting integrated urban planning while addressing at the city level the root causes of urban loss of habitat for urban biodiversity, contamination of bodies of water, sedimentation and erosion, and the emission of greenhouse gases (GHG). It will lead to improved habitat for biodiversity and the consolidation of IUBCs that serve as areas of connectivity between the KBAs and buffer zones for streams and rivers, contributing to a reduction in contamination and

long-term urban resilience. The renewal of public spaces and green urban areas will contribute to a sustainable supply of improved ecosystem services that will contribute to improving the health and quality of life of the residents of the GAM. Sustainable mobility plans and innovative public private partnership models for waste management and circular economy will contribute significantly to reducing GHG emissions.

The project will deliver these benefits through four strategically integrated components.

Under the first component, the project will support evidence-based policy reform for a green economy. More specifically, a roadmap for the transition to an inclusive green economy and sustainable and integrated urban planning will be built and approved. A Sustainable Regional Urban Renovation Plan will be developed, covering 20 prioritized municipalities, 15 of them linked by MET (Municipal Electrical Train) and 5 in its area of influence. The plan will establish the organization and management of public green spaces, urban green areas, interurban biological corridors and low emission mobility solutions integrated into the Cantonal Regulatory Plans. The project will develop an Urban Green Strategy to restore and conserve public and private green spaces for the provision of ecosystem services in the GAM and Urban Natural Parks (PANU), a new management category proposed by MINAE.

Under the second component, the project will support investment in integrated climate and nature based investments such as green public spaces, interurban biodiversity corridors, non-motorized transport infrastructure, waste management and river restoration measures. Implementation of these measures will adopt a i) spatially integrated approach connecting the municipalities with surrounding natural landscapes and ii) sectorally integrated approach linking green spaces, transportation, water and waste management solutions. Overall, these solutions will complement the planning and strategic support to metropolitan region to deliver direct global environmental benefits. Gender and inclusion will be systematically integrated in designing the solutions.

The third component involves development of public private partnership models and innovative municipal financing mechanisms that create incentives for low carbon and biodiversity conservation solutions, revenue mechanisms such as congestion charges and property valuation, and large scale capital mobilization through green bonds. The project will work hand in hand with the local governments of the GAM to implement innovative financing and business models and reduce the financial gap of the National Decarbonization Plan. Beyond GHG emissions reduction and restoration of nature, these initiatives aim to generate new green jobs, promote gender equality and contribute to economic recovery post COVID.

Finally, the fourth component will support creation and dissemination of knowledge and experience between cities and municipalities through a knowledge sharing platform. The project will also support creation of a digital platform hosted by the Ministry of Housing and Human Settlement (MIVAH), to facilitate coordination between various

departments for implementing the integrated approach of the project. The project will facilitate GAM?s participation in global city-city exchange forums and innovation laboratories facilitated by the global program of Sustainable Cities Impact Program. The project will ensure that knowledge is applied and transferred by building capacity of at least 500 urban professionals in acquiring technical expertise for effective design and implementation of sustainability solutions.

Overall, the project presents a sound integrated and innovative approach to address systemic drivers of environmental degradation and deliver multiple GEBs related to urban biodiversity and climate change. The project?s innovation lies under its first of its kind approach to bring nature into cities and promoting circular economy models in collaboration with government, private sector and civil society, facilitated by innovative municipal financing mechanisms. Further, the project will support creation of a ?Center for the Urban Tropics: Research, Innovation, and Practice? to build thought leadership on nature-based solutions in the urban environment in Costa Rica.

The basis of the project?s sustainability relies on its approach to create enabling partnerships and conditions needed to transition to a green economy, including a new environmental legal and regulatory framework, enhanced institutional arrangements and knowledge and market conditions that favor the participation of the private sector. The project will draft, negotiate, and present to the Legislative Assembly 6 bills intended to shift the country towards a new green tax system that take into consideration important urban issues such as water management and pollution, solid waste management and CO2 emissions and air pollution. The policy and regulatory reforms will lead to a stable source of funding and policy certainty from local governments will enable private sector to scale up their sustainability business models which will generate GEBs beyond project completion.

The COVID-19 Pandemic has significantly impacted the country in terms of lives lost; a saturated health service; an economic contraction in the urban centers; and a huge decrease of international tourism arrivals which typically generate close to 8% of GDP. The project will bring together 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. In addition, the focus on enhanced coordination between various departments, the new proposed digital platform for integrated planning, innovative financing mechanisms and investment in creating green spaces, non-motorized transport, improved waste management, etc. will directly contribute to building back better through improved urban governance, enhanced fiscal revenues, new jobs and better health and well-being of communities. In its operation, the project will integrate safety measures currently followed by the government and adopt virtual approaches and platforms to a large extent to reduce the spread and impact on individuals involved. The network coverage and access to communications technology

in the GAM is quite acceptable which will allow business continuity for those activities that do not require physical presence.

UNDP is the GEF Agency of the project which will collaborate with MINAE and the municipalities of GAM to implement the project. MINAE has entrusted Organization for Tropical Studies as the executing agency of this project. The project will have three layers of governance to allow participation of local governments, national institutions and civil society. As Project Steering Committee will be created to steer the project to achieve the desired results and an Executive Technical Committee (ETC) will be created to provide technical advice to the projects. This will be an inter-institutional multi-level national coordination space responsible to provide feedback and guidance to OTS managerial decisions. To promote local governments leadership and involvement in project decision-making as well as wider stakeholder participation, Thematic sub-committees will also be established.

The project, through its contribution to support investments in sustainable integrated low-carbon, resilience, conservation, land restoration, innovative financing and scaling-up, knowledge sharing, capacity building, will help position Costa Rica once more as regional and global leader in sustainability, now at the urban landscape.