



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	9617		
Country/Region:	Brazil		
Project Title:	Taking Deforestation Out of the Soy Supply Chain		
GEF Agency:	UNDP	GEF Agency Project ID:	5896 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	IAP-Commodities; BD-4; CCM-2; SFM/REDD+-1;		
Anticipated Financing PPG:		Project Grant:	\$6,600,000
Co-financing:	\$28,204,678	Total Project Cost:	\$34,804,678
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Paul Hartman	Agency Contact Person:	Andrew Bovarnick,

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹		
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?		
Project Design	3. Does the PIF sufficiently indicate the drivers ² of global environmental degradation, issues of sustainability, market transformation, scaling, and		

¹ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

² Need not apply to LDCF/SCCF projects.

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
	innovation?		
	4. Is the project designed with sound incremental reasoning?		
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?		
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?		
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• The STAR allocation?		
	• The focal area allocation?		
	• The LDCF under the principle of equitable access		
	• The SCCF (Adaptation or Technology Transfer)?		
	• Focal area set-aside?		
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?		
Review Date	Review		
	Additional Review (as necessary)		
	Additional Review (as necessary)		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	<p>1. If there are any changes from that presented in the PIF, have justifications been provided?</p>	<p>August 11, 2016 This is a child project under the Commodities IAP, for which no PIF stage was required. The child project overall is in line with the Commodities IAP. Please note the following inconsistencies in the endorsement and address accordingly: i) please include SFM1 in Table A to be consistent with description on page 13-14 of endorsement document, and correct CCM program number; ii) text summarizing of the IAP program is not consistent with those in other child projects, include the table summarizing global environmental benefits (page 30-32) iii) ensure consistency in estimates of GEBs across all documents, including Table E of the endorsement; iv) clarify methodology used to derive GEB estimates (land area and GHG) and how they will be monitored during project implementation.</p> <p>December 5, 2016 Revisions of Tables A & E and other text in the narrative sections are now consistent.</p>	<p>i) Fixed CCM program number, however SFM 1 is the same in table A as it is on page 15 of the CEO endorsement. Changed Programme to Program on page 15. ii) The version used was an outdated one of the IAP summary. This is now fixed. iii) The version submitted of the ceo endorsement had not included the changes to table E as well. This is now updated. iv) We added notes here as well as updated this information under global environment benefits on page 15 of the CEO endorsement. a. Carbon Calculation: This project will directly support the creation of 10,000 hectares of conservation units, support the restoration of 2,500 hectares, and support the inclusion of an estimated 500,000 hectares in the environmental registry, hence in compliance with the Forest Code. The total area that this project will target is in approximately 6 million hectares, which includes 10 municipalities. Deforestation rates in 2011 for the whole Matopiba region were 7,249km². Through reduction in commodity-driven deforestation due to policy changes, enforcement (the Forest Code- CAR Registry in Brazil) and spatial planning, we assume this will lead to a 15% reduction in deforestation rate or 1,000 km² per year in the Matopiba region. This roughly translates to 100,000 hectares per year. Above ground biomass in the cerrado is estimated at</p>

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		<p>The Carbon Calculation information offers a detailed assessment of the child project carbon benefits. However, we are challenged to make a determination on the validity of values provided without understanding the baseline and timeframes used as a basis. Please explain the incremental reasoning for each benefit proposed, and, for clarity sake, consider using a GEF accepted methodology -- such as the FAO EXACT tool or its equivalent -- to prepare credible estimates. Also make sure that the GEB information is consistent across all documents and the review sheet.</p> <p>Please also clarify whether the 500,000 hectares sustainable land management GEB is the total area of farmland where low carbon agriculture practices will be adopted as a direct result of child project interventions, such as training of farmers and extension workers, etc. While it is understood that the Reduction of Greenhouse Gases Emission in Agriculture (ABC) program is operating in the target area, the explicit role and linkage of this program to the child project isn't yet clear, raising questions on</p>	<p>8.6 tons per hectare and below ground root biomass 22 tons per hectares of carbon . We also converted tons of carbon to tons of CO₂e in order to measure, in a common and internationally accepted unit for GHG emission, by using the conversion factor (44/12) or 3.6667. This would translate into roughly 11 million of tCO₂ per year for the whole Matopiba region. Considering the project will work in 10 municipalities covering approximately 6 million hectares or about 10% of the region, we estimate carbon avoided in this area being 1.1 million tCO₂ per year. It is estimated therefore that this project will have 11 million tCO₂e avoided over a 10-year period. Since this project is also working to directly protect 10,000 hectares through the creation of conservation areas, we estimated CO₂ based on the study "Carbon Stock in cerrado sens stricto in the Federal District", by Paiva, Rezende and Pereira². Above ground biomass is 315,000 tCO₂e and below ground biomass is 820,000 tCO₂e. The total CO₂ mitigated of this area is therefore approximately 1,135,000. In the BAU scenario the carbon content in the soil compartment in the protected area will be lost at 25% (up to 50 cm depth) of carbon stock . This would be 2.475 million tCO₂e. Thus, this project will contribute to avoiding 14.6 million tCO₂. This area will monitored through the creation of the protected area and subsequent monitoring it by working with organizations that can verify the CO₂ estimations are accurate.</p>

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		<p>whether ABC program outputs can serve as a basis for the child project's estimated GEBs. Please explain whether and how this is the case, and if so, disaggregate baseline benefits of the ABC loan and incremental benefits of the GEF project activities and clarify the plan is for monitoring these results during implementation.</p> <p>A phone conversation to clarify the above two points and others below may be helpful.</p> <p>February 28, 2017 The revision of carbon estimates and the detailed explanation of FAO EXACT calculations related to these has helped to clarify the direct and indirect carbon benefits that will be generated through the project over it's lifetime.</p> <p>The project's support to the ABC loan program and the incremental benefits resulting from this through sustainable land management have been clarified. Cleared</p>	<p>b. On Land: 6 million hectares is the area covered by the 10 focal municipalities (Palmas, Porto Nacional, Monte do Carmo, Silvanópolis and Santa Rosa do Tocantins, Formosa do Rio Preto, Riachão das Neves, Barreiras, Luis Eduardo Magalhães, São Desidério). In these municipalities, the project will support activities to ensure that all rural properties are included in the rural registry which implies that those properties and natural vegetation on them will be subject to environmental monitoring by the respective state environment agencies. It also implies that properties that do not have the permanent protection areas or legal reserves required under existing legislation will need submit a proposal on how these areas will be restored.</p> <p>c. 500,000 hectares: the target area for the ABC loan program for biological nitrogen fixation is 5 million hectares. Assuming that this involves 10% of the Matopiba area, this would amount to 500,000 hectares under biological nitrogen fixation practices. We will monitor through data from the ABC low carbon program and information from Embrapa “ the Brazilian Agricultural Research Institute.</p> <p>v) During project implementation, the project will, in collaboration with the state environment agencies of Tocantins and Bahia, monitor progress with respect to the number of properties and the area registered and with respect to the restoration of converted permanent protection areas and legal reserves.</p>

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			<p>February 21, 2017</p> <p>I) Carbon Calculations: After meeting with the GEF Sec experts on December 22nd, we were asked to revise our carbon calculations and adopt a more conservative estimate of the direct impacts of the project. Instead of decreasing deforestation by 2,000 km², we have now utilized 1,000 km² as the estimate, which this project will contribute to. In addition, we have compared the CO₂ in the forests from the FAO Exact tool to the paper upon which we had based our previous calculations. Using Zone 3 in the FAO exact tool, it seems that we were overestimating the amount of CO₂ the Cerrado landscape can store. We have changed our assumption to Zone 4/Tier 2 upon GEF's recommendation. This has lowered the CO₂ mitigation significantly.</p> <p>Highlights:</p> <p>1) Our revised numbers for CO₂ have changed from 17 million tCO₂ to approximately 1.8 million tCO₂. 2) These figures reflect the direct impact of the project in the 6,000,000 hectares where we will be working. 3) The CO₂ mitigation reflects the 3 years of the project implementation + the 4th year as a cushion. The project activities are aimed at being finalized in three years, however due to the magnitude of the project, the last year was added in case activities cannot be completed in this period.</p>

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			<p>Using this tool, our estimate is that the total emissions mitigated is: $1,016,750 \text{ tCO}_2\text{eq} + 571,028 \text{ tCO}_2\text{eq} + 216,270 \text{ tCO}_2\text{eq} = 1,804,049 \text{ tCO}_2\text{eq}$ The reasoning is as follows:</p> <p>1. The deforestation rate in 2011 for the whole Cerrado was $7,249 \text{ km}^2/\text{year}$ (2011). In this period most of the deforestation was concentrated in the Matopiba region. Better monitoring and control and the implementation of the Forest Code is expected to reduce the annual deforestation rate. As no recent data on deforestation in the Cerrado or the Matopiba region are available we are estimating that a gradual reduction of 1000 km^2 to 6000 km^2 per year in 2020 is feasible. We assume a reduction of 250 km^2 in year one; a reduction of 350 km^2 in year 2 and a reduction of 400 km^2 in year 3 or a total accumulative reduction of 1000 km^2 over three years. Attribution of direct and indirect impacts is complicated. However, through working directly in frontier areas and providing support to the process through which farmers comply with the forest code (registration “ analysis and validation of registered properties and regularization) and consequently guaranteeing better monitoring and control of illegal deforestation, the conservative assumption is that 8.5% of the reduction and the mitigated CO2 emission can be attributed to the present GEF initiative.</p> <p>In accordance with the FAO EX-ACT:</p> <p>1. There are 48,698,713 hectares of Cerrado</p>

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			<p>remnants in the Matopiba area. Without interventions 2,174,700 hectares will be deforested over three years (3 x 7,249km²) + the fourth year for mitigation. With interventions of the Forest Code and the project in the Matopiba area, deforestation will still be: 7,249km² - 250km² in year 1 = 6,999km² or 699,900 hectares; in year 2: 7,249 - 350km² = 6,899 km² or 689,900 hectares; in year 3: 6849 km² or 684,900 hectares. With the project there will, therefore still be 699,900+689,000+684,900 hectares=2,074,700 hectares of deforestation in the whole Matopiba area. In accordance with the FAO EX-ACT tool, in Zone 4/ Tier 25 which possibly resembles best the different phytophysionomies of the Cerrado, this is equivalent to a reduction of 11,961,769 tCO₂eq. The area that the project is directly working in, covers 8.5% of the total area. We assume that 8.5% of the reduction in CO₂ emissions from deforestation can be attributed to the project. This is equivalent to 1,016,750 tCO₂eq</p> <p>As this reduction should be obtained through working directly in frontier areas in the states of Tocantins and Bahia with farmers to support registration in the farm registration system and with environment agencies on analysis and validation of registered properties and regularization of farms with a deficit in protected areas and on better monitoring and control of illegal deforestation this impact can</p>

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			<p>be considered "direct".</p> <p>Indirect: We expect the indirect impact of this project is that deforestation rates would decrease across the Matopiba region as state environmental agencies would be trained and their knowledge would likely be shared beyond the 10 municipalities in the two states (Bahia and Tocantins). Since the Matopiba region comprises four states Maranhao, Tocantins, Piaui, and Bahia and we are working in two states, we expect that this project will indirectly contribute in mitigating half of the 11,961,769 tCO₂eq for the whole region for a total of 5,000,000 tCO₂ eq.</p> <p>2. The project will directly support the restoration of 2,500 hectares. According to the FAO EXACT, the net reduction of the restoration of 2500 hectares of Zone 4 Forest over three years + the additional year for mitigation is 571,028 tCO₂eq. The project will not directly implement restoration areas but will, instead, support extension services and farmers to implement restoration areas.</p> <p>3. ABC loans incremental benefits: The assumption is that better knowledge and access to technical support for the preparation of loan proposals as well as capacity building of loan assessors will increase the uptake of loan proposals. Data from Banco Central do Brasil shows that from 2013-2016 in the ten municipalities 611 ABC loans for agricultural</p>

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			<p>production were contracted. It is assumed that without project intervention a similar number will be contracted over the next period of three years, but that with the above intervention it will be possible to double the uptake in the period 2017-2019. Hence by 2019/2020 a total of 1833 loans would have been contracted. Assuming further that the incremental 611 loans will affect at least 100,000 hectares in the focal areas and include improved agronomic practices, nutrient management, no till, and water management, according to FAO - EXACT this will translate into a positive balance of 216,270,tCO₂eq</p> <p>II) Revised estimate for Sustainable Land Management: In our initial response from July, we had calculated total land that would be sustainably managed under the ABC loans program in the region where this project will take place. This meant that about 500,000 hectares would be under the ABC loan program for biological nitrogen fixation. This has been revised to reflect only 100,000 hectares. This is the incremental impact that the IAP project would have in assuring that land is sustainably managed, because the project will support knowledge sharing and access to technical support for the preparation of loans through capacity building of loan assessors, which will increase uptake of loans. This would be equivalent to an additional 611 more loans, which would impact about 100,000 hectares of the focal area.</p>

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			<p>In addition, in our previous estimate for the sustainable land management contribution of this project, we had not included the land that would be sustainably managed under the Forest Code. According to the latest data from the SICAR system 15,410 properties in the ten focal municipalities have been registered. It is estimated that the total number of properties in our focal municipalities will not surpass 17,000. Our goal is: to support the registration of the remaining properties (1,590 properties) in the SICAR system; the analysis and validation of 70% and regularize 50% of all entries in the SICAR ($17,000/2 = 50\%$ or 8,500 farmers); and support 10% of the 8,500 or 850 farmers with the preparation of restoration project proposals.</p> <p>Thus, 50% of the area under cultivation is roughly 1,970,000 hectares (1,617,900 hectares in the state of Bahia, and 348,152 hectares in the state of Tocantins). As the Forest code determines that in Tocantins 35% of properties need to be set aside, this means that 35% of 348,152 hectares or 121,853 hectares will need to be protected. In Bahia, the area that must be set aside is 20% or 323, 580 hectares ($0.2 * 1,617,900$). The total area to be set aside, if half of the cultivated area is in full compliance with the Forest Code would therefore be $348,152 + 121,853 = 445,433$ hectares.</p>

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	<p>2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?</p>	<p>August 11, 2016 The overall structure and design of the project is good and mostly mirrors the related Production, Demand and Transaction IAP projects, with a comprehensive TOC. However, please address the following: -The project objective outlined in Table B is different from the objective outline in Annex A (Results Framework) -Table B - Outcome 1- i) The focus on Sustainable Development is very broad and does not zero in sufficiently on the issue at hand. Please consider including outputs related to forums/dialogues addressing the issues of deforestation/ sustainable land management/sustainable production etc. ii) The same comment applies to Output 1.1.2, which looks broadly at sustainable development policies. (Refer to IAP Production Project Outcome 1 for reference to specificity) Outcome 2- Regarding farmer support systems, were needs assessments conducted? If not, please consider needs assessment with the farmers, prior to developing techniques. (Refer to IAP Production Project Outcome 2 for reference to specificity). Will there be any</p>	<p>1- This is now fixed. Project Objective in table B on page 2 is the same now as the Results framework on page 55 2- i- Changed to: A shared vision on expansion of the production of agricultural commodities in the Matopiba region in combination with the conservation of biodiversity and ecosystem services through sustainable land management and the creation of sustainable productive landscapes on page 2 and on the text on page 3- Please see change on page 2 table B and 18. Output 1.1.1 A forum (participation of women and men) created for dialogue and discussion about expansion of the production of agricultural commodities, conflicts over land, socioeconomic impacts, deforestation and environmental impacts Output 1.1.2 Proposals for public policies and actions prepared to avoid potential negative impacts of expansion of the production of agricultural commodities on livelihoods of local communities and/or native vegetation, biodiversity and ecosystem services 4- Change on table B and on page 20. : OUTCOME 2: A SYSTEM OF SUPPORT IN THE FOUR FOCAL AREAS PREPARED AND IMPLEMENTED THAT WILL HELP FARMERS TO ADOPT SUSTAINABLE MANAGEMENT OF THEIR PROPERTIES AND SUSTAINABLE AGRICULTURAL PRACTICES. Added to page 20 that an assessment will be</p>

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		<p>interventions that encourage sustainability of the farmer support systems? For example, development of a farmer support strategy for use by the local authorities managing agriculture (see Production child project), training for government support units (agriculture authority representatives, extension officers or their equivalent).</p> <p>- Please check the wording of the Outcomes as a few are written as outputs (Ex. Outcomes 1.2, 3, 4.2).</p> <p>-The TOC is extensive. Please consider making it more concise and merging some of the points under the TOC scenarios.</p> <p>-Part II, P.17, - The text for Output 1.1.1 and 1.1.2 is the same. Please correct and provide the necessary details.</p> <p>December 5, 2016 Yes, the project structure is now appropriate. Cleared</p>	<p>conducted: Prior to the implementation of activities to support farmers to adopt sustainable management of their properties, the project will organize meetings with local farmer organizations in order to assess the needs of farmers with respect to the technical support needed. Based on this assessment support will be tailor-made to specific needs.</p> <p>5- Soy is a crop that is predominantly produced by medium to large farmers, they are usually not supported through existing extension services. They either hire their own technical support, or obtain advice through farmer associations or traders or from other commercial sources. However, implementation of activities, in partnership with local institutions and farmers' organizations (such as AIBA in Bahia) will guarantee local ownership over training and dissemination material and, therefore, sustainability after project interventions</p> <p>6- 1.2: Changes made on table b page 2 and on page 19. Improved environmental management of the Matopiba region 3: Change made on table b page 4 and on page 21. Outcome 3: Improved planning for expansion of production and conservation 4.2: change made on table b page 5 and on page 25. Outcome 4.2 Financial sector engaged in the promotion of sustainable soy ce</p> <p>7- Please see revised table on page 17. Theory of Change</p>

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			<p>The main hypothesis for this initiative is that expansion of soy production can be obtained with minimum negative impact on the native vegetation of the Cerrado biome or on the livelihoods of traditional peoples and communities.</p> <p>It is assumed that putting into practice an integrated approach along soy supply chain, by taking advantage of increasing responsible demand, commitment of traders and awareness of the market and end-consumers, it will provoke behavioural changes towards the production side.</p> <p>This can be achieved through improved environmental management, i.e. the implementation of the existing environmental legislation, a shared vision about how the region should absorb changes and better land-use planning to direct production to areas where the impact is relatively small in ecological and/or social terms. In addition, better management and production practices will reduce the impact of production itself on existing biodiversity and, hence, increase opportunities for the creation of sustainable production areas</p> <p>8- please see change on page 2 and 19: Output 1.1.1 - A forum (participation of women and men) created for dialogue and discussion about expansion of the production of agricultural commodities, conflicts over land,</p>

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			<p>socioeconomic impacts, deforestation and environmental impacts. The purpose of this forum is not to compete with the inter-ministerial committee of the Plan for the Development of MATOPIBA. Instead, this forum is expected to provide complementary views from government, the private sector and civil society and focus on the four focal areas around Balsas, Bom Jesus, Barreiras and Porto Nacional/Palmas and on avoiding potential negative impacts of expansion of production. Activities will include a consultancy to identify main stakeholders and to identify the objectives and agenda for this forum. The project will support three meetings of the forum.</p> <p>Output 1.1.2 - Proposals for public policies and actions prepared to avoid potential negative impacts of expansion of the production of agricultural commodities on livelihoods of local communities and/or native vegetation, biodiversity and ecosystem services</p>
	<p>3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?</p>	<p>August 11, 2016 The financing structure is adequate, however it is noted that a significant portion of the Outputs for this Outcome will be funded under the IAP Demand Project. Please clarify which Outputs are associated with the USD 386,364 allocation and specific the activity details.</p> <p>December 5, 2016</p>	<p>The activities in this component are covered by WWF Demand Project, IFC Transactions Project and the Brazil Child Project. We provided wording on table B to reference which activities are being funded by WWF in their respective demand child project, as well as in the text under component description and results framework. Below are the activities that are covered for the USD \$386,364.</p> <p>4.1.1.1 Participate in the Soy Traders Platforms biannual meeting (CI)</p>

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		<p>Clarifying information has been provided on the overlap of activities with other child projects. Please further explain if the \$386,364 indicated in Table B for supply chain integration is the amount of GEF financing dedicated to only those activities implemented under the Brazil Child project, and that this does not include financing for activities covered under other CIAP child projects.</p> <p>Cleared</p>	<p>4.1.3.1 Evaluate existing certification of origin experiences and their potential for replication in MATOPIBA (CI)</p> <p>4.2.2.1 Conduct a feasibility study on the market for compensation of legal reserves (CI)</p> <p>4.2.2.2 Conduct A Study on the feasibility of a payment for environmental services system in the region (CI)</p> <p>4.2.2.3. Build multi-disciplinary teams with the skill sets to pull business case analysis together (modelers + economists + mappers), following the Moore Foundation approach on available area (biophysical mapping for soy suitability) for MATOPIBA; (CI);</p> <p>4.2.2.4 Engage experts (modelers + economists + mappers) to finalize business case proposals on available area (biophysical mapping for soy suitability for Matopiba (CI)</p> <p>February 22, 2017</p> <p>Only the activities above, which are part of the Brazil child project, are financed with the \$386,364 and these activities are not included in the budgets of any other child project. The activities which have WWF or IFC in parentheses are not covered under the \$386,364. They are covered under their respective child project budgets, where they will implement and monitor their progress. Their activities were added to the Brazil child project to demonstrate that activities will</p>
	4. Does the project take into account potential major risks, including the consequences of	<p>August 11, 2016</p> <p>Potential risks are considered with risk response measures included except for</p>	<p>Please see page 42 on the last row highlighted in yellow for climate change affects.</p>

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	climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)	risks related to climate change consequences. Please include potential climate related risks, and how these might affect the approach for project based on projected scenarios for the commodity and targeted geography. December 5, 2016 Climate change risks and response measures have been included. Cleared	
	5. Is co-financing confirmed and evidence provided?	August 11, 2016 Yes. However the total co-financing figures in Table C do not match those in Tables A & B. Please correct. December 5, 2016 The figures now match. Cleared	This has now been fixed on table C on page 6.
	6. Are relevant tracking tools completed?	August 11, 2016 The IAP TT sections for SFM and BD have been completed, but not CCM. Please revise the TT to include indicators for CCM. The estimates should be consistent with those in project documents. In addition, the Section II of the BD TT is not clear. Please only include one figure for each of the sections-project start, actual at mid-term and actual at end. Any notes should only be placed in the notes section. Please revise for clarity.	The CCM tracking tool had been done, but it was not included when it was pasted in the document. This is now fixed in the Prodoc. February 21, 2017 Indicators estimates are now the same in the Results framework and the tracking tool Regarding box 4 or Indicator 4 this has now been updated reflecting total number of beneficiaries in the first column and number of women in the second column. Regarding biodiversity tracking tool. This has now been updated to show what the project intends to do, which is not only to register properties, but also analyze, validate and regularize them. Thus, we

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		<p>December 5, 2016 CCM has now been included in the TT. Please ensure that the indicator estimates reflected in the TT are consistent with the responses provided in box one above within the tracking tool and across the CEO Endorsement and ProDoc. In addition, in box 4 the disaggregated number of women cannot be larger than the total number of users/farmers. Please revise.</p> <p>For BD objective box III, the incremental reasoning for the estimate associated with 'Implementation of the Forest Code' is unclear. As written, the baseline for compliance with this government regulation without GEF support appears to be 1.2m or 1.3m ha (please indicate which number is correct), with specific practices resulting from GEF financing accelerating, widening, or enhancing this to 1.7m ha; thus apparently generating an incremental benefit of 400k ha of land where management practices will be shown to have integrated biodiversity considerations. 'Implementation of the forest code' is identified as the management practice that would achieve this, however, the agency may want to consider planned child project interventions that are more specific management practices,</p>	<p>will look at the incremental impact this project will have in supporting the effective implementation of the Forest Code. The goal is to have 70% of the properties analyzed and validated and 50% of them regularized by the end of the project.</p>

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		<p>within the scope of the implementing agency to carry out independently, and that can be more clearly linked to the generating of biodiversity benefits (e.g. restoration of previously illegally deforested areas, the means employed to safeguard traditional lands, measures to implement sustainable agriculture production practices, etc.) to demonstrate the incremental reasoning associated with this indicator. Please clarify and revise the indicator estimate accordingly.</p> <p>Box IV in of the BD tracking tool is meant to measure progress along a series of sequential steps on mainstreaming biodiversity into policy and regulatory frameworks. As noted in the indicator description a "Yes" cannot come after a "No." Please revised accordingly.</p> <p>February 28, 2017</p> <p>Corrections and revisions have been made to the TT that accurately reflect the incremental reasoning and estimates contained in the proposal. Indicators estimates and are consistent with the instructions of TT sheets. Cleared</p>	
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been	<p>August 11, 2016 Not applicable</p>	

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	presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?	<p>August 11, 2016 Coordination with other national, regional and international initiatives and plans are described adequately. With respect to the other GEF projects identified, please clarify how coordination will be achieved to promote synergies during implementation.</p> <p>December 5, 2016 Please provide further details on how this child project will align with other GEF projects including their names, descriptions and regions.</p> <p>February 28, 2017 Additional information has been provided on how the child project will coordinate with other relevant GEF initiatives. Cleared</p>	<p>This request has been reflected in the CEO endorsement under other GEF projects on page 46, as follows: "Coordination with other relevant GEF initiatives will occur through the UNDP and Board members (the Brazilian Cooperation Agency, the Ministry of Environment and State Environment agencies). In addition, ISPN, the execution agency for the GEF Small Grants is an active partner of Conservation International in several activities related to the conservation and sustainable use of the Cerrado biome."</p> <p>February 21, 2017 With regard to the comment on how the project will work with other GEF projects, please see the list below: Coordination with other relevant GEF initiatives will occur through the UNDP and Board members (the Brazilian Cooperation Agency, the Ministry of Environment and State Environment agencies). In addition, ISPN, the execution agency for the GEF Small Grants Program is an active partner of Conservation International in several activities related to the conservation and sustainable use of the Cerrado biome. This project will also work in close cooperation with the other child projects under the Commodities IAP program through annual meetings and communities of practice</p> <p>BRA/08/012 "Support for Traditional Communities: It supports agro-extractive</p>

CEO endorsement Review

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			<p>activities, policy formulation, production and commercialization of non-timber forest products. With more than 84 projects implemented, the project has reached more than 10,300 families throughout the Brazilian biomes. The beneficiaries are traditional populations from the forests and other native environments. The project amounts to 9.6M and has 7 years of execution, with a disbursement of USD 9 M to date. The main source of funds are from the Government of Brazil. In 2016/17, the project is supporting 8 Territorial and Environmental Management Plans in the state of Maranhão with Indigenous Communities. The Brazil Child project will coordinate with the UNDP led project to learn lessons from their engagement with traditional communities in the Matopiba region, as this project will also be engaging traditional communities.</p> <p>9182: Generating Responsible Demand for Reduced-Deforestation Commodities. The Responsible Demand Child Project's objective contributes to the IAP by strengthening the enabling environment and public and private sector demand for reduced-deforestation commodities in priority commodity markets. By generating reduced deforestation demand, the Demand Child Project contributes to GEF strategies for biodiversity, climate change and sustainable forestry management . This is a four-year project that will be implemented in Latin America, Asia and Africa. This project</p>

CEO endorsement Review

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			<p>will coordinate with the responsible demand child project by having members of the CI project as members of the Steering Committee under the Demand Child project, in addition to working with WWF on the Soy Trade Platform</p> <p>9179: Adaptive Management and Learning: The A&L child project will support the overall coordination of the program to ensure coherence and consistency, as well as communication and partnership building. This is a four-year project, which will take place in Latin America, Asia and Africa. This project will coordinate with A&L, as members of this project will be part of the IAP Steering Committee at the Program level. Lessons learned from the Brazil experience will be shared as the A&L project document has as its outcome knowledge management, partnerships and communication, which will ensure that knowledge generated at the Program is shared at the national, child project and global levels. Please find this information on page 8 of the CEO endorsement.</p> <p>Enabling Transactions. The Enabling Transactions Child Project will strengthen the enabling environment and public and private sector demand for reduced-deforestation commodities in priority markets. This is a four-year project, which will take place in Latin America, Asia and Africa. This project will coordinate with the Enabling transactions child project through the linked activities such as</p>

CEO endorsement Review

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			<p>leading workshops to present business case analysis conducted under the transactions child project.</p> <p>9180: Reducing Deforestation from Commodity Production. The Production child project will encourage sustainable practices for oil palm and beef production while conserving forests and safeguarding the rights of smallholder farmers and forest-dependent communities. This is a four-year project that will be implemented in Latin America, Asia and Africa. This project will coordinate with the production child project through the Community of Practice and exchanges. In addition, CI Liberia and CI Indonesia will be part of the Production child project, which will encourage sharing of information between the countries and child projects.</p> <p>The CEO endorsement and Prodoc had already two other projects. We have added information on how we will coordinate or learn from project that have just ended. This information is on page 45-46 of CEO endorsement.</p>
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?	August 11, 2016 Yes. The M&E Plan is included.	
	10. Does the project have descriptions of a knowledge management plan?	August 11, 2016 Yes. The project through Outcome 5 (Adaptive Management and Learning and M&E) and in coordination with the Adaption and Learning Child	

CEO endorsement Review

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		project have been included to ensure information and lessons learned are documented and disseminated.	
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	<ul style="list-style-type: none"> • GEFSEC 	August 11, 2016 Since there was no PIF stage, please do not include "upstream" comments in Annex B of the CEO endorsement.	
	<ul style="list-style-type: none"> • STAP 	August 11, 2016 This project emerged during PPG phase and therefore did not have any comments to address.	
	<ul style="list-style-type: none"> • GEF Council 	August 11, 2016 This project emerged during PPG phase and therefore did not have any comments to address.	
	<ul style="list-style-type: none"> • Convention Secretariat 		
Recommendation	12. Is CEO endorsement recommended?	August 11, 2016 Not at this time. Please address the comments above and ensure consistency between the CEO endorsement and Prodoc. December 5, 2016 Not at this time. Please address the comments above and ensure consistency between the CEO endorsement and Prodoc. February 28, 2017	

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
		Yes, all the comments have been adequately address and CEO endorsement is recommended.	
Review Date	Review	August 11, 2016	
	Additional Review (as necessary)	December 05, 2016	
	Additional Review (as necessary)	February 28, 2017	