PROJECT CONCEPT NOTE

MFA MOZAMBIQUE: MOZAMBIQUE CONSERVATION AREAS FOR BIODIVERSITY AND DEVELOPMENT PROJECT (PCN) ($3.5 million BD and 1.69 from CCM)

Comments by GEF Secretariat (Frank Jesus, CCM, April 10 2013)

PCN minutes

The GEF previously informed that paragraph 11 of the PCN minutes do not reflect the position voiced during the PCN meeting, but the minutes have not been edited.

Paragraph 11 should read:

> The GEF team commended the team for incorporating biodiversity objectives in the project and recommended to add a request from the Sustainable Forest Management window of the GEF. They **informed that the PCN and the team responses to GEF comments did not provide enough information for the project to be recommended for approval by the GEF Council. They** requested the team to **provide** justification**s** for the use of the **GEF** climate change funds (such as avoiding deforestation, forest management activities to increase carbon stocks and reducing GHG from potential tourism operators) **and to include an indicator to measure GHG emission reduction benefits**. The task team explained that IFC would also be partnering in the project to: (i) assess the business viability at the parks; (ii) provide transaction facilitation role to attract businesses to invest in the parks; and (iii) provide financial and technical support to viable investments.

GEF data sheet

Table B does not include any mention of climate change mitigation (CCM) in (i) the project objective, (ii) the project components, (iii) the expected outcomes, (iv) the expected outputs.

PCN

The PCN mentions GEF climate change focal area strategic objective twice:

1. Page 8 indicates that the project is consistent with GEF climate change focal area strategic objective–Promote Conservation and Enhancement of Carbon Stocks through Sustainable Management of Land Use, Land-Use Change, and Forestry, and that, by promoting sustainable land management practices in a broader landscape, the project contributes to the reduction of greenhouse gases emission.

2. Page 11 indicates that the incremental GEF funds will support […] integrated wood fuel production within the forest and/or the broader landscape that would restore and/or enhance carbon stocks in forest and non-forest lands.

However, there is no mention of climate change mitigation in (i) the project development objective, (ii) its major outcomes, (iii) its components, (iv) result framework indicators, (iv) or in the description of the project activities in Annex VI.

The project themes identified in the table page 17-18 allocate 30% to biodiversity and 5% to climate change while the GEF CCM requested funding represents 25% of the total GEF grant. This is not consistent.

At this stage:

- We don't know what the GEF CCM financing will be used for and whether this use is consistent with the GEF CCM strategy;
- We don't know whether the use of the GEF CCM financing will lead to incremental CCM benefits in terms of greenhouse gas emission reductions or carbon sequestration;
- The project does not seem to include any objective, outcomes or indicator related to CCM;
- The project is essentially focusing on biodiversity conservation and tourism development, the latter being usually linked with increases in CO2 emissions (local and international transportation, lodging, etc.).

Therefore this proposal does not provide any justification for the use of GEF CCM financing and cannot be recommended for work program inclusion. We suggest restructuring the project without the GEF CCM financing request.