



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4639		
Country/Region:	Zambia		
Project Title:	Strengthening Management Effectiveness and Generating Multiple Environmental Benefits within and around the Greater Kafue National Park in Zambia		
GEF Agency:	UNDP	GEF Agency Project ID:	4625 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-1; BD-1; LD-3; LD-3; SFM/REDD+-1; SFM/REDD+-1; SFM/REDD+-1; CCM-3; CCM-5; Project Mana;		
Anticipated Financing PPG:	\$150,000	Project Grant:	\$13,148,864
Co-financing:	\$46,936,777	Total Project Cost:	\$60,235,641
PIF Approval:	September 22, 2011	Council Approval/Expected:	November 09, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Jean-Marc Sinnassamy	Agency Contact Person:	Alice Ruhweza, RTA, EBD

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Addressed.	Addressed.
	2. Has the operational focal point endorsed the project?	A letter of endorsement is available in date of April 26, 2011, signed by the OFP. Dr. K. Nkowan. The project title and the STAR/SFM allocations are consistent with the PIF.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	UNDP has an extensive experience in Zambia, including other GEF funded projects. Capacity building and technical assistance in the field of protected areas is a UNDP's comparative advantage as stated in the GEF Council Paper C31.5.rev.1.	5/27/2013 Addressed.

		Addressed.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	NA	NA
	5. Does the project fit into the Agency's program and staff capacity in the country?	<p>The project fits with the UNDAF for Zambia (2011-2015) and the five-year Country Programme Action Plan.</p> <p>UNDP is contributing US\$4 million in cash from its core environment programme. UN-REDD is also providing US\$4,490,000 in cash, as Zambia is one of the nine UNREDD pilot countries.</p>	<p>5/27/2013</p> <p>The issues related to the Agency's program and staff capacity were addressed at PIF level.</p> <p>UNDP confirmed a cofinancing of \$3,040,000.</p>
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	The project resources are compatible with the STAR allocations (CC: 3.77; BD:4.26; LD: 3.01).	5/27/2013 Addressed.
	• the focal area allocation?	<p>The project resources are compatible with the focal area allocations.</p> <p>The project is leveraging the SFM incentive mechanism. For each US\$3 from at least 2 STAR allocations, the project can trigger 1 additional US\$.</p> <p>Using \$10,875,000 from BD, CC and LD, the project can</p>	5/27/2013 Addressed.

		<p>the SFM mechanism. \$3,588,750 are actually requested.</p> <p>- If this project is cleared, please be aware that only \$165,000 are remaining in the STAR allocations that could be used for this project. The SFM incentive mechanism can leverage up to US\$1 for each US\$3. All in all, it is \$256,250 that could be added to the project.</p> <p>Sept. 16 - addressed.</p>	
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 		NA
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 		NA
	<ul style="list-style-type: none"> Nagoya Protocol Investment Fund 		NA
	<ul style="list-style-type: none"> focal area set-aside? 	NA	NA
Project Consistency	<p>7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?</p>	<p>- The project is well aligned with the focal area result framework.</p> <p>- For the outputs in the table A, please include the relevant numbers, as it is done for the outcomes.</p> <p>AL, 13 Sept, 2011: For the CCM part the project should consider dividing the proposed activities under CCM-3 and CCM-5.</p> <p>AL, 15 Sept, 2011: Division done.</p>	<p>5/27/2013</p> <p>It is noted that the project design has slightly evolved but the project remains aligned with the GEF5 focal area results framework.</p> <p>However, please revise the wording and the numbering of the table A:</p> <ul style="list-style-type: none"> LD3: the FA outcomes are 3.1 and 3.2 SFM/REDD+: We suppose that the outcomes are 1.2 and 1.3, but please apply the right wording. SFM/REDD+: please add up the three numbers that are included in the table (\$450,000 + 662,470 + 2,150,030), and provide the total (3,262,500). CCM: maintain separate lines for CCM2 and CCM5. For CCM2, please assign the appropriate outcome. <p>The outcome 4.1 that is proposed is under CCM3</p>

		<p>traditional investment activities for and around improved kilns. CCM-3: RE: Promote investment in RE technologies Outcome 3.2: Investment in RE technologies increased Output 3.2: RE capacity installed.</p> <p>CCM-5 could contain activities related to data collection activities, national charcoal inventories, and national baseline developed for sustainable charcoal. Appropriate objectives/ outcomes would be: CCM-5: LULUCF: Promote conservation and enhancement of carbon stocks through sustainable management of land use, land-use change, and forestry Outcome 5.1: Good management practices in LULUCF adopted both within the forest land and in the wider landscape Output 5.1: Carbon stock monitoring systems established (Data collection activities, national charcoal inventories) Output 5.2: Forests and non-forest lands under good management practices (National baseline developed for charcoal)</p>	<p>10/28/2013 CCM JS Change in the project framework is noted. UNDP has submitted a letter detailing the reasons based on the work done during project preparation. In the endorsement request, CCM-3 objective has been removed, all the funds allocated for CCM-3 (\$658,409) has been allocated for CCM-5.</p>
	<p>8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF</p>	<p>Yes. All objectives are relevant GEF5 strategy objectives.</p>	<p>The project is developed under BD1, LD3, SFM/REDD+1, CCM2 and CCM5 objectives</p>

			10/28/2013 CCM JS In case of climate change mitigation objectives, the project is now only focused on CCM-5.
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	Addressed (see Section A2, p6).	Addressed
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	<p>Yes. The project will reinforce national capacities (ZAWA for instance) and local stakeholders in Game Management Areas. Planning tools, low carbon technologies, and financing capacities will contribute to the sustainability of the approach.</p> <p>However, the reasoning is still very broad, and we have difficulties to figure out where the project is going to concentrate its efforts. For instance, it is mentioned that the forest department control is low - limited patrolling, limited control, and virtually open accesses for clearing and cutting. But it does not then clearly say what the remedy is. They can either a) beef up the forest department to regain control or b) cede control of parts of the forest to another entity. If there is a clear willingness to develop a community based management</p>	<p>5/27/2013 The project is honest about the fact that the CBNRM program will not be viable after the project will have ended, but the situation will be better and will create the conditions for further investment.</p> <p>The engagement and reinforcement of capacities is planned at different levels: Village Action Groups, Community Resource Board, Stakeholder forum, project steering committee.</p> <p>Addressed.</p>

		<p>recommended to clearly concentrate the resources on what's the most important to make it operational (legal framework, land tenure, use rights, support for the "new managers" as they develop their new mandate...)</p> <p>Sept. 16, 2011 Addressed.</p>	
Project Design	<p>11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>Yes. There is a reasoning, past experiences, and baseline projects.</p> <p>- It will be however necessary to weight or to rank a little bit more the problems that the project wants to address. For instance, hunting and fires are mentioned as serious threats, but are only mentioned for the component 1.</p> <p>September 16, 2011 Addressed.</p>	<p>5/27/2013 The assumed price of carbon per unit (\$8/t C) is high given current market prices.</p> <p>The baseline situation has been revised as a result of lessons learned during PPG. The project sites have changed and it is stated that trees are cut to cure tobacco, and fields are being opened up in prime woodland specifically to access wood for curing tobacco. Deforestation for charcoal production is deemed to be secondary at the chosen sites. Expansion of low value agriculture, limited community land rights and limited capacity to enforce laws are also identified as threats to the GMA systems in Zambia.</p> <p>While it is stated that there are a number of government supported baseline activities along with the SEED investments in KNP are ongoing in the KNP, WLNP and the selected GMAs, the specific programs need to be identified along with the activities they are leading and their statuses need to be explained. This description should build on what was presented during the PIF.</p> <p>10/28/2013 CCM JS In the protected areas and the buffer zones, unplanned and unsustainable agricultural settlement is the biggest threat to the biodiversity, forests and carbon stocks. Weak property rights and open access property regime have also been cited as underlying problems for</p>

			<p>mining, and road construction are also listed as threats to the GMAs and the protected areas.</p>
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>		<p>5/27/2013</p> <ul style="list-style-type: none"> - We take note and support the reasoning to strengthen the institutional and financial capacity of ZAWA and local stakeholders in GMAs, the appropriate decentralized planning tools, low-carbon technologies, innovative financing mechanisms (carbon, water). - Cost-effectiveness related to carbon emissions is not possible to assess given the unreliability of the carbon estimates provided and seemingly high dollar carbon per ton of carbon value. - You will see further in the review that we do not support the PPP in the TBZ area. <p>10/8/2013 CCM JS</p> <p>Addressed. Regarding the CCM funds the project will conserve and enhance forest carbon stocks across a target GMA buffer area of 41,29700 ha and will pilot SFM, REDD+ and conservation agriculture across 100,000 ha spread across 8 GMAs. The combined direct avoided GHG reductions for this project (from all CCM5 activities over a 20 year period) total an estimated 2,434,803 tons CO₂e, at a unit cost of USD 1.53 per ton CO₂.</p>
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<ul style="list-style-type: none"> - There is a clear baseline, and we appreciate the reasoning. However, the result framework is quite broad, and it is difficult to figure out the priorities of the project. We are afraid that the project is promising too much in too many directions. - The reasoning is clear for the component 1 related to the strengthening of the protected area network with a training program, site level operations, 	<p>5/27/2013</p> <ul style="list-style-type: none"> - Baseline projects and activities need to be better identified and described clearly to assess the incremental reasoning. - Please, reformulate the outputs, notably in the result framework, to well reflect the activities. Formulate clear, concise, and tangible activities. Remind that the activities financed by the GEF should come on the top of cofinancing activities. We do not see this reasoning in the current project document.

network through upgrading and gazetting.

- The reasoning is a little less obvious with the Component 2 where very different activities are mixed together: land use governance and planning, capacity building on forests, diversification of incomes.

This last sub-component is the most difficult to figure out. Many activities need a long term vision and go beyond a project duration. Please confirm there is a plan and it is sustainable. We are not clear on the "establishment of woodlots" (is it demarcating areas of forests? or establishing trees on bare or degraded areas?). Please revise the reasoning, the rationale, reduce the ambition, and concentrate the use of GEF resources on focused outcomes and outputs.

- Please explain what part the cofinancing is taking, and justify the incrementality of the use of GEF resources. The reasoning needs to be particularly robust when GEF resources are used for activities such as trophy hunting or charcoal kilns. For instance, the rationale to stop deforestation or forest degradation with charcoal kilns needs to be reinforced. It is notably important to link these new kiln units to a finite land

each component contributing towards CCM and SFM objective, calculations along with a clear methodology and assumptions on tCO₂e emission reduced or sequestered should be presented under this section. Currently CO₂e values are distributed throughout the document and methodologies are unclear. Please ensure to establish baseline conditions for CO₂e for each relevant activity (as requested in PIF stage).

10/28/2013 CCM JS

The incremental reasoning for the CCM is satisfactory. The project builds on the existing work being done by the partners such as SEED, UNREDD program, the Zambia Law Development Commission and the Ministry of Lands, Natural Resources and Environmental Protection and the ZAWA. The project intends to improve land-use planning in the target GMA buffer areas to provide stronger rights to the Village Action Groups. Leveraging on such plans and increased land rights of smaller communities, the project intends to develop REDD+ pilots. To directly address the unsustainable and shifting agriculture the project will introduce conservation farming in the selected VAGs and will implement fire management plans as well.

		<p>capacities, and to be able to control/monitor them. Please develop the reasoning and the measures to avoid leakage effects or the extension of exploited areas.</p> <p>September 16, 2011 Addressed.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>The project framework is particularly dense, with much information that goes beyond what is needed to figure out the framework and the reasoning with outcomes, outputs, and activities. Please note that the PIF template has been designed to provide the necessary information in less than 8-10 pages. A 23-page PIF is not particularly helpful and adds transaction costs at agency and GEF Secretariat level. Moreover, it could reflect a misunderstanding on the level of information that is requested.</p> <p>A lot of information is not necessary or may be confusing. For instance, a sustainable financing plan is welcome in the outputs under the component to increase the sustainability of the Protected Area system. However, there is a list of specific points under this outputs that is not necessary, and at contrario can bring other concerns. For</p>	<p>5/27/2013</p> <p>Components 2 and 3 have been significantly changed from the PIF stage. We understand that these changes were guided by the PPG results. However, some elements of reasoning are lacking at our level to fully understand the reasoning.</p> <p>General comments:</p> <ul style="list-style-type: none"> - Please make expected outcomes and outputs concise and move the description to the section A.2. - Pay attention to the phrasing. There are confusions between outcomes (consequences, expected impacts) and outputs (results of activities, they should be concrete, tangible, with numbers/quantities). Most of the outcomes are written as outputs and vice versa. We take note that the activities are generally well detailed in the projet document, but please revise the table B of the request for CEO endorsement. - All the components and respective outcomes/outputs need to be numbered. As written it is difficult to track outcomes and outputs for a component. - Change in project sites based on PPG studies is understood. However, it is stated that deforestation threat due to charcoal production in Lusaka remains an issue. Please explain if such threats are being tackled through other projects or programs, and a short description of what these projects are doing will be helpful. - The endorsement request does not include identification of potential leakage sites and description

the national institutions are looking for all potential sources of incomes, including from concession revenues and from the private sector. However, we clearly mention further in the review that no Public-Private-Partnerships are welcome in this project for the time being, and the GEF does not want to be associated to such PPP with the Copper Industry Sector.

- Thanks to clean up the result framework focusing on the requested information.
- Please, remove all the non necessary information for the result framework.
- remove any mention of PPP with the Copper sector.

AL, Sept 13, 2011: For the CCM component please consider the following:

- It is difficult to assess the component activities and their respective budgets when TA&INV is mixed. When restructure component 3 to show what funding is going to what activity and divide TA and INV.

AL, Sept 15, 2011: Comment addressed partially. We still can't see what funding that is needed for what component in the project framework.

of deforestation or carbon emitting activities. Please include such details (as requested in the PIF). This may require the design of mitigation activities at a scale consistent with the deforestation drivers the project is trying to address.

Specific comments to Component 2:

- It is noted that the site selection criteria did not include carbon richness of the sites. Therefore it is very important that the component activities take carbon into consideration.
- Conservation agriculture: Please describe what activities will be undertaken under conservation agriculture and please clarify if and how this activity will directly contribute towards increasing carbon sink in crops and/or soil. Please also clarify whether agriculture-supported activities may lead to other GHG emissions (N₂O or CH₄) and, if so, how the project would mitigate them.
- Reforestation - Please specify type of area covered and its extent. Please describe the criteria that will be used for selection of plant species.
- Land use governance- Please clarify complementarities with Phase II of the country-wide Integrated Land Use Assessment (ILUA II) supported by FAO and the Government of Finland.
- REDD - Pilot activities need to be described further to better understand the forest system that will be included under this pilot and how this will sub-component will be linked with other activities of component 2.

Specific comments to Component 3:

- First, you have to respond questions about the reputation risks of such Private-Public Partnerships with the Tobacco sector, second you have to confirm the baseline scenario to justify some activities that may be acceptable; third, you have to remove some activities that the GEF may not be able to support (green tobacco scheme, improved barns).
- It is therefore difficult to link the use of GEF resources

- Resulting from the comment above it seems that the INV part of component 3 (240 improved kilns) will cost around US\$200,000. Is this correct? Will there be other RE investments? With the request CCM funding to the amount of US\$3,2 with only what seems like \$200,000 for investment we look forward to some more details about this component in line with GEF-5 priorities and guidelines.

AL, Sept 15, 2011: The cost efficiency of the project for the CC component is still not demonstrated. To us it looks like 0,2m will go to investment of RE (240 kilns) and 1,3m will go to.. training?

- Please note that GEF doesn't provide funding for carbon market activities at the moment. Kindly remove the CDM related activities from the GEF CCM budget. However, you can work towards developing information needed or pilots for carbon market activities, such as voluntary carbon markets.

AL, Sept 15, 2011: Comment addressed.

- Please consider raising the

addition to the reputational risks already mentioned, it is simply a question of good sense and ethics: the GEF finances activities for global environment benefits and associated or co-benefits at national and local level. The use of tobacco presents a risk for health that is the opposite of the world we want.

- There is a WB's safeguard policy (OP 4.76) that prohibits support for activities related to tobacco production and transformation.

- We also find a precedent affair between UNDP and the tobacco industry. Can we suggest to double check with your management if they support this idea (<http://www.stuff.co.nz/business/world/7298340/Helen-Clark-shocked-at-tobacco-award>)?

- These activities were not planned at PIF level and might be considered as a significant change, needing a resubmission to the Council.

- You have to clarify a number of points before eventually thinking of a PPP with the tobacco sector. These questions are somehow related to the ones about the lack of baseline elements. With better information on the baseline situation, we may better consider the reasoning to use GEF resources.

- Please, confirm the contribution of tobacco industry in the national economy of Zambia (under 10%, following WB safeguards, it is recommended to promote alternatives). Does that make sense for UNDP to support this activity? Couldn't it be feasible and preferable to help the communities diversify away from tobacco? It is mentioned that the tobacco activities are growing; but around TBZ, the affected areas cover "only" 3,375 ha.

- It is mentioned that three tobacco marketing companies work with small scale farmers. However, no name is mentioned for them. We understand that Alliance One Zambia is a subsidiary of a big international tobacco trader. Alliance One Zambia works also with a Japanese company, JTI. Could you provide more information on these companies?

"financial incentives" activity. At present the project hope to propose financial incentives, a target of financial incentives implemented would generate more GEB and better long term sustainability of the project.

AL, Sept 15, 2011: Comment addressed.

- The feasibility study on suitable financial incentives is to be undertaken during the PPG phase according to the project. This seems reasonable and the cost and the activity should be moved to the PPG document and not be included under component 3 and its "expected outputs".

AL, Sept 15, 2011: No changes in budget can be seen even though one activity is taken out from the project framework. Please adjust.

- While we clearly see the need and value for a national standardized baseline for carbon calculations and estimations in Zambia the proposed activity seems linked to the CDM activities. Kindly either remove the activity together with the CDM linkages as per comment

- In a spirit of a Public-Private Partnership, we can see the role and use of public money, and the interest for the sector. However we do not capture the other elements of the partnership: What does the private sector bring in this partnership?

- With the elements available in the CEO endorsement, we can understand and support the use of GEF resources to protect the land and the forests: improve local land use plans and forest conservation plans, improve enforcement of land tenure and uses issues, support the diversification of income, build capacities of communities and partners, and at least support woodlots to stop tree cutting.

- We cannot support the use of the GEF for tobacco production, transformation activities, tobacco processing machinery and equipment. If the conditions of a PPP that do not provide reputational risks are gathered (it is still to be demonstrated), the improvement of production and transformation activities should be financed by the private sector, not the GEF.

- We do not support the idea of "green tobacco certification scheme" using GEF resources. Thanks to correct and confirm that the point is well taken.

10/28/2013 CCM JS

Addressed. Components dealing with charcoal and tobacco have been removed, and the resources have been focused on improved GMA management through devolution of land rights to village action group level, conservation farming, fire management, and REDD+.

		<p>and the rational/need for the development of the national standardized baseline.</p> <p>AL, Sept 15, 2011: Linking to the comment above about budget for CC component, please justify budget allocation of 1m for the national standardized baseline activity.</p> <p>Sept. 16, 2011 - Addressed for the NR part.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>The reasoning is interesting and the agency has definitely a good understanding of the situation. However, as said above, the reasoning needs to be streamlined and the project needs to be more focused. A deeper incremental reasoning will be expected at CEO endorsement.</p> <p>September 16, 2011 The point is noted by the Agency and will be checked at CEO endorsement. Addressed.</p>	<p>5/27/2013</p> <p>- As mentioned at PIF stage (see the previous cell), we are expecting a deeper incremental reasoning at CEO endorsement. Please be more specific on what is financed by the cofinancing (Zambia Wildlife Authority, Ministry of Finance, UNDP, Norway, WWF, and TNC).</p> <p>- And justify the use of GEF resources on the top of these baseline investments. It seems that there is a problem of analysis if you are providing a similar result framework while the cofinancing has shifted- It gives the impression that the project is a completely stand-alone project that is not the initial plan.</p> <p>- Especially for the CCM, the reasoning is unclear and further clarification and details of the methodology, calculation and assumptions used to estimate GHG benefits is requested. See also Q13.</p> <p>- Please revise the reasoning being known that no PPP with tobacco industry will be considered.</p> <p>10/28/2013 CCM JS Addressed. Calculations of CO2e emission reductions through the project have been presented for all the relevant project activities.</p>

	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>	<p>We take note that no NGO or CSO are involved in cofinancing (table C). Please develop, the eventual role of nature resource management NGOs and local communities. We think that the component 2 will benefit from the involvement of grass-roots operators, notably with the community aspects of management and charcoal.</p> <p>September 16, 2011 Point taken. The point will be checked at CEO endorsement.</p>	<p>5/27/2013</p> <p>The project seems very optimistic, aiming to promote equitable benefits and positive gender effects through the economy and decentralized governance. There is an indicator to measure improvement in women's participation at all levels and track gender issues. But there is no baseline - in general, it is not a good signal. We would like to invite the agency to produce a better section and a more active and concrete set of activities to include gender issues in the approach.</p>
	<p>17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?</p>	<p>We take note that no NGO or CSO are involved in cofinancing (table C). Please develop, the eventual role of nature resource management NGOs and local communities. We think that the component 2 will benefit from the involvement of grass-roots operators, notably with the community aspects of management and charcoal.</p> <p>September 16, 2011 Point taken. The point will be checked at CEO endorsement.</p>	<p>5/27/2013</p> <p>The stakeholder implementation plan is comprehensive includes the participation of all key stakeholders, including CSOs and traditional authorities.</p>
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>We take note that the agency wants to develop partnerships with the private sector, mentioning the largest copper mining conglomerates of Zambia.</p> <p>First. the level of cofinancing</p>	<p>5/27/2013</p> <p>Unfortunately, we are going to repeat the recommendation made at PIF level. What was recommended for the copper sector is even more recommended for tobacco companies (see comment on safeguards): "Please include a serious risk analysis, including reputational risks. We invite UNDP to</p>

incredibly low, and does not provide a good signal in terms of partnerships.
Second, many companies mentioned in the table C are either blacklisted by major donors or have controversial activities in other countries. Because of reputational risks for the GEF, it is simply out of the question to develop such partnerships for the time being. We are wondering whether the other cofinancing partners aware of this PPP (MCA and US)?

- Please remove any mention of such partnerships in the result framework (see component 1).
- Remove the cofinancing (0.67% the whole cofinancing and 0.52% of the whole project!)
- Revise the formulation linked to PPP and the GEF willingness to develop them (notably, end of section A.1.1., p.6).

At CEO endorsement, please include a serious risk analysis, including reputational risks. We invite UNDP to carefully analyse these risks during project preparation.

Sept. 16, 2011
Addressed for the comment on

		The point will be double-checked at CEO endorsement with the results of the risk analysis. Addressed.	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Yes. This project comes after the restructuring of the Protected Area Network model in Zambia. The project is coordinated with the Millenium Challenge Account, and other GEF projects with UNDP or the WB. The GEF5 project will also work in good intelligence with other projects developed by WCS and WWF for instance.	5/27/2013 The reasoning was initially based on a baseline scenario provided by the UN-REDD+ program and the US cooperation (Millennium Change Corporation and US Forestry Service). They are replaced by the Norwegian Embassy, WWF, Alliance One Zambia, and TNC. The government and UNDP are still co-financiers. 1) We wonder why the UN-REDD+ program is not a cofinancing partner while REDD+ is present in the reasoning. 2) More focused information is needed on the activities implemented by these new partners. In which way, have these changes affected the project activities? Please, justify the changes.
	20. Is the project implementation/ execution arrangement adequate?	Yes. The principal implementing partner will be the Ministry of Tourism, Environment, and Natural Resources. Different agencies under the MTENR will also be empowered (Zambia Wildlife Authority, Forestry Department). Other legitimate partners will be involved (Energy sector, tourism, private operators). Different consultation and local mechanisms are already mentioned. Local communities and Community Resource boards will be on board. During project preparation.	5/27/2013 Addressed.

		<p>on the ground and the way that traditional chiefs in the area will be committed. Thanks.</p> <p>Sept. 16, 2011: the point is taken, and will be checked at CEO endorsement.</p>	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		<p>No.</p> <p>Some information are given on the change of sites, scope (charcoal versus tobacco), and cofinancing. But these changes bring deep changes in the incremental reasoning, the justification of the activities financed by the GEF, and the final result framework that are not explained well enough.</p>
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		<p>NA</p>
Project Financing	23. Is funding level for project management cost appropriate?	<p>Please, maintain the management costs strictly under 5% of the resources used for the technical component (\$624,571).</p> <p>Thanks to maintain the same ratio of cofinancing between the whole project and the management costs (1:3.4).</p> <p>Sept. 16, 2011 To facilitate the calculation, the 5 percent for the management costs are actually calculated based on 5 percent of the total GEF resources used for the project (out of the fees). The amount of \$657,443 is then acceptable. The management cost cofinancing ratio is in the same range than the project (1:3.3)</p>	<p>Yes.</p>

	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	The current situation was reinforced by previous projects to help the Zambian authorities to reform the protected area network. Many partners, including UNDP, UN-REDD, and the MCA, provide a significant support to define the baseline project (meaning a ratio of 1:3.41).	No. See cell
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	The cofinancing in cash from the Ministry is welcome and reflects a strong commitment in the project. The cofinancing in cash from UNDP (\$4m) and UNREDD (\$4.49m) are also welcome and consistent with the baseline description. The US with the Millenium Change Account and the US Forestry service provide the major source of cofinancing (\$28m+\$3m) The cofinancing from the private sector has to be removed (see cell 18). Confirm all cofinancing at CEO endorsement. Sept. 16, 2016 Addressed.	5/27/2013 Cofinancing has significantly changed. The letters of confirmation are available in the package.
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	Yes, UNDP is bringing \$4 million from its core program to finance protected areas and UN-REDD comes up with \$4,490,000 on SFM/REDD+.	5/27/2013 A cofinancing of \$3.04 million is confirmed from UNDP. We are surprised that the cofinancing from UN-REDD is not confirmed while the REDD+ framework in the country is included in the reasoning.
Project Monitoring 21	27. Have the appropriate Tracking		Addressed

	information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	<ul style="list-style-type: none"> • STAP? 		The GEF agency responded the comments from the STAP.
	<ul style="list-style-type: none"> • Convention Secretariat? 		
	<ul style="list-style-type: none"> • Council comments? 		The GEF agency responded the Comments from Germany and the NGOs.
	<ul style="list-style-type: none"> • Other GEF Agencies? 		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>The PIF cannot be recommended yet. Please address comments raised above and remove all mention of PPP with the industrial sector for the time being. Upon receipt of a revised version, the PIF will be reconsidered.</p> <p>Sept. 16, 2011 Thanks for the revised PIF. Most of the comments are addressed. However, please address the comments related to CCM.</p> <p>September 19, 2011 The PIF is recommended for clearance. Please check points to consider at CEO endorsement.</p>	
	31. Items to consider at CEO endorsement/approval.	5/27/2013	

		<p>management costs strictly under 5% of the resources used for the technical component (\$624,571) and maintain the same cofinancing ratio.</p> <ul style="list-style-type: none"> - Please elaborate a robust risk analysis, including reputational risks for the GEF and its partners. - Please confirm the cofinancing. - Please develop the incremental reasoning at CEO endorsement. - During project preparation, please develop the project implementation agreements on the ground and the way that local communities, traditional authorities, CSO, NGO in the pilot areas will be committed. 	
<p>Recommendation at CEO Endorsement/ Approval</p>	<p>32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?</p>		<p>We would have appreciated at least a list of reports and studies - and probably a way to have access to some of them. It seems that the PPG studies highlighted enough information to make significant changes in the project.</p>
	<p>33. Is CEO endorsement/approval being recommended?</p>		<p>5/27/2013 No. The project cannot be recommended yet. Please address the points above. An important restructuring of the project is likely to be needed. Bilateral discussions are needed prior to any resubmission.</p> <p>10/8/2013 After a phone conference and email exchanges between August 5 and October 8 2013, the document has addressed almost all the items related to CCM that were raised. However, the following points remain: - Project component on REDD+ has been strengthened. Please do add an output directed towards the demand aspect of the VERs generated. Identification of a</p>

with the UN-REDD+ for GHG accounting could be potential options.

- The risk sections still contain items that deal with the earlier versions of the CEO endorsement request (problems with improved kilns etc). Please revise and also please add the new road construction and mining as the potential risks to the project outcomes.

- Micro-grant fund will be established for VAGs pre-REDD payments. Details on the operation of the micro-grant fund and its sustainability especially after the project ends would be helpful as well.

From a NR point of view,

- In the component 1, we take note that a strategy for increasing revenues is included for Kafue National Park and West Lunga National Park (KNP and WLNP).

- Basically, two kind of PPPs will be developed.

Firstly, a PPP aims to reinforce the management of Protected Areas, and specifically the West Lunga National Park. It is a follow up of a former UNDP project (REMNPASS). The principles are described in the annex 4. We understand that mainly tourism companies will be targeted. The details of the private partners are not included “ but this point is also included in the risks. Actually, we already asked in earlier reviews to avoid any partnerships with reputation risks (copper industries at PIF level, tobacco companies at CEO endorsement). We can consider that this point is cleared.

Secondly, at site level, PPPs, inspired from successful experiences in South Africa and Botswana, are proposed for the Game Management Areas (GMAs). These pilot PPPs will also include REDD+ pilot linked to national and/or voluntary carbon financing. A micro-grant fund will be established for VAG pre-REDD payments. PES are also mentioned as an option.

The project is fair enough to mention that sustainability is a multiple dimension issue. We understand and can agree that 1) an external support is critical in the development phase, 2) some aspects are going beyond

			<p>if long term sustainability is not guaranteed, the project outcomes will contribute to build the experience and improve the framework for PA financing.</p> <p>Now, a case for a broader PES will be developed and piloted by ZESCO (Zambia Electricity Supply Commission) in partnerships with key water users.</p> <p>Based on the detailed result framework and the budget, we only see studies.</p> <p>The point related to the micro-grant has been addressed in a question raised above.</p> <p>10/29/2013</p> <p>All points have been addressed. The CEO endorsement is recommended for clearance.</p>
Review Date (s)	First review*	September 13, 2011	May 29, 2013
	Additional review (as necessary)	September 16, 2011	August 05, 2013
	Additional review (as necessary)	September 19, 2011	October 08, 2013
	Additional review (as necessary)		October 29, 2013
	Additional review (as necessary)		

* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	Yes. The activities are organized to establish the baseline for the different components of the project (1) Increasing the sustainability of Zambia PA system and the effectiveness of its core areas, 2) Sustainable land and forest management in targeted Game Management Areas, and 3) Establishment of financial incentives and dissemination of appropriate technologies for sustainable charcoal production and SFM in selected charcoal-producing GMAs).
	2. Is itemized budget justified?	- 2/3 of the budget is planned to establish the baseline needed for each component.

Secretariat Recommendation	3. Is PPG approval being recommended?	<p>and \$3,000 per week for international consultant).</p> <p>For CCM, the PPG can not be recommended. As we informed in the PIF review, the GEF does not support CDM related activities. CDM is an offset mechanism. There is no incremental value for the GEF to spur CDM transactions and create offsets to meet Annex I countries' targets.</p> <p>As for voluntary targets, clear targets need to be set for carbon revenue generated through voluntary carbon markets and be put in the SFM tracking tools at endorsement stage.</p> <p>Furthermore, several of the PPG activities are similar to the PPG activities proposed for the UNDP Uganda project. Please pursue synergies between these two projects and bring down the cost of the PPG.</p> <p>AL, Nov 2011: Comments addressed and explanations provided.</p> <p>The PPG is recommended for approval.</p>
	4. Other comments	
Review Date (s)	First review*	October 27, 2011
	Additional review (as necessary)	November 16, 2011

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.