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## Biodiversity for Economic Growth in Dominica

### Basic Information

**GEF ID**

10217

**Countries**

Dominica

**Project Title**

Biodiversity for Economic Growth in Dominica

**GEF Agency(ies)**

World Bank

**Agency ID**

World Bank: P170848

**GEF Focal Area(s)**

Biodiversity

**Program Manager**

Sarah Wyatt

# PIF

## Part I – Project Informatics

### Focal area elements

#### 1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

##### Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes.

11/1/2019

No, while we try to go back on answers this project should now list components 1 and 2 as BD 2-7 (Protected Areas) in Table A.

10/24/2019

Yes.

5/6/2019

Yes.

4/17/2019

No, overall the project is in alignment conceptually. However, there are a number of issues that need to be addressed (see below) for the project to be in alignment.

##### Agency Response

Response comments 11/1/2019

Thank you. Table A was updated accordingly

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Response comments 10/24/2019

Thank you

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Thank you. The team has addressed the issues raised and we see the project to be in full alignment with the GEF7 programming directions (updated PCN is uploaded)

### **Indicative project/program description summary**

## **2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?**

### **Secretariat Comment at PIF/Work Program Inclusion**

11/6/2019

Yes.

However, please keep GEF policies in mind for the purchase and management of equipment including vehicles.

11/1/2019

No, the many revisions to this project mean that Table B in the PIF is no longer reflective of the content of the PID. We would like to encourage a careful revision to reflect the activities envisioned for the project as there is limited detail in the PID. Please address the following -

#### **Component 1:**

- The GEF will not support equipment for the tourism agency.
- Will the project include resources to implement the sustainable finance/business plan developed here? Too often the GEF has supported financing plans that lack the resources to be implemented.

#### **Component 2:**

- With limited text to work from, the direction of this component still reads as tourism promotion rather than biodiversity conservation.

- For CEO Endorsement, please note that we would like to see much of the support for general labor (trail maintenance, visitor facilities, etc) coming from co-financing.

#### Component 3:

- Agriculture - Will this project be working with sustainable agriculture? Right now the component appears to be wholly forests/forestry focused (with the exception of the land use plan), while agriculture is likely a significant driver of environmental degradation. Forests and some types of agriculture are not mutually exclusive. If the project is working on agriculture, it should be included in the language and in the PDO (ii).

10/24/2019

No, unfortunately there are still a number of issues with this project.

Overall, there is still a problem with the theory of change with this project (not the ToC in the document because that does not dig in on the underlying logic of the interventions). What appears to be the largest driver of project design and logic is (paraphrased) - PAs don't provide an economic return to the country and, therefore, they do not get the respect or resources they need and deserve. If they generate revenue directly through entrance fees, then the government will put even more or less (unclear) money back into the PA system.

There are some very large assumptions in this logic that we would contend aren't borne out by evidence. Here are some of the issues with this logic - People aren't rational and often not driven by straight economics (see Rare Conservation's work in St Lucia); the general population won't know or care about government budget details; it's unclear that there will actually be enough revenue from park entrance fees to be more than the costs of management; entrance fees are only a small fraction of the value of biodiversity and PAs to the economy and people of Dominica (tourists spend far more in hotels and restaurants in addition to the ecosystem service values).

#### Component 1:

- The GEF has supported a number of one-off, PA specific projects in Dominica. While we understand there are likely still basic capacity needs, there is also the need for a much systemic and strategic approach to investments and supporting decision making in the long term.

- We believe that one strategy to build support for PAs may be a basic assessment of the ecosystem service values of the areas. This is not a complicated natural capital valuation, but an understanding of the value of ES such as flood control and water provisioning. In addition, the economic value of the PAs likely lies in the fact that tourists visit Dominica at all (hotels, restaurants, cruise stops) rather than in the PA entry fees.

- While this may be an artifact of how the project is written, it's concerning that it appears to consist mostly of outside consultants that likely are not from Dominica. It is easy for plans to be developed and never implemented, staff to leave government, and other issues. How will this work ensure that it truly builds and benefits Dominica and relevant ministries/CBOs long term?

#### Component 2:

- Much of the work here seems like it's focused on trail maintenance - this also an issue for Component 1 on trail planning. At this point, trail maintenance is not justified as benefiting globally significant biodiversity. This is an ongoing cost that the PA system (who is responsible for the trail outside of PAs?) will need to have a sustainable financing strategy behind it. Without a strong theory of change (see above), it is

difficult to justify this work.

- We generally support mechanisms that help guarantee the long term financial sustainability of PA systems. Typically this means that we ensure that entrance fees are automatically put back into the parks and surrounding communities for biodiversity friendly development. We are concerned that spending limited GEF resources on collection systems when the funds aren't designated for the PA system is not a good option.

- Carefully target awareness raising seems like it would be an important issue given the desired approach and outcomes of this project, but it doesn't seem to be included. We would like to encourage coordination with project #9979 as well.

Component 3:

- While we are generally supportive of the work of mainstreaming and engaging IPLC groups, it would be good to understand the biodiversity values targeted by working in these areas. Why should the project work there? In this component, it would be good to engage GEF SGP on activities that have been supported in Dominica and neighboring countries for lessons learned and opportunities for scaling up through this project.

- What is the envisioned mechanism of support (small loans, TA, etc)? How will the activities and specific beneficiaries be chosen?

5/6/2019

No, there are still issues with this project.

While the activities of this project have changed, the justification and various introductions remain. Therefore, it still sounds as though this project is a tourism promotion project and it's confusing to read.

PDO - As mentioned previously both PDOs have problems. 1. The METT is a tool to measure protected area management not sustainable landscapes. Therefore, as a considerable part of this project is focused on areas outside of protected areas it would be good to include a measure that reflected this. 2. Tourism satisfaction - There is no explanation of this indicator and it does not seem to fit the project activities. Tourists like to do plenty of things that are environmentally destructive, so judging success as tourism satisfaction does not speak to biodiversity benefits. How many of Dominica's tourists actually visit the natural parks?

Theory of change - This theory of change does not speak to how improved tourism results in improved biodiversity outcomes, which was the premise of this project. However, project activities have changed and the needed causal chains are less of a stretch than before. But, the theory of change could help explain why how investing in park infrastructure will result in longer term biodiversity benefits and catalyze other changes.

Component 1

1.1 - How will park zoning be changed? Will this impact biodiversity protections?

1.2 - How will this training and staffing be made sustainable? Simply providing one-off trainings or staff that have no plan to be maintained after project end does not provide for the long term capacity of the system. We were broadly supportive of the idea of some type of round table or discussion forum, but they needed to be thought through to ensure long term impact.

## Component 2

2.1 - How will this investment be made sustainable and catalyze further action or conservation? This is the largest part of the project and it feels like a one-off that will require further investments to maintain but these have not been provided for.

2.2 - The GEF has spent significant resources supporting PA systems around the world in claiming back their gate entry fees to support their operations. As parks are chronically underfunded, it does not make sense to allow resources raised by parks to enter the general coffers. Therefore, we will need better justification in investing in entry fees without some type of ring-fencing or earmarking to accompany it.

## Component 3

3.1 - The question of how to ensure that increased incomes do not lead to increased environmental degradation is not a question only for safeguards. Without the right controls and understanding of behaviors, we have seen how increased farm revenue can drive expansion into increased areas, increased incomes mean that fines for environmental damages are no longer significant, and even where fishers turned sport fishing guides use their new and better boats to harvest more on their free days.

Please note that community infrastructure without direct environmental benefits should be supported with co-financing.

4/17/2019

No, there are significant issues with the logic of this project.

Theory of change – A theory of change is not a reorganization of the log frame. Rather a well thought out theory of change will articulate why and how project outputs will result in the ultimate goal of the protection of biodiversity. Assumptions are stated and, where necessary, mitigation measures are included. Other factors not addressed by the project can be mentioned as a full understanding of the problem is necessary but not any project can address everything. Without a strong theory of change, the PDO of “tourism visitor experience improved” does not make sense for a biodiversity project.

- The PDO of “number of hectares under improved management” seems to mix core indicator 1 and core indicator 4 in a way that does not make sense.

## Component 1

- 1.1 – Will the project help implement these management plans?
- 1.2 – This needs real clarification. What will be their purpose? How will they be organized, paid for and maintained after project end? Is there a need for multiple platforms? How will they avoid just being talk shops?

## Component 2

- The title of this component needs to be changed as ecotourism in and of itself is not a good. The goal of this project is not tourism promotion.

- 2.1 – This subcomponent needs to be rethought and likely retitled as it is quite confusing what will actually be done. Is this about planning and building park trails and other infrastructure?
- 2.2 – This subcomponent seems to cover a myriad of activities. It might be helpful to separate them.
- Capacity building and awareness raising – Too often we think that if people simply have more and better information, they will make good choices. However, this all too often is not the case. These activities will need to be well thought through, contextually appropriate and tested. Local populations generally do not determine where new major tourism developments occur, which may be the greatest threat to biodiversity. How will this project address targeted awareness raising or regulations?
- Attraction investment policy – The global benefits of this are unclear.
- Involving citizens.... – Again, the global benefits of this are unclear. Is the goal co-management of the sites? Is encroachment a major threat for these sites? If this is to support enforcement, how likely are citizens to report poor behaviors of their neighbors? How well is enforcement managed currently?
- Destination management organization – Without a robust theory of change, creating more tourism options doesn't lead to biodiversity conservation. Will some of the money support conservation?
- 2.3 – We are very supportive of projects that ensure the long-term sustainability of financing for the PA system. However, park entrance fees should be designated for park management (or perhaps other direct activities to support biodiversity) and not to tourism development.

### Component 3

- How will the project ensure that these activities result in lower impacts on biodiversity? What we have seen in some cases is that increased incomes can result in higher environmentally degrading behaviors.
- Will this only support ecotourism or other green or greening activities? (agriculture, handicrafts, value added agricultural products for sale at tourist location or generally in the country, etc)

## Agency Response

### Response comments 11/1/2019

Thank you for additional and relevant comments. Table B is now in line with the proposed activities in the PID. Specific responses by component below:

- Component 1: The objective is not to finance the tourism agency. PCN was updated to clarify the activities. During project preparation the team will carefully encourage and assess financing feasibility. This component would support updating and revising strategic and operational management plans for three national parks and for the WNT. And in addition, planning would emphasize the long term financial and budgetary considerations as well as the benefits of a systemic and strategic approach to investments and planning.

- Component 2: Thank you. The team aims to encourage further co-financing to support general labor activities. With regard to the biodiversity conservation - majority of activities to be supported via this component will result in reduced threats to the BD, increased attention and recognition of the value of Dominica BD. In addition, The component would include institutional strengthening support including preparation of a Divisional Operational Manual describing standard operational procedures for execution of forestry and parks works, linked to a broader, overall PA Management.

- Component 3: The component is mostly focused on forestry given that land use change is one of the greatest contributors to biodiversity loss in Dominica. At this stage, the project is not expected to work on agriculture activities per se, although it would look at the landscape level (as you note, the land use planning). Given that the project was already approved internally and the PDO agreed, it is difficult to change the PDO.

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#### **Response comments 10/24/2019**

Points well taken. We agree that the ToC did not clearly reflect the interventions and did not state clearly the problem. We have now further updated the ToC.

There are two important premises at hand for the proposed project. First, the Government of Dominica wants to pursue the country as an eco-tourism destination. Dominica has coined the title "Nature Island of the Caribbean" as its logo for eco-tourism promotion. Second, there are two other World Bank projects aiming to rehabilitate deteriorated investments by Hurricane Maria. The proposed project aims to coordinate and optimize the impact of all forest-related investments and support the Government as an eco-tourism destination by improving its regulation and enforcement to its natural capital, and by improving its capacity to mitigate potential negative impacts.

Based on the conversations with the Government, private sector, and other relevant actors, there are important limitations to optimize previous investments. First, it is clear that policy and programmatic connections between biodiversity, forestry and tourism planning and management are weak and undeveloped. Second, the current institutional arrangements for forest resources management is rather complicated: many agencies, often pending to different ministries, having forest/land management responsibilities, and there are no formal coordination mechanisms among these entities. Third, the legislation regulating forest sector in Dominica is rather old and, in many cases obsolete. It is commonly recognized that the legislative framework needs to be revised to address a range of issues, especially related to implementation effectiveness. Fourth, there is no specific legislation regulating the use of privately-owned forests: private owners face far fewer restrictions and have limited sustainable management knowledge, and some of the practices employed can threaten ecosystems due to habitat fragmentation and poor agricultural/ forestry practices.

That said, we agree with comments highlighted for Component 1. The proposed project should work in a systemic and strategic way and move beyond plans developed but never implemented to generate long term benefits. That's why this project is currently coordinating with the two other WB investments and aims to "walk" with the Government to increase its capacity and knowledge of the sector.



We also agree that a basic assessment of the ecosystem services is needed, and it will be included in the project. For instance, the team's perception is that the forest sector in the country seems to have been somehow neglected in recent years by policymakers who seem to perceive limited potential. This issue could be clearly highlighted when a thorough ecosystem service study is carried out.

Regarding the Waitikubuli Eco-Trail, it attracts many eco-tourists. This trail, together with the National Parks, are a cornerstone for Dominica's eco-tourism potential. This trail comes in close proximity to waterfalls, hot springs, wildlife viewing opportunities and other natural attractions. It crosses the Kalinago Territory home to the indigenous Kalinago people. This is the reason why, in order to be comprehensive, the project is working both in protected areas and the Waitikubuli Eco-Trail.

Regarding the fee collection system, nevertheless the whole eco-tourism sector is benefiting from forest management, the eco-tourism related activities are completely divorced from the budget of the Forests, wildlife and Parks Division (FWPD). The only PES mechanism is the entry fees for the Parks and Eco-Trail, but there is place for improvements: the fee is still collected on site, by FWPD employees, and it is perceived that fees are low. The team will discuss with the Government the feasibility of designing specific financing mechanism to the protected area system, but we cannot commit at this stage.

Finally, as it was already mentioned, the trail crosses the Kalinago Territory and it provide access to important natural attractions. Therefore, working with the most vulnerable population in the country helps to mitigate future potential social risks as have been in different Latin American countries.

Further details have been included in the concept note in line with the response here. See, e.g., new ToC (Annex 2), strengthened the linkage between forest and biodiversity (paragraph 5), improved the why to act on management of PAs (paragraph 8-9), described further the role of the forest concept note (paragraph 14), included additional activities in component 1 and further strengthened description of component 2 and component 3. Changes are also reflected in the updated PIF/Data Sheet.

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Theory of change – and PDO:

Response: On p. 15 of the PID in the TOC diagram, the theory of change has been expanded to include expected impacts on biodiversity, assumptions have been clarified, and risk mitigation measures added.

## Component 1

- 1.1 – Will the project help implement these management plans?

Response: Based the latest discussions with the Government, this component would support updating and revision of strategic and operational management plans for three National Parks and for the WNT. Work would include preparation and finalization of Park and Trail Planning and Management Guidelines that would describe and mandate procedures, protocols and standards for Plan preparation, content, consultation, review, approval and revision. Part of these management plans will be implemented under component 2. Revisions have been made in the PID on p. 9.

- 1.2 – This needs real clarification. What will be their purpose? How will they be organized, paid for and maintained after project end? Is there a need for multiple platforms? How will they avoid just being talk shops?

Response: Engagement with all stakeholders will be an integral part of the project. Based on latest collaboration with the counterparts, the sub-component “Multi-stakeholder cross-sectoral platforms for collaboration” has been replaced by “Training and awareness” on p.9 of the PID.

## Component 2

- The title of this component needs to be changed as ecotourism in and of itself is not a good. The goal of this project is not tourism promotion.

Response: Thank you for pointing this out. The intent is to contain tourism activity to manage its impacts on biodiversity. This has been revised to “Biodiversity Management Operations” on p. 9 of the PID.

- 2.1 – This subcomponent needs to be rethought and likely retitled as it is quite confusing what will actually be done. Is this about planning and building park trails and other infrastructure?

Response: Revised subcomponent to be titled “Management of tourism impact” and it will cover light physical works and operations that contain tourism impacts, while utilizing local labor such as viewing platforms that contain the tourism flow.

- 2.2 – This subcomponent seems to cover a myriad of activities. It might be helpful to separate them.

Response: This is currently further being discussed with the government counterparts.

- Capacity building and awareness raising – Too often we think that if people simply have more and better information, they will make good choices. However, this all too often is not the case. These activities will need to be well thought through, contextually appropriate and tested. Local populations generally do not determine where new major tourism developments occur, which may be the greatest threat to biodiversity. How will this project address targeted awareness raising or regulations?

Response: This will be further identified during appraisal.

- Attraction investment policy – The global benefits of this are unclear.

Response: This addresses a confounding factor on biodiversity which is the type and positioning of tourism investments, as you rightly pointed out above, one of the greatest threat to biodiversity.

- Involving citizens.... – Again, the global benefits of this are unclear. Is the goal co-management of the sites? Is encroachment a major threat for these sites? If this is to support enforcement, how likely are citizens to report poor behaviors of their neighbors? How well is enforcement managed currently?

Response: These are very good questions that this pilot could answer. Enforcement is currently considered weak and the current situation is added to p. 10 of the PID.

- Destination management organization – Without a robust theory of change, creating more tourism options doesn't lead to biodiversity conservation. Will some of the money support conservation?

Response: A destination management organization helps align different actors behind a common goal. This will help ensure that tourism development follows a common objective across actors and is consistent with the "Nature Island" theme of Dominica. This has been edited on p. 10 of the PID.

- 2.3 – We are very supportive of projects that ensure the long-term sustainability of financing for the PA system. However, park entrance fees should be designated for park management (or perhaps other direct activities to support biodiversity) and not to tourism development.

Response: Earmarking, especially in a highly volatile context of Dominica, is not consistent with the fiscal management advice currently provided to Dominica by the World Bank. Increased revenues is what will ultimately bring further investments into forests and biodiversity.

### Component 3

- How will the project ensure that these activities result in lower impacts on biodiversity? What we have seen in some cases is that increased incomes can result in higher environmentally degrading behaviors.

Response: The World Bank's strict environmental safeguards policies address this.

- Will this only support ecotourism or other green or greening activities? (agriculture, handicrafts, value added agricultural products for sale at tourist location or generally in the country, etc)

Response: The component has been revised to reflect that it would support development activities compatible with protection of biodiversity resources in and around parks and protected areas. Activities would include minor community infrastructure works; occupational training; promotion of environmentally-friendly enterprises; human-wildlife conflict management projects (p. 11 of the PID)

5/8/2019 TTL:

PDO was adjusted to reflect comments provided by the GEFSEC

Indicator on tourists satisfaction is removed, but team will refine the results framework and add an indicator that reflects a better management tourism impact on biodiversity.

The TOC will be further revised at later stages to incorporate GEFSEC comments.

The questions on the components will be taken into account during preparation when the team will generate the necessary information.

#### Component 1

1.1 - How will park zoning be changed? Will this impact biodiversity protections?

Assessment of zoning will be conducted during project preparation, and impact assessment will be conducted based on the proposed changes

1.2 - How will this training and staffing be made sustainable? Simply providing one-off trainings or staff that have no plan to be maintained after project end does not provide for the long term capacity of the system. We were broadly supportive of the idea of some type of round table or discussion forum, but they needed to be thought through to ensure long term impact.

The capacity of this small island country is very low. Its sustainability is always a challenge in the Caribbean. The assumption is that the training provided will result in raising the knowledge. More specific approaches will be developed during project preparation.

#### Component 2

2.1 - How will this investment be made sustainable and catalyze further action or conservation? This is the largest part of the project and it feels like a one-off that will require further investments to maintain but these have not been provided for.

Our assumption is that a properly managed tourism sector will create enough demand for sustainable tourism while not putting additional pressures on KBAs.

2.2 - The GEF has spent significant resources supporting PA systems around the world in claiming back their gate entry fees to support their operations. As parks are chronically underfunded, it does not make sense to allow resources raised by parks to enter the general coffers. Therefore, we will need better justification in investing in entry fees without some type of ring-fencing or earmarking to accompany it.

The team will discuss this with the counterparts but ultimately it will be the call of the government.

### Component 3

3.1 - The question of how to ensure that increased incomes do not lead to increased environmental degradation is not a question only for safeguards. Without the right controls and understanding of behaviors, we have seen how increased farm revenue can drive expansion into increased areas, increased incomes mean that fines for environmental damages are no longer significant, and even where fishers turned sport fishing guides use their new and better boats to harvest more on their free days.

Please note that community infrastructure without direct environmental benefits should be supported with co-financing.

Point well taken. As stated this component would “support development activities compatible with protection of biodiversity resources in and around parks and protected areas.”

### Co-financing

**3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?**

#### Secretariat Comment at PIF/Work Program Inclusion

11/1/2019

Yes. However, we expect to see significantly more co-financing from government as well as other partners. Co-financing is also a recognition of partnership and coordination. At PPG, we would like to sufficient cofinancing for PMC to ensure project implementation.

10/29/2019

No. Again, we will note that the co-financing is quite low. It lacks any co-financing from other donors, UN, CSOs, or others. Government co-financing is also very low. Given that this project is building on an existing WB operation, we would expect to see better coordination with other entities.

5/6/2019

Yes, however at CEO Endorsement we expect to see government co-financing as well as co-financing from other institutions. Co-financing is not only about the money but also a statement of partnership and cooperation which is particularly important in a small place.

4/17/2019

No, the only co-financing is from the World Bank (no government, no other entity). It has been stated that the co-financing is for other activities not promoting biodiversity conservation.

### Agency Response

Response comments 11/1/2019

Point well taken. We agree that co-financing is a recognition of partnership. During project preparation, other co-financing sources will be confirmed and promoted.

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Response comments 10/29/2019

This co-financing is directly related to the proposed project activities. Nonetheless, if it is considered the total amount of the other initiatives in Dominica, it increases up to US \$90 M. During project preparation, other co-financing sources will be explored.

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The government will be co-financing in-kind but no estimates have been provided at this stage.

The co-financing of the Emergency agriculture project is improving PA management through investments in trail and other PA infrastructure. It is also supporting livelihoods in landscapes neighboring the PAs. As such it is directly relevant to this project and is promoting biodiversity conservation through better PA management and reduced pressures on forests.

5/8/2019

Thank you for the comment, confirmation of cofinancing will be provided at the time of CEO endorsement per GEFSEC advice

### GEF Resource Availability

**4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):**

**Secretariat Comment at PIF/Work Program Inclusion**

4/17/2019

Yes.

**Agency Response**

**The STAR allocation?**

**Secretariat Comment at PIF/Work Program Inclusion**

4/17/2019

Yes.

**Agency Response**

**The focal area allocation?**

**Secretariat Comment at PIF/Work Program Inclusion**

4/17/2019

Yes.

## Agency Response

### The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

NA

## Agency Response

### The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

NA

## Agency Response

### Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

NA

## Agency Response



## Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

## Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion

4/17/2019

Yes.

Agency Response

## Core indicators

## 6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)

### Secretariat Comment at PIF/Work Program Inclusion

11/1/2019

Yes. At CEO Endorsement, we will expect to see figures for GHG emissions reductions.

10/24/2019

No, given the activities of component 3 we would expect to see hectares recorded for indicator 4.

5/6/2019

Yes. However, the project activities would result in mainstreaming over productive or non-PA hectares. Therefore, at CEO Endorsement we expect to see values listed here.

4/17/2019

No, is this project resulting in any benefits for improved management of areas outside of protected areas? It seems like the activities in component 3 would deliver benefits in this area.

### Agency Response

Response comments 11/1/2019

Thank you. GHG estimates will be provided to the extent possible by the project endorsement. We have indicated in the Core Indicator sheet that the value is to be determined (# 6).

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Response comments 10/24/2019

This is a good point. The project aims to work on areas outside protected areas and improve their management, and the project intends to monitor the corresponding core indicator. However, there are no clear statistics. Usable forest estate may be estimated between 6,000 ha (the cumulative surface of the forest reserves) and 11,000 ha (forest reserves + unallocated government land covered with forest). The end target is set preliminary at 6,000 has (see updated PIF) and will be confirmed as part of project preparation.

.....  
Thank you, the indicator was removed

5/8/2019

Thank you, we have incorporated preliminary estimates of such activities and this figure will be refined during preparation stage

## Project/Program taxonomy

### 7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?

#### Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes, thank you.

5/6/2019

No, now there are no entries for the taxonomy. However, we note that it was uploaded and there have been issues with the system.

4/17/2019

No, please uncheck all the level 1 terms and all higher level terms. If the project is going to work with indigenous peoples, please check this box.

#### Agency Response

Response comments 10/24/2019

Thank you  
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Thank you, taxonomy was corrected appropriately.

5/8/2019

Taxonomy was entered appropriately per your advice

## art II – Project Justification

### 1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?

#### Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes.

11/1/2019

No, the text still does not explain the concept of the "Nature Island" as a commitment from the government and paragraph 7 still confusing as it describes the EIA for Morne Trois Piton, a protected area, as not being enforced. It's odd to describe a PA has having an EIA.

10/29/2019

No, the introductions need to talk about how current lack of management is damaging globally significant biodiversity. Paragraph 2 for instance isn't about biodiversity at all. The language references the Nature Island commitment that Dominica made, but doesn't actually explain what that means. It would benefit from substantial edits with this lens. Paragraph 5 appears to reference an EIA done for a national park (not Cabrits), which is rather confusing. EIAs not being enforced is likely a substantial issue but this project doesn't seem to address it.

During a discussion of the project, we had talked about at least a cursory review of the tourism profile in Dominica to make sure that the project is appropriately structured given the types of tourists Dominica receives. It would be helpful to have this information.

5/6/2019

No, the response to this question does not match the content of the PID. There is very little on zoning other than within protected areas. One of the incidents cited for the need for this project is a tourism development right next to a protected area. Such a development isn't prevented through park management. Are tourists within protected areas having significant impacts? Or are the impacts coming from tourism development and resulting habitat loss outside of protected areas?

A full natural capital assessment may not make sense, but tourism valuation might or other similar activity.

4/17/2019

No, the logic of the project needs some adjustment or clarification. The project states that tourism could become a threat to biodiversity in Dominica. This is entirely reasonable given other islands. However, what the major ways biodiversity is being threatened? If it's tourism development (as is mentioned), then it would make sense to engage on improving zoning, land use planning, EIAs, laws, regulation, and enforcement. If the goal is to properly value biodiversity, then it probably makes sense to include valuation studies and sensitization for lawmakers as well. Some type of incorporation of natural capital values into decision-making would likely be important then too.

### Agency Response

Response comments 11/1/2019

Concept of "Natural Island" was taken from the National Resilience Development Strategy – Dominica 2030. And this refers to a brand that the Government has coined. Regarding the EIA for a PA, point well taken. We have updated the relevant paragraph for both comments in the Project Concept Document (pp 1,4, 5)

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Response comments 10/24/2019

Thank you! Yes, the team aims to encourage coordination among all initiative in the forest sector for Dominica.

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The goal is management of tourism impacts. Indeed the project would concentrate on zoning and management. The team has considered natural capital valuation but it does not make sense in the low-capacity context of Dominica to employ such studies.

5/8/2019

The incident cited took area away from a PA to turn it into a tourism development. Obviously both the management of PA and surrounding is an issue. Currently, within PAs, the tourism activity is low on designated trails except for this first tourism development incident. It is expected that such encroachment might increase unless we have both strong PA management and a tourism sector that collaborates with the PAs for a common goal.

## 2. Is the baseline scenario or any associated baseline projects appropriately described?

### Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes. It will be important to ensure good coordination during PPG to make sure the project compliments and builds upon other investments, particularly those not supported by the WB.

5/6/2019

Yes. Please note that GEF projects cannot be incremental to other GEF projects.

4/17/2019

Yes. At CEO Endorsement, please include non-GEF and non-World Bank activities as well as more detail on existing GEF investments.

### **Agency Response**

Response comments 10/24/2019

Yes, the team will make sure to ensure coordination and articulation of other investments during project preparation.

.....

Please refer to Annex 3 in the PCN which has two pages of description of where each current project is active.

5/8/2019

Thank you we will take that into account

### **3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

5/6/2019

Yes.

4/17/2019

No, please address the issues above.

**Agency Response**

.....

Paragraph 17, p 7 in the PID has been added to discuss the alternative scenario.

**4. Is the project/program aligned with focal area and/or Impact Program strategies?****Secretariat Comment at PIF/Work Program Inclusion**

11/6/2019

Yes.

11/1/2019

Generally yes, but see the responses to question 2.

10/24/2019

No, the issues around the designation of financing remain.

5/6/2019

No, the project lacks a sustainable or catalytic approach for the largest subcomponent (2.1) and does not align with GEF approaches to sustainable PA finance (2.2).

4/17/2019

No, please address the issues above.

**Agency Response**

Response comments 11/1/2019

See response above. Comments for question 2 are adopted.

.....

Response comments 10/24/2019

Usually, hard investments represent a higher proportion than soft investments of total budget due to its nature. The proposed project is not different. While the largest component, in monetary terms, is the second one, component 1 is as important, or even more important, than component 2. Component 1 is the catalyst and it will set the basis for better management of protected areas and biodiversity in a sustainable way.

.....

Project if better aligned with the focal area and issues have been addressed and incorporated in the document. (refer to PCN and PID)

5/8/2019

The project is aligning WB funds towards a common conservation goal and it will strengthen PA management for better outcomes in the future.

## **5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?**

### **Secretariat Comment at PIF/Work Program Inclusion**

10/24/2019

Yes. However, this is quite weak. Please expand on this description at CEO Endorsement.

5/6/2019

Yes. However, this is quite weak. I believe the referenced paragraph is 18. Please expand on this description at CEO Endorsement.

4/17/2019

No. It's hard to understand what this project is leveraging or building upon with cofinancing rather than just being a stand alone activity.

### **Agency Response**

Response comments 10/24/2019

Point well taken. It will be further elaborated at CEO Endorsement.



.....

Para 16 and now the newly added para 17 discuss the leveraging of the co-financing.

5/8/2019

Paragraph 13 in the PCN addresses the incremental reasoning.

**6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?**

**Secretariat Comment at PIF/Work Program Inclusion**

11/1/2019

Yes. We understand that these estimates and expect to see more detailed figures at CEO Endorsement.

10/24/2019

No, please provide an estimate for indicator 4 as well as whether information will be provided on GHG emissions.

5/6/2019

No, please clarify that an estimate for core indicator 4 will provided at CEO Endorsement.

4/17/2019

No, please clarify if there are values to report for core indicator 4. Also, please provide justification for the Rio Marker of CCA 1.

**Agency Response**

Response comments 11/1/2019

See response above. Comments for question 4 are adopted.

.....

Response comments 10/24/2019

(See response above for comment regarding core indicators.)

Regarding GHG emissions, there are no systematic forest assessments nor inventories, making it difficult to undertake detailed GHG calculations. To avoid unrealistic assumptions, and considering the low level of potential emissions from a global perspective, the team has decided not to pursue this measure.

.....

Due to the demand-based nature of the engagement, it is not possible for the team to prepare such an estimate for core-indicator 4.

Estimation of mitigation co-benefits through GHG accounting for such a small grant would be entirely assumption-based. The team does not think such an exercise would produce value added.

5/8/2019

Thank you. Core indicator 4 "Area of landscapes under improved management to benefit biodiversity" has been added and a very preliminary estimate of 100 ha (10% of PA area) has been assigned.

## 7. Is there potential for innovation, sustainability and scaling up in this project?

### Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes, though we expect to see better descriptions of this at CEO Endorsement.

11/1/2019

No, as this is a set of topics the GEF is particularly concerned with, we would like to see at least a brief discussion of these issues in the text.

10/24/2019

No, please include information on these topics. Scaling up is possible with the livelihood activities, MPAs, etc. Scaling up does not have to be limited to Dominica. There are a number of priority KBAs in Dominica (see the draft CEPF Ecosystem Profile for the Caribbean) that remain unprotected.

5/6/2019

No, please remember that these are issues that we are specifically asked to provide information on. The app is interesting, but it will need to be carefully considered as to its effectiveness from a behavioral perspective (will people actually use it?) and maintenance after project end (such as updating with every new iOS). Sustainability does not mean environmental sustainability but rather the durability of project outcomes. Lastly, scaling-up can occur in a variety of ways within Dominica (such as the livelihoods activities) as well as outside of Dominica. However, we have found that projects need to take this perspective from the beginning. Please note that Dominica has a number of unprotected KBAs that hopefully could benefit from these experiences.

4/17/2019

No, this project needs to discuss all three of these issues further. Some of these issues may be clarified by addressing previous issues.

### Agency Response

Response comments 11/1/2019

Point well taken. The team has further explained the potential options for scaling up in the PCN. As the Team has mentioned before, there is potential for unprotected KBAs to be potentially scaled up not only in Dominica but also in other areas in Lesser Antilles islands in the Caribbean Sea. In addition, the proposed project aims to work holistically and promote innovative approaches across sectors (forest, landscape, biodiversity and eco-tourism) which will be innovative in the context of Dominica.(pp 4,5,9 of the project concept note)

.....

Response comments 10/24/2019

This is a great point. Thanks for the comment. We agree. There is potential for unprotected KBAs to be potentially scale up not only in Dominica but also in other areas in Lesser Antille islands in the Caribbean Sea. The team will explore this as part of further project development.

.....

The innovative element is in the park fee system being introduced as well as the proposed tourism encroachment reporting app. The sustainability of the use of the PA is the goal of the project, more information is provided in the PCN on that. Scaling up within Dominica is not possible as we are already covering all PAs.

5/8/2019

The app is experimental and will be piloted. It is indeed interesting if it will generate a behavioral response.

## Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

### Secretariat Comment at PIF/Work Program Inclusion

5/6/2019

Yes, this answer is sufficient.

4/17/2019

No, while the map and points for the parks are helpful, it would be good to have an idea of where the mainstreaming activities will be targeted such as names of districts or provinces.

### Agency Response

The demand nature of the livelihoods intervention does not allow us to estimate where activities could take place.

moreover, project activities are particularly focused on the WNT.

Component 3 will largely be in the Kalinago Territory

## Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

### Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes. Thank you. We note that following the WB's safeguards, engagement in the Kalinago areas will require FPIC.

5/6/2019

No, this question is not about who will be beneficiaries but rather how stakeholders will be engaged during PPG.

4/17/2019

No, please provide information on stakeholders and how they will be engaged during PPG.

### **Agency Response**

Response comments 10/24/2019

Yes, the team, through the social safeguards specialist, will address and carry out the appropriate consultations

.....

Relevant information is provided now in the online template. Most of the engagement activities with stakeholders, including beneficiaries will be conducted during project preparation

5/8/2019

The team will prepare an engagement plan during project preparation, as stated in the ESRS/Safeguards assessment document

### **Gender Equality and Women's Empowerment**

**Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?**

**Secretariat Comment at PIF/Work Program Inclusion**

4/17/2019

Yes.

### Agency Response

## Private Sector Engagement

**Is the case made for private sector engagement consistent with the proposed approach?**

### Secretariat Comment at PIF/Work Program Inclusion

11/1/2019

Yes. However, the answer in the GEF Datasheet would be better served to briefly focus on potential ways to engage the private sector through the project (collection of fees, supporting small businesses in component 3, etc) than just saying there will be a stakeholder engagement plan.

5/6/2019

No, beyond training how will this project address the type of tourism development labeled as the primary threat to biodiversity. Please note that the "tourism investment strategy" is not mentioned in any document.

4/17/2019

No, while the project discusses small scale private sector engagement, how will the project work to engage larger scale tourism operations?

### Agency Response

#### Response comments 11/1/2019

Thank you. We have updated GEF datasheet accordingly.

.....

Thank you, this information is provided in the online template as well as PCN. The project engages with the tourism investment strategy and the tourism destination organization

5/8/2019

With the latest revisions based on consultations with the government, the tourism investment strategy was removed from the project. The project now more emphasizes PA management and planning for tourism impact rather than strengthening the tourism sector.

## Risks

**Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?**

### Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes, we expect significantly more information at CEO Endorsement. In particular on climate disaster proofing GEF investments and addressing design and implementation challenges.

5/6/2019

No, a number of issues mentioned here are potential risks that lack prevention strategies.

4/18/2019

No, please address the other questions to address risks.

### Agency Response

Response comments 10/24/2019

Point well taken. Due to its rugged inland topography, 90 percent of Dominica's residents are located near the shore, as is most of the island's infrastructure, alluding to significant vulnerability to sea level rise, as well as flooding as Atlantic storms and hurricanes become stronger as a result of climate change. The risks posed by climate change will be further elaborated at CEO Endorsement.

.....

The risks are evaluated and mitigation strategy described on p.9 of the PCN

5/8/2019

Thank you, Risk reevaluation will be conducted during preparation stage.

## Coordination

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined?  
Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

### Secretariat Comment at PIF/Work Program Inclusion

5/6/2019

Yes. Thank you for the helpful table.

4/18/2019

No, existing GEF projects with UNDP and UNEP are mentioned but little information is provided on coordination. More information on any other ongoing initiatives and coordination would be helpful.

## Agency Response



Please see Annex 3 of the PCN for a detailed table of where each project is active.

## Consistency with National Priorities

**Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?**

**Secretariat Comment at PIF/Work Program Inclusion**

5/6/2019

Yes. Thank you.

4/18/2019

No, please provide information about how this project aligns with the NBSAP.

**Agency Response** Added to Para 11 of the PID

## Knowledge Management

**Is the proposed "knowledge management (KM) approach" in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project's/program's overall impact and sustainability?**

## Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes. At CEO Endorsement, we would like to see greater thought and about how the project will engage and share lessons learned regionally and not only with other WB projects.

11/1/2019

No, KM is an issue that our council is very much focused on. It would be good to have some reflection on how this will be built in to the project.

10/24/2019

No. It would be good to discuss how the project will work to share knowledge outside of Dominica and the WB. While often highly effective, study visits are expensive and one-off.

5/6/2019

Yes. However, capacity building is not knowledge management. This is incorporating learning from other projects and applying it in this one and then documenting and sharing these experiences in Dominica as well as the Caribbean and with the GEF and other GEF agencies.

4/18/2019

No, please provide more information about how the project will foster sharing with the wider island community as well as within country.

## Agency Response

Response comments 11/1/2019

Thank you for this comment. One of the first studies to be carried out is the role and value of ecosystem services in Dominica. This study will help to understand the direct and indirect values of the forest on biodiversity conservation, eco-tourism, natural hazards, among other sectors. Based on the value of the services, policies should be prioritized. This knowledge generated from this study, as well as lessons learned from the project implementation, can be distributed widely to stakeholders both inside and outside Dominica, including CEPF initiative in the Caribbean and any other relevant conferences/seminars in the region.

Finally, the proposed project aims to exchange the knowledge with two current WB investment operations, Emergency Agriculture Project (P166328) and the Dominica Vulnerability Reduction Project (P166540).

.....

Response comments 10/24/2019

The knowledge generated from the activities would be shared more widely with relevant stakeholders, including those under the complementary WB-supported, Emergency Agriculture Project (P166328) and the Dominica Vulnerability Reduction Project (P166540). Results from the Country Forest Note would be disseminated (and publicly available) and help foster dialogue and learning as part of the project, including international best practices on management of forest and PA systems to fill current gaps.

.....

Thank you. Capacity building and study visits are incorporated into all the components.

5/8/2019

Thank you for pointing this out, we will include knowledge management in the project preparation.

### **art III – Country Endorsements**

**Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

#### **Secretariat Comment at PIF/Work Program Inclusion**

11/6/2019

Yes.

11/1/2019

No, unfortunately the project name does not match the name of the project endorsed.

5/6/2019

Yes, thank you.

4/18/2019

No, please provide the endorsement letter.

### Agency Response

#### Response comments 11/1/2019

We agree that the project name does not match with the name of the endorsed project. However, the spirit of the project is similar as originally discussed with the Government of Dominica. Name change will be fixed during project preparation.

.....

Endorsement letter was uploaded in the portal

### Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

EFSEC DECISION

RECOMMENDATION

**Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?****Secretariat Comment at PIF/Work Program Inclusion**

11/6/2019

Yes, this project is recommended for technical clearance.

11/6/2019

No, we cannot move forward without an endorsement letter.

11/1/2019

No, please revise and resubmit.

10/24/2019

No, please revise and resubmit.

7/11/2019

No, please revise based on discussions.

**ADDITIONAL COMMENTS****Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.****Secretariat Comment at PIF/Work Program Inclusion****/view Dates**

	PIF Review	Agency Response
First Review	4/22/2019	
Additional Review (as necessary)	5/6/2019	
Additional Review (as necessary)	10/24/2019	
Additional Review (as necessary)	11/1/2019	
Additional Review (as necessary)	11/6/2019	

#### PIF Recommendation to CEO

#### Brief reasoning for recommendations to CEO for PIF Approval