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## Natural Capital Accounting and Assessment: Informing development planning, sustainable tourism development and other incentives for improved conservation and sustainable landscapes

### Basic Information

**GEF ID**

10386

**Countries**

Philippines

**Project Title**

Natural Capital Accounting and Assessment: Informing development planning, sustainable tourism development and other incentives for improved conservation and sustainable landscapes

**GEF Agency(ies)**

UNEP

**Agency ID**

UNEP: 01753

**GEF Focal Area(s)**

Biodiversity

**Program Manager**

Jurgis Sapijanskas

## 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

JS 11/1/2019

Thank you for the clarifications and improvements. Cleared.

JS - 10/21/2019

The project is fully aligned with BD-1-3 as is its developing Natural Capital Assessments and Accounting to inform decision making , including the design of fiscal transfer and a national plan for sustainable tourism in priority PAs.

The project seems in line with BD-2-7 but please clarify what project activities and anticipated future revenue streams are really targeted at financing PA management cost. Many project activities target the "protected area landscape", which covers PA and the surroundings. This integrated approach is a strength of the project and should be maintained. However, to use BD-2-7 as an entry point, the project should be clearer on its contribution for the effective management and sustainable funding of PAs.

##### Agency Response

1 Nov 2019

**UNEP Response:** Thank you for the comment. Improvements have been made in related Outputs and targets under Component 2. Further clarifications are given in our response to the Review item 2 – Table B etc.

## 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

JS - 11/4/2019

Cleared.

JS - 11/1/2019

Thank you for the clarifications on baseline for the outcome indicators' targets, and improvements on outcomes 1.1 and component 2.

However, the new formulation of outcome 2.1 is on biodiversity protection inside PA only, when the associated targets include activities and results outside PAs (30,000 ha under improved management for biodiversity). Please correct for example by removing "in targeted PAs" from outcome 2.1, which is already ending with "in two PA landscapes". The other clarifications made on the component's contribution to PA sustainability is sufficient, the integrated nature of the approach can be retained in outcome's 2.1 formulation.

Change in component and outcomes formulation in table B have not been reflected in section 1.3 of the PIF (pages 20-24). Please correct.

Component 3 is reported as "Investment" only when output 3.1.1 is "Technical assistance provided [...]". Please correct the "Financing type" to INV and TA.

JS - 10/21/2019

Please recheck the "Financing type" column as it does not seem that the project will be able to achieve its outcomes with only technical assistance. Some activities seem to require investment (e.g. outreach campaign).

The project does not have a dedicated Knowledge management component while natural capital accounting is a data and knowledge intensive exercise. Please consider adding a dedicated component underpinned by a proper KM strategy coordinated with other NCA initiatives and sufficient funding.

Please clarify what are the baseline for the outcome indicators' targets provided or how the specific targets were set without baseline, especially for the number of households involved in BD-friendly enterprises, the NC-based sustainable tourism operations in PA landscapes (3.1), public and private finance in NIPAS landscapes.

On component 1, please

- modify the title of outcome 1.1 as it does not seem correct to "apply" "enhanced foundation" to two PA landscapes. For greater clarity, consider separating general capacity building for NCAA and the implementation of NCAA in the targeted landscapes into two different outcomes.
- clarify how you intend to measure "capacity" (indicators of outcome 1.1 and 1.2).
- please consider moving output 1.2.4 to a KM component

On component 2 and 3, please be clearer on the anticipated outcome and corresponding outputs related to the creation of revenue streams for financing PA management cost. While maintaining a landscape approach, consider breaking down the outcomes and indicators related to PA landscapes into outcomes and indicators with sub-components for PAs and for PA surroundings.

On component 2, please clarify why the Department of Tourism appears under brackets in output 2.1.2

## Agency Response

4 Nov 2019

However, the new formulation of outcome 2.1 is on biodiversity protection inside PA only, when the associated targets include activities and results outside PAs (30,000 ha under improved management for biodiversity). Please correct for example by removing "in targeted PAs" from outcome 2.1, which is already ending with "in two PA landscapes". The other clarifications made on the component's contribution to PA sustainability is sufficient, the integrated nature of the approach can be retained in outcome's 2.1 formulation.

UNEP response: Outcome 2.1. has been corrected and 'in targeted PAs' removed.

Change in component and outcomes formulation in table B have not been reflected in section 1.3 of the PIF (pages 20-24). Please correct.

UNEP response: Sorry for this unnecessary omission – we have now updated Component and Outcome titles in Section 1.3.

Component 3 is reported as "Investment" only when output 3.1.1 is "Technical assistance provided [...]". Please correct the "Financing type" to INV and TA.

UNEP response: On INV and/or TA. The portal does only allow to choose one; and given Component is a mix yet more towards TA, we have corrected back to TA only.

### 1 Nov 2019

Please recheck the "Financing type" column as it does not seem that the project will be able to achieve its outcomes with only technical assistance. Some activities seem to require investment (e.g. outreach campaign).

**UNEP response:** The financing type for Components 2 and 3 has been changed to Investment.

The project does not have a dedicated Knowledge management component while natural capital accounting is a data and knowledge intensive exercise. Please consider adding a dedicated component underpinned by a proper KM strategy coordinated with other NCA initiatives and sufficient funding.

**UNEP response:** The establishment, maintenance and applications of the NC Accounts is a key part of knowledge management. In our view the application of NC accounting – which are innovative and challenging due to little prior experience in these fields by most countries, are the more important part of knowledge management applied to NC accounting. The response to GEFSEC on Knowledge Management below provides further clarification on the project knowledge management approach, partnership and incremental support through the project. In order to keep the project framework as simple as possible (and reducing cost) we propose not to have a separate component on knowledge management but follow an integrated approach of knowledge management within the existing components.

Please clarify what are the baseline for the outcome indicators' targets provided or how the specific targets were set without baseline, especially for the number of households involved in BD-friendly enterprises, the NC-based sustainable tourism operations in PA landscapes (3.1), public and private finance in NIPAS landscapes.

**UNEP response:** The values of targets included in the Project Framework are at this stage the most accurate values we can provide. The values are estimated without considering a baseline and only attributed to direct project impact. During the PPG, UNEP undertakes to do a more thorough study of direct beneficiaries. Additionally, the suggested targets are also used to estimate the related costs for the project –

and to keep within feasibility levels with regards costs involved. If GEFSEC prefers we could remove any quantitative values of these targets, and instead rephrase to e.g. ...." Increase in number of households involved in social enterprises" , etc.

On component 1, please

- modify the title of outcome 1.1 as it does not seem correct to "apply" "enhanced foundation" to two PA landscapes. For greater clarity, consider separating general capacity building for NCAA and the implementation of NCAA in the targeted landscapes into two different outcomes.

**UNEP response:** Some language improvements made in Outcome 1.1. and related Output 1.1.2. We would respectfully suggest that the the outcomes are not further split as we have already split the foundation & capacity work, from NCA application under Outcomes 1.1. and 1.2 respectively.

- clarify how you intend to measure "capacity" (indicators of outcome 1.1 and 1.2).

**UNEP response:** Capacity will be measured using the GEF or closely related Capacity Score Card. The scorecard will be adapted to the requirements of this project and the baseline capacity score established during the PPG.

- please consider moving output 1.2.4 to a KM component

**UNEP response:** Please see the previous response on KM. Output 1.2.4 has as dual purpose to both build the case nationally as well as in the two targeted provinces towards adoption of NC assessment and accounting, as well as its applications towards policy, budgeting and other applications (as such it fits well under outcome 1.2).

On component 2 and 3, please be clearer on the anticipated outcome and corresponding outputs related to the creation of revenue streams for financing PA management cost. While maintaining a landscape approach, consider breaking down the outcomes and indicators related to PA landscapes into outcomes and indicators with sub-components for PAs and for PA surroundings.

**UNEP response:** I think GEFSEC agrees that we need to move passed the times and approach that PAs are managed in isolation of the stakeholders, land-use decision systems, resource & service sectors (e.g. tourism, or watershed services), and governance & budget support systems in a wider landscape geography. Additionally, we must avoid having separate project outcomes for every unique output by adding more outcomes to Component 2 and 3; as this -during project implementation, could easily lead to disconnected work and results. It is important to safeguard against local provincial government not wanting to take responsibility for PAs found in their jurisdiction or even impact them through their decisions on land and resource-utilization directly neighboring a PA (yet legally under national systems) whilst PAs and their management teams do inadequately consider or benefit from better integration of their operations with local government, local stakeholders and local sector interests. We respectfully request the GEFSEC to consider the integrated approach suggested through this project.

However, to better meet the review comments, improvements have been made in the titles of Component 2 as well as Outcome 2.1 (and its targets), Output 2.1.2 and 2.2.3, specifically with regards generating new revenue flows for meeting the costs of PA management. Related description of these outputs in Section 1.3 has been strengthened as well.

Component 2 has been further strengthened to better align with BD 2-7; including through Output 2.1.1 where NCA analysis and information will be fed into the development of nature-based businesses (and local multi-stakeholder partnership) through the establishment of PA Business Plans (including new financing/business strategies, cost recovery and costs reduction in PA management, improved governance mechanisms both inside PAs or the surrounding buffer-zones), as well as the advancement of the government Biodiversity Assessment and Monitoring System (BAMS) applied to monitoring individual PA management effectiveness. So, whilst PA Business Plans are an important planning and expanded/joint governance mechanism, the core result will be increasing financial resources being made available for meeting PA management costs through outputs 2.1.2. and 2.1.3; which effectively would establish on-the- ground investments, sustainable businesses and partnership through new grant, loan and credit facilities, based on conditionalities for positive NC and BD outcomes in and around targeted PAs. A key condition and governance mechanism on the sustainable business and finance mechanisms would be to agree during their design and government licensing process, how part of the proceeds or 'impact' investments would be channeled to the PA management boards in the provinces to meet the costs of specific PA management actions.

Additionally, the context of GEF support towards a larger sustainable finance plan is captured under the project linkages being established between NC accounting, the integration of its analysis and results in e.g. provincial policy and budgeting for NC/BD-positive budgeting, increased investments towards sustainable tourism operations (and their share in PA management objectives and costs) and support to PAs under the national NIPAS system.

On component 2, please clarify why the Department of Tourism appears under brackets in output 2.1.2

**UNEP response:** Many thanks for the comment. The output has been rectified as Department of Tourism is a full and secured partner on this

## 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**

JS - 11/1/2019

Thank you for the clarifications and modifications. Cleared.

Please make sure to consolidate and at least confirm at PPG stage.

JS - 10/21/2019

Co-financing is relatively low (1:4.2 ratio) for a project that is to develop partnerships with the private sector. Please make sure to consolidate and at least confirm at PPG stage.

Please clarify more precisely how investment mobilized was identified. The PIF says that these were identified through talks with agencies listed in output 3.1.2 but these are TIEZA and mSME. TIEZA is not shown as providing investment and there is no explanation for the investment that would be provided by "Eco-tourism companies" and "Development Bank, Land Bank & Center for Agriculture and Rural Development Bank".

**Agency Response****4 Nov 2019**

UNEP response: Co-financing will be consolidated all co-financing and confirm during the PPG stage.

**1 Nov 2019**

**UNEP response:** Indeed the co-financing is a bit at the low side of expectations– but considering that a significant part of GEF grant will be used for establishing the NCA accounts (USD 2 million and which does not easily lead/connects to co-finance sources), the actual part available to generate co-finance related to PA financing is somewhat modest (GEF budget USD 1.5 million only). UNEP undertakes to look at additional options to increase the co-finance contributions during the PPG phase based on a more thorough consultation and inventory of potential sources of finance including in the two provinces as well as nationally with key EA partners.

Corrections have been made in reference to 'Investments Mobilized', and a revised clarification is added to the co-finance Table C on the sources of information and consultations held.

**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**

JS 11/1/2019

Cleared.

JS - 10/21/2019

Please fill-in the "Programming of Funds" column.

**Agency Response**

**1 Nov 2019**

Done

**The STAR allocation?**

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

JS - 10/21/2019

Yes, cleared.

**Agency Response**

## The focal area allocation?

### Secretariat Comment at PIF/Work Program Inclusion

JS 11/1/2019

Cleared.

JS - 10/21/2019

If assigned to BD, yes. See comment on "Programming of Funds" column above.

### Agency Response

1 Nov 2019

Done

## The LDCF under the principle of equitable access

### Secretariat Comment at PIF/Work Program Inclusion

### Agency Response

## The SCCF (Adaptation or Technology Transfer)?

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

**Agency Response**

**Focal area set-aside?**

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

**Agency Response**

**Impact Program Incentive?**

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

**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**

JS 11/1/2019

Cleared.

JS - 10/21/2019

The PPG is rightfully at the 150,000 limit.

Please fill-in the "Programming of Funds" column.

**Agency Response**

1 Nov 2019

Done for both FSP and PPG related costs

**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**

JS 11/4/2019

Cleared.

JS 11/1/2019

Many thanks for the clarification, do not hesitate to revert back to a HCVF target at PPG phase.

If the change has been made in the PIF's word file, it appears that the table F in the portal is still showing 5,000 ha under indicator 4.4 and 15,000 ha under 4.1. Please correct.

JS - 10/21/2019

Indicator 4.4 please indicate the names and areas of HCVF that are targeted. A counterfactual is needed to estimate or calculate the loss avoided. The counterfactual could compare to the baseline or to the "business as usual" scenario. If not already recognized by the HCV network, please submit documentation that the forests targeted meet one or more of the HCV criteria (HCV Resource Network, 2005-18).

## Agency Response

### 4 Nov 2019

UNEP response: Our sincere apologies that this change made in the Annex to the PIF was not updated on the Portal. This has now been done and Core Indicators 4 and 4.1 are 20,000 ha now

### 1 Nov 2019

**UNEP response:** Proponents unfortunately do not yet have the specific information 'on-site'; with regards formal recognition of the targeted area under the HCF network, nor whether it meets any of the criteria set. As a result, we have removed this specification under Indicator 4.4 and added the equivalent area to Indicator 4.1 on 'area of landscape under improve management for biodiversity'.

## 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**

JS 11/1/2019

Cleared.

JS 10/22/2019

Please correct Rio Markers as this project is not mainly targeted at climate change adaptation or mitigation.

**Agency Response**1 Nov 2019

**UNEP response:** We agree. We have removed reference to Rio markers.

**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**

JS 10/22/2019

Yes, cleared.

**Agency Response**

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

### Secretariat Comment at PIF/Work Program Inclusion

JS 11/4/2019

Cleared.

JS 11/1/2019

Please just correct the tenses/formulations that introduce the 2016 tourism figures so that this part of the baseline does not read as a copy-paste from an old PIF, and consolidate baseline at PPG phase.

JS 10/22/2019

Figures related to tourism are outdated (projections to 2016), please update.

### Agency Response

#### 4 Nov 2019:

UNEP response: Corrected on page 17 of the PIF.

#### 1 Nov 2019

**UNEP response:** Although available once requested with the Department of Tourism in Manila, UNEP unfortunately has not had the time to prepare this response in the short time given since we obtained the Review Sheet. We are sure can comply with this request during the PPG phase and baseline analysis for drafting of the Project Document.

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

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

JS 11/4/2019

Cleared.

JS 11/1/2019

Thanks you for the updates to the draft theory of change. Please update according to new changes in outcomes' formulation (see comment I.2)

JS 10/22/2019

Thank you for providing a draft Theory of change provided in Annex E. However, it does not correspond to the main text. In particular the outcomes are not exactly the same, there is for example no outcome 1.3 in the main text. Please correct Annex E.

In outcome 1.2, please clarify what is meant by "sector round tables" in the context of the project and how they could catalyze change in practice. Would these be multi-stakeholder round tables? Would they be organized in an ad-hoc manner by the project? What is the planned engagement with sector actors to shape the post-accounting alternative scenarios that will be analyzed ?

In outcome 2.1, please :

- clarify " the previous mentioned certification systems" that would be used to seek independent verification of compliance with PA management objectives.

- clarify what type of "conservation agreements" and " peoples organizations" are targeted (output 2.1.3)

In component 3, please clarify the relationship between replication at national level of the NCA approach and of NC-based investment/funding mechanisms. It seems that, in components 1 and 2, the development of investments is closely tied to the prior implementation of NCA in the target landscapes, while the up-scaling of investments for NC-based activities and of NCA implementation is foreseen as largely independent in component 3. If so, please clarify why replication of investments for NC-based activities would happen when it was deemed necessary to go through a NCA approach in the target landscapes.

Please make sure to use STAP's guidance on PES during PPG

([https://www.thegef.org/sites/default/files/publications/STAP\\_PES\\_2010\\_1.pdf](https://www.thegef.org/sites/default/files/publications/STAP_PES_2010_1.pdf))

**Agency Response**

4 Nov 2019



UNEP response: All Outcomes checked and now same with table B (outputs shortened in ToC though).

### 1 Nov 2019

Thank you for providing a draft Theory of change provided in Annex E. However, it does not correspond to the main text. In particular the outcomes are not exactly the same, there is for example no outcome 1.3 in the main text. Please correct Annex E.

**UNEP response:** Good observation – thank you. We have corrected and updated the ToC at Outcomes level

In outcome 1.2, please clarify what is meant by "sector round tables" in the context of the project and how they could catalyze change in practice. Would these be multi-stakeholder round tables? Would they be organized in an ad-hoc manner by the project? What is the planned engagement with sector actors to shape the post-accounting alternative scenarios that will be analyzed ?

**UNEP response:** Yes the round tables (1.2.1) are meant to involve most of the key sector players – including corporate industry leaders in the Philippines, sector ministries, finance institutions, sustainable development actors, universities and other knowledge institutions, as well as the agencies involved in establishing and using – through analysis, the NC accounts (the latter would involve PSA, NEDA, the Planning and Policy Service Division in DENRE, and the Palawan Council for Sustainable Development). The round tables would be used at start of the project – supported by the communications program staff, to build the case for NCA, and the linkages and dependencies on NC for specific sectors. This would be followed by additional sector round table(s) once the results become available on post-accounting analysis of alternative (development) scenarios, involving specifically the tourism, agriculture and water services sectors to enable its incorporation in the Palawan Environmentally Critical Areas Network Management Program. This to inform identified government programs. This output and specifically its 'round tables' with the Department of Tourism is suggested to also target the adoption of more NC-inclusive national standards for sustainable tourism, to be measured and monitored – specifically related to its investment decisions and operations in Protected Area Landscapes.

The engagement with key industry players towards an 'in principle' agreement on alternative development scenarios (which we hope will have a strong GIS data and mapping basis), could consist of reaching agreement how the targeted sectors – specifically tourism, can adopt part or whole of sustainability and NC principles in zoning, investments and practices under existing government, corporate or financing programs. These may include the government baseline work towards development of the already identified 32 key ecotourism zones of which 65% are inside Protected Areas which galvanizes the DoT's goal of ensuring sustainable tourism development in the country's top cluster destinations. The 'alternative scenario analysis' could also guide and be (partly) incorporated in government programs and investments under the national ecotourism development programme (part of the implementation of National Ecotourism Strategy and Action Plan 2013-2022), which is supported through national government budget to promote sustainable tourism development at Local Government Units level and ecotourism development in priority protected areas. Additionally, the round tables would be used to engage

further and consider feasibility of additional sustainable or impact investments in or around PAs through the already mentioned (investment) partnership with (a) the Public Private Partnership Center (PPP Center), (b) the Tourism Infrastructure and Enterprise Zone Authority (TIEZA – MoT) program, (c) the Small Business Corporation/mSME Credit Facility of Department of Trade and Industries; as well as (d) finance partners of national and provincial government such as Development Bank, Land Bank & Center for Agriculture and Rural Development Bank.

So, whilst we do not yet know how many round tables would be organized, the targeted applications and follow up institutional engagement to the results of post-accounting analysis are already largely known and embedded in the project design, a.o through applications under other project outputs.

In outcome 2.1, please :

- clarify " the previous mentioned certification systems" that would be used to seek independent verification of compliance with PA management objectives.
- clarify what type of "conservation agreements" and "peoples organizations" are targeted (output 2.1.3)

**UNEP response:** Our apologies, this reference to certification systems had to be removed and was part of a previous version of the Project Framework, where application of the expanded FSC certification system would be applied – however the resources under this project do not enable that. Text in section 1.3 has been corrected for this.

The type of Conservation Agreements suggested for this project concern those where an agreement is negotiated and reached between a community and the government or financier (the project partners which are committed to provide investment funds for seed, grant or credit funding) towards an agreed conservation objective and agreed activities benefitting the PA objectives in the two targeted PA landscapes. In exchange for making specific conservation commitments to protect the PAs, the land and forests surrounding the PAs or by reducing or entirely stopping activities of impact to the BD and NC contained or servicing the integrity and resilience of the targeted PA— communities receive benefits from the funder, such as support to develop small-scale and sustainable tourism, support for their agro-forestry systems or e.g. wages for patrolling forests to stop illegal logging. The exact interventions have yet to be identified and assessed on environmental, social/technical as well as economic feasibility – but this mechanism will build upon the extensive experience of CI -Philippine in similar mechanisms in other PAs and PA landscapes in the Philippines.

Peoples Organizations – as to be involved and receiving targeted incremental support by the GEF project, are founded in the '1987 CONSTITUTION OF THE REPUBLIC OF THE PHILIPPINES – Article XIII - Role and Rights of People's Organizations", its Section 15. "The State shall respect the role of independent people's organizations to enable the people to pursue and protect, within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means. People's organizations are bona fide associations of citizens with demonstrated capacity to promote the public interest and with identifiable leadership, membership, and structure." This is the legal foundation and structure adopted in conservation programs through engagement of community groups in e.g. the co-management of land and resources in the buffer-zones or the PAs.

In component 3, please clarify the relationship between replication at national level of the NCA approach and of NC-based investment/funding mechanisms. It seems that, in components 1 and 2, the development of investments is closely tied to the prior implementation of NCA in the target landscapes, while the up-scaling of investments for NC-based activities and of NCA implementation is foreseen as largely independent in component 3. If so, please clarify why replication of investments for NC-based activities would happen when it was deemed necessary to go through an NCA approach in the target landscapes.

**UNEP response:** A challenging question indeed, but also due to the fact that the GEF strategic program on NCA requires us to seek wider application(s) as included in under outcome 1.2 and output 2.1.1, where the project would use NCA at landscape or sector level to install facilitate positive change in generating finance for PA management and sustainable practices in PA landscapes.

In response to your questions: Component 3 is (i) largely aiming at replication rather than up-scaling, and (ii) targets primarily replication of sustainable tourism and sustainable financing mechanisms, and much less on the duo-package of NCA-PA landscapes. This is in line with strategic program on BD-2-7 in the context of "GEF support towards a larger sustainable finance plan" which is captured under the project linkages being established between sustainable tourism and the national Investment Plan and improved financing and PA management under the national NIPAS system.

Additionally, please note the targeted result of Output 3.1.3 where PSA is suggested to establish additional, new or replicated NCA in favor of (financing) PA management.

Please make sure to use STAP's guidance on PES during PPG  
([https://www.thegef.org/sites/default/files/publications/STAP\\_PES\\_2010\\_1.pdf](https://www.thegef.org/sites/default/files/publications/STAP_PES_2010_1.pdf))

**UNEP response:** Thank you for the comment. UNEP will certainly do during PPG.

#### 4. Is the project/program aligned with focal area and/or Impact Program strategies?

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

JS 11/1/2019

Cleared.

JS 10/23/2019

Yes with BD-1-1 and BD-2-7, provided previous comments on the clarification regarding the activities and future revenue streams targeted at financing PA management cost are addressed.

**Agency Response****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**

JS 10/23/2019

Yes, cleared.

**Agency Response****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**

JS 1/11/2019

Thank you for the clarification. Cleared.

JS 10/23/2019

Please clarify the methods used to set a target for the number of direct beneficiaries, The number seems rather small for a project involving development in the tourism sector and replication outside the targeted landscapes.

The other targeted contributions are ambitious but reasonable.

**Agency Response****1 Nov 2019**

**UNEP response:** As indicated previously, most of the targets set under the outcomes are indicative, including on the estimated number of beneficiaries. However, this number has been based on the estimated number of government and corporate staff to be involved in NCA capacity building programs, the sector round tables and other formal engagement; yet much less considering stakeholders in the communities, local companies etc.; which would need PPG stakeholder assessments and analysis to ascertain their numbers.

**7. Is there potential for innovation, sustainability and scaling up in this project?****Secretariat Comment at PIF/Work Program Inclusion**

JS 11/1/2019

Cleared.

JS 10/23/2019

Yes, provided clarification on the plans to replicate NCA vs. NCA-based investments/funding mechanisms are provided (see comment 3).

**Agency 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**

JS 11/1/2019

Cleared. Please provide coordinates at CEO endorsement request.

JS 10/23/2019

Maps are provided. Please provide coordinates.

### Agency Response

1 Nov 2019

**UNEP response:** Most of the maps already have their coordinates; unfortunately, we could not find new maps complete with coordinates for the few maps not yet having those – this can easily be rectified though during the PPG.

### 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

JS 10/23/2019

Yes, cleared.

### Agency Response

### 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

JS 11/1/2019

Thanks you for the clarifications and additions in the PIF. Cleared.

JS 10/23/2019

Please clarify how the project would contribute to closing gender gaps in access to and control over natural resources, and to improving women's participation and decision-making ? Please also clarify whether barriers/ opportunities for women and men to participate as stakeholders in the project have been identified during initial consultations. Are there any specifics to the Tourism sector or target landscapes that have already been identified ?

### Agency Response

1 Nov 2019

**UNEP response:** On gender questions: the above mentioned Conservation Agreements (output 2.1.3), the gender-disaggregated PA business Plans, as well as the Sustainable business and eco-tourism investments (output 2.1.2 on concessions, impact investments) all ought to be based on clarified gender roles, incentives and targets with regards gender compliance, specifically with regards the main subject of this project component on their access to and benefit from natural capital and biodiversity (e.g. through eco-tourism business activities). We feel that this can best be guided and monitored through a dedicated gender management plan – as part of the project design and GEF budgeting process (during the PPG). Additionally, the planned stakeholder and gender surveys and analysis during the PPG will provide us additional insights in specific gender concerns and interests of the targeted stakeholder groups. This approach has been added to the PIF gender section.

We wish to clarify that initial consultations with communities and indigenous peoples has been extremely limited at the PIF stage as UNEP does not wish to create 'false' expectations or even social impacts which we may not be able to deliver on due to changes in intervention areas, changes in project design etc. Detailed consultations will be convened during the PPG and barriers/opportunities identified and elaborated.

## Private Sector Engagement

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

### Secretariat Comment at PIF/Work Program Inclusion

JS 10/23/2019

Yes, cleared.

### Agency Response

## 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

JS 11/1/2019

Cleared.

JS 10/23/2019

Please address risks associated with climate change as well as the risks for PA and conservation associated with facilitating the development of tourism in PA landscapes.



**Agency Response****1 Nov 2019**

**UNEP response:** Additional risk analysis and mitigation on CC and tourism development have been added to the Risk table in the PIF.

**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**

JS 11/1/2019

Apologies for the typos on UNEP's GEF-6 NCA project in Thailand.

Cleared.

JS 10/22/2019

Please outline the institutional structure of the project, including management, monitoring and evaluation.

Please move old projects from coordination (e.g. PEENRA) to baseline.

Please make sure to also collaborate with other NCAA initiatives, including the on-going GEF-6 project #9541 implementing NCAA with a national satellite account for tourism in Thailand (UNDP) and describe planned collaboration with WAVES, SEEA and BIOFIN.

**Agency Response****1 Nov 2019**

**UNEP response:** Additional information on project institutional structure and M&E has been added to section 6 of the PIF.

Reference to some of the old already completed projects such as PEENRA have been removed (yet not added to the baseline– as suggested, given there are already enough references on ongoing or more recent related initiatives).

Some new UNEP/GEF 6 initiatives have been added to this section. We are not sure though about the UNDP ID 9541 project (seems duplication of the UNEP/GEF 6 - ID 9542).

Collaboration with- where still feasible and building upon related initiatives such as BIOFIN, SEEA via UN Statistics Division, and WAVES (completed in Philippines), have already been described in the PIF in section 1.2 on baseline initiatives (BIOFIN & Statistical Framework for Measuring Sustainable Tourism (SF-MST) and in section 1.1 on baseline description of WAVES work in Palawan, respectively. We prefer not repeating reference to these.

## 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

JS 10/23/2019

Yes, cleared.

### Agency Response

## 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**

JS 11/1/2019

Thank you for the clarification. Cleared.

Please make sure to prepare strong and sufficiently budgeted KM and M&E plans during PPG.

JS 10/23/2019

Please revise this part as you integrate a full-fledged KM component in table B. Please clarify the project's approach to learn from relevant project/programs / initiatives as the description is currently solely on dissemination of the knowledge generated.

#### **Agency Response**

**1 Nov 2019**

**UNEP response:** As indicated previously we think it not conducive to the project design and implementation – which also could lead to additional costs and the GEF budget is already spread thinly over many outputs and activities.

Moreover, most of Comp 1 towards establishment and application of the new NC accounts concerns KM where the development of the various Experimental Ecosystem Accounts and Tourism Satellite Account would be based on knowledge, experience, formats and existing frameworks of the UN Statistics Division SEEA system through both partnership with UN Statistics Division, REECS (former TA on WAVES), the Philippines Statistics Authority including based on their various baseline initiatives in SEE-EEA based NCA, and other initiatives elsewhere in the region in NCA such as in Thailand and the Maldives through GEF 6 initiatives. Collaboration with the TEEB team and their various IKI and EU-funded projects such as the TEEB AgriFood program will provide valuable insights and capacity to benefit from, specifically in the field of scenario analysis and science-to-policy interface. Additionally, CI has extensive experience with natural capital accounting and valuation – which as Local Resource Partner to BMB will assure the proper KM. It is suggested that the PPG project design will consider incorporating a NCA Specialist as core staff of the proposed project to secure the proper knowledge management as well as capacity building in the project.

Additionally output 1.1.1 would cover part of the KM need by preparing 'best practice guidelines on NCA for dissemination to key national agencies to enable wider replication under the recently developed "NCA Roadmap" led by National Economic and Development Authority. Additionally, output 1.2.4 towards communications and outreach campaign is strongly based on KM and dissemination through outreach including on policy-briefs, background materials, training on NC applications, best practice on sector transformation through post-NC accounting etc.

PIF section 5 has been strengthened in this regard; as well as text added to section 1.3. on Component 1 description

### **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**

JS 10/23/2019

Yes, cleared.

#### **Agency Response**

#### **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**

**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**

JS 11/4/2019

The PIF is recommended for clearance.

JS 11/1/2019

Please correct the very few remaining issues and resubmit.

JS 10/23/2019

The PIF is not recommended for technical clearance at this stage.

**ADDITIONAL COMMENTS**

**Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.**

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

JS 11/4/2019

Please make sure , during PPG, to:

- prepare strong and sufficiently budgeted KM and M&E plans
- consolidate co-funding, especially from the private-sector
- maintain clarity on activities and anticipated future revenue streams targeted at financing PA management cost, while maintaining the project's integrated approach covering PA and their surroundings.

### Review Dates

	PIF Review	Agency Response
First Review	10/23/2019	
Additional Review (as necessary)	11/1/2019	
Additional Review (as necessary)	11/4/2019	
Additional Review (as necessary)		
Additional Review (as necessary)		

### PIF Recommendation to CEO

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

