

Integrated land management, restoration of degraded landscapes and natural capital assessment in the mountains of Papua New Guinea

Review PIF and Make a recommendation

Basic project information

GEF ID

10580

Countries

Papua New Guinea

Project Name

Integrated land management, restoration of degraded landscapes and natural capital assessment in the mountains of Papua New Guinea

Agencies

UNEP

Date received by PM

3/27/2020

Review completed by PM

4/10/2020

Program Manager

Asha Bobb-Semple

Focal Area

Multi Focal Area

Project Type

FSP

PIF

Part I – Project Information

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

4/1/2020

Yes

However please select '1' for the Rio Marker for Climate Change Mitigation given the benefits to be derived from restoration.

4/7/2020:

Cleared.

Agency Response

4/5/2020

Climate Change Mitigation 1 was added as a Rio Marker to Table G on “Project Taxonomy”.

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

4/1/2020:

Not fully. Please address the following questions/queries:

Please consider including in the project objective the result you would like to achieve. A number of approaches will be introduced, but for what purpose? Please also indicate the specific regions that are targeted.

Component 2

- Outputs 2.1.1, 2.1.2 & 2.1.3 are a part of the enabling environment and are more appropriate in Component 1
- Please clarify what is mean by ‘sustainable livelihood strategies’?

- Please indicate the number of small farmers being targeted as well as the estimate improvement to income.

4/7/2020:

Cleared.

At CEO Endorsement, please disaggregate the numbers for landowners and small farmers, so that we have clarity on the number of small farmers to benefit from improved SLM practices.

Agency Response

4/5/2020

Thank you for the comments.

The title was revised as requested.

Component 2

- Outputs 2.1.1, 2.1.2 & 2.1.3 were moved to Component 1 (the text in Part II was also revised to reflect the changes)

- The text was changed to “Gender-sensitive strategies for SLM and SFM developed and implemented at project sites to improve the livelihood of women”.

- The number of small farmers being targeted and the improvement in income were added to the outputs. The indicators were adjusted.

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

4/1/2020:

Not fully.

The entry for Conservation International, WWF, Birdlife International is incomplete. Please complete fully or remove and include again at the CEO Endorsement Stage when more information may be available.

4/8/2020:

We note that this entry is unchanged and still showing on the portal. Please remove.

4/10/2020:

Cleared.

4/15/2020:

Upon further review, we note that there are several different sources of co-financing identified as investment mobilized, and as such please provide a description on the definition/ approach used to differentiate between "investment mobilized" and "recurrent expenditures. Please also elaborate further on the current description - *“Information on the amount of “Investment Mobilized” was provided by CEPA based on its ongoing projects as well as those of other government agencies”* to reflect these different sources of investment mobilized.

For further details, please refer to the Co-Financing Guidelines http://www.thegef.org/sites/default/files/documents/Cofinancing_Guidelines.pdf

4/16/2020

Cleared.

Agency Response

4/5/2020

The entry was removed. We will continue to work with these and other organizations to determine their roles and co-financing contributions to the project. The information will be included again at CEO Endorsement Stage.

4/9/2020

The entry was removed from the Portal.

4/16/2020:

Further details were added to the note on the co-financing table to explain how "investment mobilized" differs from "recurrent expenditures" and to elaborate further on how the different sources of investment mobilized were identified.

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

4/1/2020:

Yes

Papua New Guinea is making use of their flexibility allowance.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Yes

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Yes. Papua New Guinea is making use of the flexibility option.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

N/A

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

N/A

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Yes

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

N/A

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

4/1/2020:

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

4/1/2020:

Not fully

- Given the focus on restoration in Output 2.1.4, please include a target for Sub-Indicator 3.
- Please include the indirect CO2 emissions and additional information for this indicator is incomplete. Please include.
- Please disaggregate the data for sub-indicator 4.1 and include the relevant number of hectares under Sub-indicator 4.3

4/7/2020:

Cleared

Agency Response

4/5/2020

- Indicator 3 was added.
- The indirect CO2 emissions and additional information were added to Table F and Annex A.
- The number of hectares under indicator 4 was disaggregated between sub-indicators 4.1 and 4.3 as requested.

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

4/1/2020:

Yes

Agency Response

Part 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

4/1/2020:

Not fully.

-Please include additional information on context regarding the SMEs that are being targeted for Component 2 as well as private sector/commercial activities that will utilize the natural capital assessment process.

-Please include information on KBAs in the selected area.

4/7/2020:

Cleared.

Given the challenges outlined in this section regarding the SME and private sector, we expect further information at the CEO Endorsement stage on their ability to participate in pilot sustainable finance mechanisms. We also expect to see a criteria for selecting the SMEs that will be involved as well as the larger enterprises to be involved in the off-set mechanisms.

Agency Response

4/5/2020

- Additional context information on SMEs was added under the global environment (Part I) and information on which SMEs and commercial activities will be targeted was added to the alternative scenario (Part II).

- Information on the six KBAs in the Southern Highlands and Hela was added.

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

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Not fully.

-How is the project collaborating with the FOLUR IP child project and the additional FAO/UNDP also submitted for this WP?

4/7/2020:

Cleared.

Agency Response

4/5/2020

- Further details on how the proposed project will cooperate with the GEF 7 FOLUR IP child project and UNDP/FAO project were added to the baseline scenario.

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

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Not fully. In addition to comments outlined under Indicative project/program description summary Question 2, please see additional queries below:

- We note the inclusion of a brief ToC and expect further elaboration during the CEO Endorsement stage.

- How is the project addressing this key barrier raised in the Context.. *'While the traditional farming methods in PNG mountains have incorporated many land improvement techniques, these are being abandoned in favor short-term gains in productivity. Poor roads, geographical isolation and lack of awareness hamper farmers' access and exchange of resources and skills. There is little sharing of know-how and cooperation between researchers and farmers, and among farmers of different locations, to apply available good practices for SLM'.*

Component 1

- Regarding Output 1.1.1, what systems are being put in place or utilized to track achievements of LDN targets and other improvements to the landscape?

- How is data being collected to inform the natural capital assessment? How will the data be maintained?
- How will the training on NCAs be institutionalized?
- How are the activities of this specific component collaborating with similar activities under the FOLUR IP child project?
- Given the challenges with passing legislation, how will the project work to around this?
- Given the potential high value per hectare of extractives and even agriculture in comparison to the ecosystem services, how will the project prepare for the risk that NCV will encourage conversion of forests?

Component 2

- Given PNG's current land tenure system, what steps will be taken to develop the land use plans?
- We recommend reinforced and strengthened engagement with local farmers cooperatives in terms of training for new approaches
- Please provide additional information on the number of small farmers that will be targeted beneficiaries of field-based interventions.
- How will the project make use of sustainable financing mechanisms developed from previous projects?

Component 3

- How is the project communicating the natural capital valuation information to the small holder farmers and community members who utilize/degrade the forest resources? How will the project address the behavior change that is needed to make the shift to sustainable use of the resources with these particular target groups?
- How is the project making use of existing knowledge on this approach from past projects in PNG or within the sub-region?
- Output 3.1.3 -Which sectors are being targeted for the SMEs? Are these SMEs operating in the target regions?
- Output 3.1.4- Who will maintain the database? How will the information be shared and accessible? Is this going to be a part of a larger database?

4/8/2020:

Cleared

Agency Response

4/5/2020

Thank you for the comments.

Noted. The ToC will be further elaborated during the CEO Endorsement stage.

The text under the alternative scenario was revised to add further explanation on how the key barrier “Lack of access to the latest practices and approaches in SLM and SFM and lack of human capacity” (raised in the context) will be addressed.

Component 1

- The text was revised to explain that the project will benefit from several mechanisms that are being put in place to measure progress and track achievements towards LDN. These include the development of provincial forest management plans, satellite monitoring of the logging activities, improved regulations on environmental permit, and enforcement of permit conditions.
- Details on how data is being collected to inform the natural capital assessment and how it will be maintained have been added to the text under Component 1.
- Training will be coupled with strategies to help institutionalization by drawing a strategy to maintain institutional knowledge, identify core knowledge areas for onboarding and refresher sessions, and knowledge management. The text under Component 1 was amended.
- Coordination and collaboration on this specific component with similar activities under the FOLUR IP child project and UNDP/FAO project were included.
- How to overcome challenges associated with passing legislation in PNG was described under Output 1.1.1.
- Measures to prevent that natural capital valuations will encourage the conversion of forests have been detailed in the text.

Component 2

- To overcome challenges associated with customary land tenure, steps to develop land-use plans were explained, including strong participatory system and demonstration that alternative scenario is more attractive to local resource owners (under output 1.1.5).
- Reinforced and strengthened engagement with local farmers cooperatives was emphasized.
- The number of small farmers that will be targeted for field-based interventions was added.
- An explanation on how the project will make use of sustainable financing mechanisms developed from other projects was added.

Component 3

- Text was added to explain how the project will include, in the stakeholder engagement plan, a list of natural capital status and impact indicators prioritized by the stakeholders and use the indicators to facilitate communication with local communities.

- Details on how the project will make use of existing knowledge from past projects in PNG or within the sub-region were added.

- Output 3.1.3 – SMEs in the agricultural sector in the project area will be targeted. Text revised to clarify this point.

- Output 3.1.4 – The text was amended to explain that the NCA and LDN database will be established as part of an existing platform. Information will be uploaded and maintained by CEPA, and will be available and accessible to the wider public.

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

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Yes

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

4/1/2020:

Yes

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

4/1/2020:

Yes

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

Not fully.

Sustainability: Text on has not been included.

Upscale: How will the project scale up or try to influence the practice in other regions of PNG?

The map with the project location has been uploaded.

4/7/2020:

Cleared.

At CEO Endorsement we expect further information on how the mechanisms that are being introduced will be institutionalized for enduring outcomes. These include the NCP processes, sustainable finance mechanisms, SLM and SFM approaches as well as the enforcement of all. For further guidance, please refer to STAPs paper on *Achieving enduring outcomes from GEF investment* http://stapgef.org/sites/default/files/publications/DURABILITY_web%20posting_2.pdf

Agency Response

4/5/2020

- Apologies for the oversight. A section on sustainability was added.

- Text under “upscaling” was amended to explain how the project will try to influence the practice in a broad, nationwide landscape scale.

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

Agency Response

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

4/1/2020:

Not fully.

-Please provide information on the expected roles/responsibilities of the identified stakeholders in the project for the following groups- Bismark Ramu Group, Center for Environmental Law and Community Rights (CELCOR); Research institutes/universities: National Agriculture Research Institute (NARI), University of PNG (UPNG), Global Green Growth Institute (GGGI); Department of Agriculture and Livestock (DAL); Climate Change Development Authority (CCDA); FORCERT; Provincial Council of Women and women's groups/associations

-Apart from the Women's Agricultural Group are there any other farmers groups/cooperatives which are active in PNG and should be involved?

-At CEO Endorsement we expect a stakeholder engagement plan which captures all the key elements of engaging stakeholders. Please refer to guidance here https://www.thegef.org/sites/default/files/documents/Stakeholder_Engagement_Guidelines.pdf

4/7/2020

Cleared.

During the PPG stage please ensure that the farmers cooperatives and targeted SMEs are actively involved in project design and planning.

Agency Response

4/5/2020

- The expected roles/responsibilities of the potential stakeholders in the project was revised (annex D).
- PNG has a registry of farming cooperatives. During PPG, farming cooperatives active in the project areas will be engaged. Farming cooperatives were added to the table in annex D.
- Noted. A stakeholder engagement plan capturing all key elements of engaging stakeholders will be developed At CEO Endorsement stage.

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

4/1/2020:

Not fully.

-Yes. Please ensure that the gender aspects are reflected throughout the document including in the Alternative scenario section and Table B.

-We note the preparation of a comprehensive Gender Analysis at the CEO Endorsement Stage and we expect the inclusion of gender specific targets/indicators in the results framework.

4/8/2020:

Cleared.

Agency Response

4/5/2020

- Gender aspects were better reflected throughout the document.
- Noted. Gender specific targets and indicators will be included in the results framework during the CEO Endorsement stage.

Private Sector Engagement

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

Secretariat Comment at PIF/Work Program Inclusion

4/1/2020:

- Who are the target companies for the offset mechanisms? We note the in Component 3 the mention of SMEs and we are hesitant on their abilities to engage in offset mechanisms?
- Is there consideration for engaging banks/financiers of these economic activities in terms of training, improving lending standards to incorporate natural capital valuation to improve the ‘avoid’ and ‘reduce’ aspects of the LDN response hierarchy?

4/8/2020:

Cleared.

Agency Response

4/5/2020

Thank you for these questions.

- The target companies for the offset mechanism are the large-sized enterprises in the coffee and oil & gas industries which are operating in the region. The text was revised to clarify the different financial mechanisms that will be piloted for SME versus the offset mechanisms for larger businesses.
- The text was revised to include training of bank and other financier institutions for improving their lending standards to incorporate natural capital valuation and improve the 'avoid' and 'reduce' aspects of the LDN response hierarchy.

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

4/1/2020:

Not fully.

Please also include climate risk mitigation measures for scenarios of increased rainfall given the nature of the project site (mountain landscapes).

4/7/2020:

Cleared

4/15/2020:

We note that the current overall project risk is LOW, however during the PPG stage please consider further ESS screening/assessments to assess any potential social risks and impacts.

Agency Response

4/5/2020

- Increased rainfall was added as a risk under extreme weather and climate events, and climate risk mitigation measures for increased rainfall scenarios in the project sites were included.

4/16/2020

Comment noted with many thanks. The UNEP Environmental, Social and Economic Review Note (ESERN) will be revisited during the PPG and any necessary risk mitigation plans will be developed and assessed by our safeguards advisor prior to submitting the CEO endorsement package to GEF Sec.

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

4/1/2020:

Not fully.

-We note the institutional arrangements have been outlined, however it is not clear which of the named government agencies are responsible for Biodiversity.

-Please provide brief details on how the project will coordinate with the two additional related projects submitted under GEF 7:

Enabling sustainable production landscapes in Eastern Highlands and Western Highlands Provinces for Biodiversity, Human Livelihoods and Well-being

Establishing System for Sustainable Integrated Land-use Planning Across New Britain Island in Papua New Guinea (FOLUR IP)

4/7/2020;

Cleared.

At CEO Endorsement we expect more concrete information on areas of collaboration with the other GEF 7 projects.

Agency Response

4/5/2020

- CEPA is also responsible for biodiversity. The text was revised accordingly.

- Details of how the proposed project will cooperate with the two additional projects under GEF-7 was added to the Cooperation section of the PIF.

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

4/1/2020:

Yes

Please indicate the LDN targets for PNG.

4/7/2020:

Cleared

Agency Response

4/5/2020

The LDN target for PNG was added to the text.

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

4/1/2020:

Not fully

We note that Component 3 will be coordinating the KM for the project, however please provide brief details on the overall KM approach for the project including how it intends to incorporate learning, knowledge products, assessment, studies etc from previous or existing projects GEF and other donor funded projects; document and share knowledge generated by this project; exchange knowledge with other similar projects in PNG that are being implemented at the same time.

4/8/2020:

Cleared.

Agency Response

4/5/2020

The section “Knowledge management” was re-written to explain the points raised in the comment above.

Part 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

4/1/2020:

Yes

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

N/A

Agency Response

GEFSEC 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

4/3/2020:

The PIF is not yet recommended for clearance. Please address the questions above.

4/7/2020:

Not at this time. Please make the correction (in the portal) re the co-financing entry for Conservation International, WWF, Birdlife International.

4/10/2020:

The correction has been made to the co-financing table. The PIF and PPG are recommended for technical clearance.

4/15/2020:

Not at this time. Please note an additional review comment regarding the co-financing and an additional review comment on environment and social safeguards to take note of during the PPG phase.

4/16/2020:

Updated information has been provided on the co-financing. The PIF and PPG are recommended for technical clearance.

ADDITIONAL COMMENTS

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

Secretariat Comment at PIF/Work Program Inclusion

As indicated above, please consider these additional comments at CEO Endorsement.

-Please disaggregate the numbers for landowners and small farmers, so that we have clarity on the number of small farmers to benefit from improved SLM practices.

-Given the challenges outlined regarding the SME and private sector, we expect further information at the CEO Endorsement stage on their ability to participate in pilot sustainable finance mechanisms. We also expect to see a criteria for selecting the SMEs that will be involved as well as the larger enterprises to be involved in the off-set mechanisms.

-We expect further information on how the mechanisms that are being introduced will be institutionalized for enduring outcomes. These include the NCP processes, sustainable finance mechanisms, SLM and SFM approaches as well as the enforcement of all. For further guidance, please refer to STAPs paper on **Achieving enduring outcomes from GEF investment** http://stagef.org/sites/default/files/publications/DURABILITY_web%20posting_2.pdf

- We expect a stakeholder engagement plan which captures all the key elements of engaging stakeholders. Please refer to guidance here https://www.thegef.org/sites/default/files/documents/Stakeholder_Engagement_Guidelines.pdf

-Regarding stakeholder engagement, please ensure that the farmers cooperatives and targeted SMEs are actively involved in project design and planning.

-We note the preparation of a comprehensive Gender Analysis at the CEO Endorsement Stage and we expect the inclusion of gender specific targets/indicators in the results framework.

-Regarding collaboration with other projects, we expect more concrete information on areas of collaboration with the other GEF 7 projects.

-We note that the current overall project risk as low, however during the PPG stage please consider further ESS screening/assessments to assess any potential social risks and impacts.

Review Dates

	PIF Review	Agency Response
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

	PIF Review	Agency Response
Additional Review (as necessary)		

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval