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To: Dr. Naoko Ishii
Chief Executive Officer and Chairperson
Global Environment Facility
Email: gcoordination@TheGef.org

Subject: Comments by Germany on Work Program November 2012

Dear Ms. Ishii,

Please find attached Germany's comments on the Work Program November 2012.

Germany approves the Work Program. We request the implementing agencies to take our comments into account during the drafting of final project documents.

Best regards,

Maria Buss
on behalf of
Frank Fass-Metz

Germany approves the following PIFs in the work program but asks that the following comments are taken into account:

1. Comoros – UNDP - Development of a National Network of Terrestrial and Marine Protected Areas Representative of the Comoros Unique Natural Heritage and Co managed With Local Village Communities. GEF ID = 5062

Germany agrees with the STAP in that the PIF is well presented, clear, logically framed and achievable, and that the baseline is well defined and described, including citation of key scientific results and the description of existing barriers to realization of project objectives and steps to remove these.

Suggestions for improvements to be made during the drafting of the final project document:

The new protected areas (PAs) to be established seem to fall under two distinct governance types: co-managed national PAs (shared governance) and community reserves (governance by local communities) (see current IUCN Guidelines for Applying Protected Area Management Categories, <http://data.iucn.org/dbtw-wpd/edocs/paps-016.pdf>). Under Component 1, the revision of the legal framework and institutional structures should therefore take into account these two possible types of governance (and others, if applicable).

Moreover, under Component 2, management/governance arrangements for the co-managed PAs are well described, but no mention is made on how these will differ in the case of the community reserves. Presumably provisions for the community reserves would include stronger decision-making and land/resource rights for the local communities.

Concerning the co-management approach in the national PAs, it is mentioned that there are several shortcomings in the current approach – it should be mentioned how these will be addressed through the project;

2. DR Congo – IBRD – Democratic Republic of Congo Conservation Trust Fund. GEF ID = 4640

Suggestions for improvements to be made during the drafting of the final project document:

The final project proposal should include a clear rationale for the splitting of funding between the different funding windows of the proposed Conservation Trust Fund (CTF) based on an analysis of financial needs and comparative advantages of the respective funding windows. We also recommend including realistic scenarios for estimating real returns of CTF assets including transactions costs in this analysis, taking into account the current situation on international capital markets.

3. South Africa - UNDP – Mainstreaming Biodiversity into Land Use Regulation and Management at the Municipal Scale. GEF ID = 5058

Germany welcomes very much the foresighted and proactive multi-level approach that South Africa is undertaking in order to integrate and mainstream biodiversity in economic valuation and production schemes, particularly within Project Component 2 “Conservation and Sustainable use of Biodiversity on private and communal Land.

Suggestions for improvements to be made during the drafting of the final project document:

We would like to recommend that in order to create the attained “*Incentives: New business opportunities and market access*”, specifically with regard to new biodiversity-based supply chains, which often might be based on genetic resources, the project should also take the promotion of Access and Benefit-sharing (ABS) mechanisms duly into consideration;

Particularly for local communities, which are often holding (only) utilisation rights on different land tenure schemes as well as traditional knowledge on the use of biodiversity components, ABS can offer a long term potential for an improvement of their livelihoods while fostering biodiversity conservation. Both components of the project could largely benefit from integrating awareness raising on ABS and clarifying the role of key stakeholders such as federal/ provincial authorities, private land owners, local communities, traditional healers, etc. in the process of granting prior informed consent (PIC) and establishing mutual agreed terms (MAT). Such activities – including the establishment of bicultural community protocols - could at the same time serve as national pilot measures for promoting and implementing the Nagoya Protocol on ABS.

5. Tanzania – UNDP - Enhancing the Forest Nature Reserves Network for Biodiversity Conservation in Tanzania. GEF ID = 5034

Germany requests that the following points be taken into account during the drafting of the final project document:

The rationale of the project is well founded. Biodiversity, linked to tourism, is one of the most important economic factors in Tanzania. Forests play a key role in maintaining the rich biodiversity and provide the local population with a substantial number of different ecosystem goods and services. About 27% of the country's terrestrial area is protected in some form – the question of where limits lie is therefore of great importance, especially on the village level. The creation of more PA's, which is clearly intended by the GEF project, has to be seen in this context. Success can only be achieved in a sustainable way if the central institutions, the decentralised local governments and the local population find ways and means to make a balanced choice between the interest of nature conservation and development based mainly on the long-term use of nature and services.

In this context, the Tanzanian and the German Government have agreed to invest in the PA system (Serengeti and Selous) including the support in training and infrastructure in the surrounding communities. The focus lies on the assistance of the Ministry of Natural Resources and Tourism, as well as the assistance to the decentralised governments, including alternative income generation capacities in collaboration with the private sector. Even if there is no regional overlap with the GEF project, it is nevertheless very important to coordinate the strategic approaches within the different projects. As there is already a multitude of existing approaches and institutional set ups, we have to make sure not to overstretch local capacities and resources, and to establish clear and transparent communication lines and responsibilities for the involved stakeholders.

6. Swaziland – UNDP - Strengthening the National Protected Areas System of Swaziland. GEF IF = 5065

Germany requests that the following points be taken into account during the drafting of the final project document:

The analysis of the situation of PA's is clear and valid. The proposed program is however fairly ambitious in terms of the timeframe required to face and deal with the different challenges. On the one hand, there is a considerable need to improve financial returns; on the other hand, the distribution of the added-value has to be looked into specifically. The project can either decide to increase the self-financing capacities of the different PA's (old and new) through additional funds, or distribute a good share to the local population through employment or other income generating activities. Also, the private sector will most likely insist on its share or benefits;

From our perspective, in this context, the crucial element and procedures in the project are the respective business plans. They are the foundation of an equal sharing of benefits and revenues;

The strategy to support and improve existing PA's under governmental, private or local governmental management is the correct and most promising way. The need for creating new PA's is certainly justified (protection of biodiversity, ecosystems and ecosystem services). However, this process must be accompanied by a number of dialogues to balance the interests of the different stakeholders involved. An improved, better governed existing ("old") PA can e.g. be used as example and good practise and is more likely to trigger interest in expanding the PA system than following an approach to focus on designating new areas from scratch.

7. Global – UNDP/UNEP - Support Programme for Preparation of National Communications and Biennial Update Reports for non Annex-1 Parties under the UNFCCC. GEF ID = 5141

Suggestions for improvements to be made during the drafting of the final project document:

The proposed program is a follow-on to the National Communication Support Program (NCSP) that will end in December 2012 and that has provided technical support to NA1 countries for producing national communications. The proposed program also supports NA1 countries in elaborating the biennial update reports.

Germany suggests for the drafting of the final project document to make clear which countries shall benefit from the project a) with regard to the production of national communication and b) with regard to the elaboration of the biennial update reports. In the field of national communications only those countries shall benefit from the proposed program, which have not received support under the first program.

Furthermore, Germany underlines the importance of a close cooperation between the proposed program and the Consultative Group of Experts (CGE) to make sure that the activities complement each other.

9. Brazil – IADB - Low-Carbon Urban Mobility for Large Cities. GEF-ID = 4949

Germany requests that the following points be taken into account during the drafting of the final project document:

Component 1 of the project aims to establish a sustainable urban mobility framework through which climate change considerations shall be included in urban transport planning and investments. However, these considerations are limited to climate change mitigation and do not take into account the issue of adaptation to climate change. Most of Brazil's big cities are at the coast and therefore their infrastructure is highly vulnerable to e.g. storm surges and water-related calamities. Against this background, we request that the issue of climate-resilient transport infrastructure is integrated across the three components of the project, in particular under component 1 (mobility framework) and 3 (Capacity Building and dissemination). This would support synergies and co-benefits between low-carbon and climate-resilience goals.

11. Djibouti – World Bank - Geothermal Power Generation Program. GEF ID = 4626

Suggestions for improvements to be made during the drafting of the final project document:

The PIF lacks information on the potential for negative environmental or social impacts through the drilling program, power plant construction and plant operation. This potential should be assessed during further development of the project. In addition, appropriate measures to avoid or mitigate potential impacts that could occur as a result of geothermal energy development in Djibouti should be designed and included in the project.

Germany supports the revisions which the STAP has requested.

12. Iraq – UNDP – Catalysing the use of solar photovoltaic energy. GEF ID = 5063

Suggestions for improvements to be made during the drafting of the final project document:

Germany sees a need for further elaboration of the economic viability of the solar technologies in comparison to other technologies with comparable level of service as examined by the cited previous studies in Iraq. This should include a risk assessment of shifts in financing terms (interest rates) that especially affect longterm financing activities like solar technologies. Further, regarding the evaluation of the emission reduction potential by solar technologies it is good practice to also include production related emissions into the overall emission reduction assessment (life-cycle assessment). Clarification is sought if these emissions are included or not. For allowing the evaluation of the requested GEF finance, it is necessary that the implementing entity provides a clearer quantification of the extent of measures in the final project document (e.g. number of trainings, dissemination sessions and addressed persons/ institutions).

13. Macedonia – UNIDO - Catalyzing market transformation for industrial energy efficiency and accelerate investments in best available practices and technologies in the Former Yugoslav Republic of Macedonia. GEF ID = 4902

Suggestions for improvements to be made during the drafting of the final project document

The proposed project follows a comprehensive approach without leaving out important parts. However, it remains unclear which sectors and enterprises will be selected for implementation. Likewise, it should be clarified which selection criteria will be used to identify the most relevant sectors and enterprises to achieve the project's objectives. This is especially relevant for components 2 and 3 (selection of pilot enterprises and lighthouse projects, respectively).

There seem to be some deeper thoughts already on the selection of enterprises and the scope of the GHG mitigation approach as the text provides detailed estimations on GHG mitigation under the heading "Global Environmental Benefits". These background calculations are not yet made transparent. Please provide more information thereon.

15. Sierra Leone – UNDP - Energy Efficient Production and Utilization of Charcoal through Innovative Technologies and Private Sector Involvement. GEF ID = 4840

Suggestions for improvements to be made during the drafting of the final project document

It is stated on page 8 that the barrier of unclear mandates and lack of coordination among government departments and national agencies will be tackled by strengthening civil society organizations. Please elaborate a bit more on the impact chain. So far, it is unclear how CS will remove the barrier.

How is the dissemination of improved cook stoves (ICS) and efficient kilns going to be done? On page 9 of the proposal it is mentioned that a "large scale program for the financing of 1,000 energy efficient charcoal kilns and 15,000 ICS" will be designed and implemented. It seems that carbon finance will also play a role in this. A Toyola cook stove costs about US\$7 (p. 6). Will there be a subsidy on ICS and if so, how do you secure the sustainability after the project's intervention and with regard to the uncertainties of the future of the carbon markets?

What exactly is mentioned by „phase-out of traditional cook stoves“ (p. 2)? As 90% of the traditional cook stoves are three-stone stoves, an obligatory phase-out might be difficult to implement. However, the proposal suggests that there might be an "obligation for the consumers to use more expensive ICS and more efficiently produced charcoal" when it lists the likely effects happening without the project. Is it planned to prohibit the use of traditional cook stoves? The section is at least ambiguous and should be revised.

Lessons learned from ICS dissemination in other countries of the region will be considered when selecting adequate technologies. In addition, lessons learned should also be consulted when drafting the dissemination plan and stakeholder consultations. It should be assessed and/or mentioned in the final project document if there are any existing activities on ICS already in Sierra Leone that should be taken into account.

16. Tanzania - UNIDO – Promotion of waste-to-energy applications in agro-industries in Tanzania. GEF ID = 4873

Suggestions for improvements to be made during the drafting of the final project document:

The project proposal argues that the replication potential depends on the availability of agro-industrial wastes, of which there is plenty, and on an appropriate enabling environment. However, economic feasibility of waste-to-energy projects is another key factor in achieving the targeted replication rate. We thus recommend including an (indicative) investment analysis for the promoted technologies. Such analysis would be the basis to explain the significant difference in cost efficiency between supported demonstration projects (13.9 USD/tCO_{2e}) and the replication projects (2.78 USD/tCO_{2e}).

18. Regional – UNDP - Reducing Pollution and Rebuilding Degraded Marine Resources in the East Asian Seas through Implementation of Intergovernmental Agreements and Catalyzed Investments (PROGRAM). GEF ID = 4936

Germany requests that the following points be taken into account during the drafting of the final project document:

The proposed project aims to rebuild and sustain coastal and ocean ecosystem services in the East Asian Seas Region through scaling up of partnerships, capacities and investments at the regional, country and local levels. It is very ambitious with high targets. Germany requests UNDP to make sure that there is a clear commitment of the targeted states concerning the intended cooperation and in particular acceptance of investments and its conditions, e.g. through the involvement of the GEF World Bank Pollution Reduction Investment Fund, and to provide information about it in the final project document.

19. Global – FAO - Decision Support for Mainstreaming and Scaling up of Sustainable Land Management. GEF ID = 4922

Suggestions for improvement to be made during the drafting of the final project document

1. We appreciate the proposed PIF as we envisage synergies from cooperation with the mentioned ELD initiative. In order to reflect to leadership role of the founding partners of the initiative the European Commission and Korean Forest Service should as well be mentioned.
2. In component 2 of the proposed project, a global DLDD and SLM decision-support platform will be established building primarily on WOCAT and GLADIS. In decision 21/COP 10 of the UNCCD (on knowledge management, including traditional knowledge, best practices and success stories) it has be decided to elaborate “*an information platform related to desertification/land degradation and drought, building on existing similar information and categorizations where appropriate and useful*”. In order to create and use complementarity of action we suggest to further elaborate on how the envisaged platform of the project is related/ can contribute to the above mentioned COP decision.

20. Argentina – UNDP - Sustainable Land Use Management in the Drylands of Northwest Argentina. GEF ID = 5044

Suggestions for improvement to be made during the drafting of the final project document

1. Since participatory implementation is one of the key factors for success of the project and based on previous experiences in Argentina, we would suggest to consider with much more emphasis the INTA (Instituto de Tecnología Agropecuaria), especially the National Coordination for Extension Services, with its country-wide network of regional centers, research and advisory stations as one of the main implementing stakeholders for the project. The INTA National Coordination for Extension Services should be involved also in project formulation and especially in the planning and realization of participatory work with the local population.
2. One of the biggest problems for the rural population in the northwest of Argentina is the access to water. This shall be reflected more specifically in the final project document in order to address the preconditions for sustainable land use.
3. The German cooperation is present via an integrated expert at INTA (Iris Barth, iris.barth@cimonline.de). Much experience of German cooperation in Argentina exists in the field of combating desertification. We suggest therefore to capitalize on this experience through the German integrated expert during the process of finalization of the project proposal.

21. Cambodia - Strengthening national biodiversity and forest carbon stock conservation through landscape-based collaborative management of Cambodia's Protected Area System as demonstrated in the Mondulkiri Conservation Landscape (CAMPAS project), GEF ID = 4905.

Germany requests that the following points be taken into account during the drafting of the final project document:

Germany underlines the importance of MAFF and the Forest Administration (FA) when it comes to protection of biodiversity and forest in Cambodia as they have the power and mandate for managing the national natural resources. When it comes to land use planning the MLMUPC (Ministry of Land Management, Urban Planning and Construction) has to be involved because it has the mandate for spatial planning and the knowledge for securing land tenure (see especially activities/outputs to be achieved at page 6/2.4.2).

Apart from output 1.1.1, the program shall define the improvement of the inter-sectoral and inter-agency cooperation and collaboration itself, for example through initializing multi-stakeholder dialogues, as an objective.

22. Chile – FAO - Integrated National Monitoring and Assessment System on Forest Ecosystems (SIMEF) in Support of Policies, Regulations and SFM Practices Incorporating REDD+ and Biodiversity. GEF ID = 4968

Germany suggests the following improvements to be made during the drafting of the final project document:

This is a well-researched and presented project proposal, and focuses on important synergies between the implementation processes of the UNFCCC and the CBD. In order to maximise the benefits of Sustainable Forest Management and REDD+ for biodiversity and ecosystem conservation, Germany suggests to take into account the following points in the development of the proposal:

As indicated in the PIF, make sure to use existing structures when establishing the institutional coordination and work framework supporting the operation of the SIMEF. This process could also be used to improve and modify such existing structures, and maximise

their potential for cooperation and joint implementation of activities. This can be achieved through targeted capacity development.

When expanding and improving the National Forest Inventories, taking into account both carbon stocks and fluxes (flows), such information should also be taken into account when it comes to subsequently allocating financial yields and resources, following for instance a share of proceeds or a stock-flow approach which can be used to divert REDD+ funding from areas with high historical emissions to e.g. areas important for biodiversity conservation but with low historical emissions.

Establishing and improving guidelines for SFM and REDD+ should take into account the recent results of the 11th Conference of the Parties of the CBD with regard to advice on safeguards for biodiversity conservation under REDD+ (risks & opportunities), which can contribute to maximise benefits for biodiversity and ecosystem services and to establish synergies between the UNFCCC and the CBD implementation process (in particular to the achievement of the CBD Strategic Plan and its 20 Aichi targets).

Apart from technical aspects of climate change mitigation, sustainable forest management, and biodiversity conservation, social aspects of the proposed project should be taken into account more thoroughly in the final project document, including rights of indigenous and local communities as well as the role of traditional knowledge and practices with regard to the use and conservation of natural resources.

23. Grenada – UNDP – Implementing a “Ridge to Reef” approach to protecting biodiversity and ecosystem functions within and around protected areas in Grenada. GEF ID = 5069

Germany suggests the following improvements to be made during the drafting of the final project document:

In addition to the “Program on Integrated Adaptation Strategies” that is highlighted in the proposal and which is executed jointly by German International Cooperation (GIZ) and UNDP, Germany provides further support to Grenada through the implementation of the two regional projects “Improving the Management of Coastal Resources and the Conservation of the Marine Biodiversity in the Caribbean Region” and “Enhancing the Adaptive Capacity of Rural Economies and Natural Resources to Climate Change in selected Caribbean Small Island and Low Lying Coastal Developing States”. Within the efforts of donor coordination, Germany proposes that in the final project document reference is also made to these two regional projects. The implementing agency and the executing partners should actively seek contact in order to ensure synergies and complementarities and that concerned national and local authorities are consulted for improved coordination and cooperation.

The expansion of the PA system in the marine environment through 4 new MPAs may – in addition to the Ridge to Reef land use/management approach applied – require a broader spatial planning of current and future human activities in the near shore marine areas adjacent to the MPAs. This should be taken into account in the final project design and in the course of the project implementation.

In order to effectively integrate and mainstream biodiversity conservation into the land/sea use and development planning of the Beausejour Watershed, Germany recommends to consider the application of economic valuations of key ecosystem services. The activities under component 2 could benefit from integrating these economic valuations to enhance the reaching and effect of the envisaged project results.

**25. St. Lucia – UNEP – Iyanola – Natural Resource Management of the NE Coast.
GEF ID = 5057**

Germany requests that the following points be taken into account during the drafting of the final project document:

The EU, through its project on “Biodiversity and Protected Area Management (BIOPAMA)” supports ACP countries through the Multi-Donor Access-and-Benefit-Sharing Capacity Building Initiative, executed by German International Cooperation (GIZ), in the implementation of the Nagoya Protocol on Access and Benefit Sharing under the CBD. Within the efforts of donor coordination and with a view to the request below concerning capacity building on the Nagoya Protocol, it is requested that in the final project design reference is made to this project. The implementing agency and the executing partners should contact the project in order to ensure synergies and complementarities and that concerned national and local authorities are consulted for coordination and cooperation.

Germany suggests that component 4 of the project focuses more clearly on the establishment of enabling frameworks for the fair and equitable sharing of benefits arising from the utilization of genetic resources for medical, pharmaceutical and nutritional use. Therefore, component 4 of the final project proposal should explicitly include training and measures to contribute to building capacity and creating regulatory and legal frameworks that support the implementation and consideration of the Nagoya Protocol at the national level and in the framework of the project results.

To ensure effective conservation of both the terrestrial and marine biodiversity of the target area in the long-term and to contribute to coherent development planning as well as community-based and conservation-oriented land use planning, components 1, 2 and 3 of the final project document should include measures that link the restoration and sustainable management of forests as well as the improvement of the terrestrial and marine protected areas management with the EBM of the NE Coast under cross-sectoral and integrated coastal zone management schemes and Ridge to Reef approaches;

It remains largely unclear in the current project proposal how long-term sustainability of the project interventions will be guaranteed. It is requested that in the final project design, greater emphasis is placed on not only assessing viability of sustainable financing options but taking this viability check further by piloting/testing such models to enable their long-term application and uptake by the state, civil and private project partners.

As of the current project design, it is not clear, how exactly the project seeks to achieve the building of public awareness and what the respective target groups are. It is requested that the final project document defines a CEPA strategy and corresponding activities across the different components and levels of intervention (NE Coast – national).

**26. Regional – UNEP - Continuing Regional Support for the POPs Global Monitoring Plan under the Stockholm Convention in the Latin American and Caribbean Region.
GEF ID = 4881**

Suggestions for improvements to be made during the drafting of the final project document:

Germany welcomes the valuable comments of the GEF-secretariat and concurs with the comment regarding the low co-financing ratio. Seeing that it is a regional project with several governments involved, it should offer greater opportunities to achieve a higher co-financing-ratio.

27. Regional – UNEP - Continuing Regional Support for the POPs Global Monitoring Plan under the Stockholm Convention in the Africa Region. GEF ID = 4886

Suggestions for improvements to be made during the drafting of the final project document:

Germany welcomes the valuable comments of the GEF-secretariat and concurs with the comment regarding the low co-financing ratio. Seeing that it is a regional project with several governments involved, it should offer greater opportunities to achieve a higher co-financing-ratio.