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PROJECT PROGRESS REPORT

REPORTING PERIOD[1]: October 2024-December 2025

Project Summary Information	
Project Title	8th Operational Phase of the GEF Small Grants Programme in India
Project ID	1004254
Project Duration	October 2024-July 2029
Location	Rajasthan, Goa, Karnataka, Odisha (Balasore, Bhadrak), West Bengal (Sundarban Landscape in South 24 Parganas), Assam, Meghalaya, Arunachal Pradesh, Ladakh (Kargil), Uttarakhand (Gangotri-Govind Landscape in Uttarkashi)
CPD Outcome and Outputs	UNDP CPD 2023-27 Output 3.2 Innovative solutions developed, demonstrated and upscaled at national and subnational levels for vulnerable communities and businesses to benefit from sustainable management of natural resources (land, water, air), chemicals and circular economy. Indicator 3.2.3: Terrestrial, coastal, marine, pasturelands and agricultural lands protected and / or restored through improved management practices (hectares) [SP IRRF: 4.1.2]
Gender marker	Gen 2
Implementing Partner	The Energy and Resources Institute (TERI)
Total Project Budget (USD)	USD 5,030,000
Donors (funding sources)	Global Environment Facility (TERI)
Funds received during the reporting period (USD & INR)	14,81,700 USD (14,18,72,775 INR)
Expenditure recorded for the reporting period (USD)	0
Expenditure recorded for the total project (USD)	0

[1] Periodicity of this project progress report will be determined based on online input; it can be used quarterly, half-yearly, or annually. The minimum requirement for Project Board to meet at least once to review progress and risks is annual - per policy.

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Project Manager name:	Mr. Subrato Paul (UNDP) and Mr Manish Kumar Pandey (TERI)

1. Executive Summary

- *Prepare a **standardized and concise project introduction** including the project objective, key outputs, and geographic landscapes **that can be reused** across all progress reports for the project in each reporting cycle.*
- *Provide a **1–2 paragraph summary of key achievements** during the reporting period.*
- *Briefly mention **any major challenges** encountered.*
- *Tip: Keep this section **crisp and high-level, and absolutely results-oriented (NOT activity oriented);** details will follow in later sections.*

The Eighth Operational Phase of the Small Grants Programme (SGP OP8) builds on 30 years of successful experience in empowering local civil society organizations (CSOs) and community-based organizations (CBOs) in designing and leading community driven initiatives that have enhanced household wellbeing, increased awareness and resilience regarding environmental threats, and generated global environmental benefits. With economic development pressures intensifying in many parts of the developing world and the associated rising inequalities, local communities, particularly vulnerable and disadvantaged groups are becoming increasingly marginalized, unable to cope with threats associated with ecosystem degradation, biodiversity loss and climate change. Lessons learned and experience gained in previous SGP Operational Phases have demonstrated that integrated, landscape-seascape approaches are effective in mobilizing multiple stakeholder collaboration, linking local CSOs/CBOs with enabling partners and achieving mutually supportive livelihood and environmental outcomes at scale.

The objectives of the SGP OP8 is to engage local CSOs/CBOs in landscape-seascape approaches across the world, providing them access to knowledge and information, capacitating them through learning-by-doing, skills development, and delivering technical and grant assistance for interventions that enhance wellbeing and socioeconomic conditions and generate global environmental benefits.

In alignment with India's environmental commitments and development priorities, the SGP Country Programme under Operational Phase 8 (OP8) will focus on five strategic priority themes. These priorities respond to the need for locally led, scalable, and integrated solutions that contribute to global environmental benefits while advancing community well-being and resilience.

- **Community-based Conservation of Threatened Ecosystems and Species**: This priority aims to strengthen the role of local communities in the equitable governance and protection of biodiversity-rich landscapes and seascapes. The approach emphasizes locally appropriate conservation models that safeguard critical ecosystems and threatened species while ensuring community rights and participation.
- **Sustainable Agriculture and Fisheries, and Food Security**: This priority supports the transition to resilient and biodiversity-friendly food systems that sustain livelihoods in

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vulnerable ecosystems. It will promote agroecological practices, diversification, and restoration of degraded lands and water bodies, while addressing food and nutritional security.

- **Low-carbon Energy Access Co-benefits**: Recognizing the link between energy poverty and environmental degradation, this priority focuses on promoting decentralized renewable energy and energy efficiency solutions. Interventions will enhance livelihood opportunities and climate resilience, especially in underserved rural and peri-urban areas.
- **Local to Global Coalitions for Chemicals and Waste Management**: This theme seeks to reduce environmental and health risks by promoting safe, inclusive and circular approaches to chemical and waste management. It will foster community-led innovations and strengthen partnerships to influence broader policy frameworks.
- **Catalyzing Sustainable Urban Solutions**: This priority promotes inclusive, nature-based, and low-emission innovations for sustainable urban development. It aims to demonstrate community-led models addressing challenges such as solid waste, energy, biodiversity loss, and urban ecosystem degradation in India's fast-growing urban landscapes.

During the reporting period, key progress was achieved toward operationalizing the programme in India. The Country Programme Strategy (CPS) was developed through a consultative process involving government counterparts, technical experts, academic institutions, and partners from the previous operational phase. The CPS was subsequently approved by the National Steering Committee (NSC), providing strategic direction for project implementation and confirming the priority thematic areas and landscapes for intervention. Preparatory work was also undertaken to establish implementation arrangements, including initiation of the Annual Work Plan (AWP) and selection of the Responsible Party for project implementation.

The India Country Programme will be implemented through a landscape-based approach across five priority landscapes spanning 12 states and union territories:

1. Aravalli Landscape
2. Western Ghats (Goa & Karnataka),
3. East Coast - Odisha (Balasore, Bhadrak), West Bengal (Sundarban Landscape in South 24 Parganas)
4. North-East India (Assam, Meghalaya, Arunachal Pradesh)
5. Himalayas – UT of Ladakh (Kargil), Uttarakhand (Gangotri-Govind Landscape in Uttarkashi)

The primary challenges encountered during the reporting period related to the transition to the new global implementation modality, delays in the amended Delegation of Authority authorizing grant fund transfers, and the finalization of the Responsible Party Agreement. While these factors delayed project operationalization, mitigation measures were undertaken to advance preparatory activities and ensure readiness for implementation once the required approvals are secured.

2. Progress Review

a) Narrative Reporting

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- *Highlight concrete **output-wise (Outcome-wise in case of Vertical Funds) results** to maintain a logical flow. This should be linked to the indicators as outlined in the project results framework in the project document and as per the activities mentioned in the approved AWP.*
- *Include progress towards **gender equality and women's empowerment** in the reporting period. If applicable, highlight achievements in digitalization and innovation.*

During the reporting period, initial progress was made toward operationalizing the Small Grants Programme Eighth Operational Phase (SGP OP8) in India. Between April and May 2025, the Delegation of Authority (DoA) was signed by all participating countries; however, no funds were allocated to implementing partners at that stage.

In April 2025, UNDP India initiated the preparation of the Country Programme Strategy (CPS), followed by a multi-stakeholder consultation in June 2025 to inform its development. The consultation brought together thematic experts, academic institutions, partners from the SGP OP7 cycle, and UNDP representatives to discuss key lessons learned, implementation gaps, and opportunities for strengthening the next operational phase. Potential project landscapes and thematic priorities for OP8 were also deliberated.

The CPS was subsequently presented to and approved by the National Steering Committee (NSC) in July 2025. The proposed strategy aligns with global SGP priorities and seeks to empower local communities, civil society organizations (CSOs), and community-based organizations (CBOs) to implement initiatives that promote environmental sustainability, resilience, and inclusive development. NSC members emphasized continuity with successful OP7 interventions, stronger convergence with government programmes and private-sector initiatives, enhanced inclusion of women, youth, persons with disabilities, and indigenous communities, and robust knowledge management mechanisms to capture and disseminate lessons learned. The Committee also recommended exploring desert ecosystems in Rajasthan as potential pilot landscapes under OP8 and encouraged broader engagement with stakeholder ministries and state governments. Following incorporation of the NSC's recommendations, the CPS was submitted for formal endorsement by the Ministry of Environment, Forest and Climate Change (MoEFCC).

In August 2025, the ASL process was initiated, including the preparation of the multi-year work plan and Annual Work Plan (AWP). Subsequent progress remained contingent upon the clearance of the work plan and finalization of the Responsible Party Agreement (RPA).

Following the completion of due process, the Country Office selected the The Energy and Resources Institute (TERI), as requested by the Ministry of Environment, Forest and Climate Change (MoEFCC), to serve as the Responsible Party for implementation of the OP8 project. The Responsible Party Agreement is currently under discussion with TERI and is expected to be finalized and signed following completion of the review process.

To facilitate implementation arrangements, an amended Delegation of Authority is also awaited to authorize the release and administration of grant funding across all participating countries.

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While the Global LPAC was conducted in August 2025, the LPAC is yet to be approval in India following which implementation can commence.

The National Steering Committee meeting is also scheduled for Q1/Q2 of 2026 to approve the Annual Work Plan of the project and set up the Technical Advisory Group on the national level and Regional Advisory Committee on the regional/landscape level.

3. **Indicator and Expenditure Reporting**

To be reported in the next cycle after project implementation commences.

4. Challenges encountered, project risks and mitigation measures

- *Define key challenges and risks noted/materialized, whether new/recurrent/persistent.*
- *Describe new risks identified and propose ways to correct a course of action and agreed with responsible members to address these and the timelines. Describe if escalation is required for Project Board or other mechanisms. Update the project risk register accordingly.*
- *Latest version of Offline* ***Project Risk register must be attached as an annex*** *to the report.*

1. Global Modality Change

- **Challenge/Risk:** The transition to the new global DIM modality for SGP OP8 required adjustments to project design, governance arrangements, implementation processes, and approval mechanisms. This resulted in a longer inception and operationalization period than initially anticipated.
- **Mitigation Measures:** UNDP India worked closely with the UNDP SGP regional and global teams, and national stakeholders to ensure alignment with the revised operational framework. The Country Programme Strategy (CPS), work planning processes, and implementation arrangements were adapted to meet the new requirements.
- **Next Steps:** Continued coordination with global and national stakeholders to ensure timely completion of remaining operationalization requirements and smooth transition into implementation.

2. Delay in Delegation of Authority (DoA) Authorizing Grant Fund Transfers

- **Challenge/Risk:** While the Delegation of Authority (DoA) was signed by participating countries, the amended DoA authorizing grant fund transfers to participating countries remains pending. This has delayed project operationalization and the commencement of grant-making activities.
- **Mitigation Measures:** Regular follow-up has been undertaken with relevant global and regional counterparts to facilitate processing and approval of the amended DoA. Preparatory activities, including development of the Country Programme Strategy and Annual Work Plan, have continued to minimize implementation delays once authorization is received.

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- **Next Steps:** Secure approval of the amended DoA and authorization of grant funding to participating countries at the earliest opportunity.
- **Escalation Required:** Continued engagement with the global programme management team may be required if delays persist.

3. Delay in Finalization of the Responsible Party Agreement (RPA)

- **Challenge/Risk:** The finalization and signing of the Responsible Party Agreement (RPA) with TERI has taken longer than anticipated, resulting in delays in establishing implementation arrangements and initiating project activities.
- **Mitigation Measures:** The Country Office completed the due diligence and selection process and has maintained regular engagement with TERI to address comments and finalize the agreement. Preparatory planning activities have continued in parallel to reduce the impact on project timelines.
- **Next Steps:** Finalize and sign the Responsible Party Agreement and initiate implementation arrangements, including landscape planning and the first call for proposals.
- **Escalation Required:** No escalation is currently required; discussions with TERI are ongoing and progressing toward finalization.

4. **Lack of funding for development of the Country Programme Strategy:**

- **Challenge/Risk:** Delays in the availability of project funds during the inception phase created challenges for undertaking essential preparatory activities, including the development of the Country Programme Strategy (CPS) and stakeholder consultations required to inform project design.
- **Mitigation Measures:** To avoid delays in project operationalization, the Country Office mobilized resources from other ongoing projects to engage a consultant and organize multi-stakeholder consultations. This ensured that the CPS development process proceeded as planned and that key stakeholder inputs were incorporated into the project design.
- **Next Steps:** Following approval of the project implementation arrangements and release of project funds, all subsequent OP8 activities will be financed through the approved project budget and work plan.

5. Social and Environmental Standards (SES) Reporting (Applicable for moderate, substantial, and high risk projects)

- *Has the SESP been updated during the reporting period? If yes, provide a brief description of new risks added and proposed mitigation measures.*
- *Provide an update on the SES risk assessment and management plans recommended as per the SESP.*
- *Provide an update on the Grievance Redressal Mechanism (GRM) under the project*

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- *Has any issue been reported under the project during the reporting period through GRM or any other reporting mechanism? Provide status update.*

The Social and Environmental Screening Procedure (SESP) is currently being updated and contextualized for implementation under SGP OP8 in India. The revised SESP will build on the global risk assessment framework and incorporates lessons learned from previous operational phases, while adapting risk identification and mitigation measures to the specific environmental, social, and institutional contexts of the selected project landscapes. No new significant risks are assumed to be identified beyond those outlined in the global project framework; however, risk mitigation measures are being tailored to address landscape-specific considerations, stakeholder dynamics, and inclusion requirements.

In parallel, supporting safeguard instruments, including the Stakeholder Engagement Plan (SEP) and Gender Action Plan (GAP), are being updated to reflect the Indian context and ensure meaningful participation of local communities, women, youth, persons with disabilities, Indigenous Peoples, and other marginalized groups throughout project implementation.

The project's Social and Environmental Standards (SES) risk management measures will be operationalized through the revised SESP, SEP, and GAP following project inception. Capacity-building activities and monitoring mechanisms will be integrated into project implementation to ensure compliance with UNDP SES requirements and effective management of identified risks.

The Grievance Redress Mechanism (GRM) established under SGP OP7 has been functioning effectively and will be adapted and replicated under OP8. The mechanism will be strengthened through landscape-level contextualization to ensure accessibility, transparency, and responsiveness to local stakeholders across all project intervention areas.

6. Communications and Visibility

Please provide URLs specific to this project (for example, project websites, social media sites, media coverage, etc.) as far as this is applicable. Note that some of these links would be the evidence and data sources for point no. 3 above.

NA. To be reported in the next reporting cycle.

7. Partnerships

Provide details of new partnerships (financial/non-financial) realized during the reporting period.

Ongoing Responsible Party Agreement discussion with The Energy and Resources Institute (TERI).

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8. Lessons Learned and Way Forward

Document any lessons that will be applied to address challenges or improve the implementation pace. Outline any good practices, as applicable. Based on the above, mention key issues which need to be addressed/prioritized for next reporting period

Lessons Learned and Good Practices

1. **Integration of lessons from OP7 into OP8:** Key lessons from the previous operational phase were incorporated into the design of OP8, including approaches for community engagement, landscape selection, convergence, and knowledge management.
2. **Early onboarding of strategic partners:** Engaging strategic partners during the inception phase is expected to strengthen stakeholder ownership, facilitate coordination, and help establish implementation arrangements at an early stage. This will be prioritized after the NSC approval.
3. **Landscape strategies:** The adoption of a landscape approach enables integrated interventions across thematic areas, promotes collaboration among stakeholders, and enhances opportunities for achieving environmental and socioeconomic impacts at scale. The development of the landscape strategy will be prioritized as the first milestone after NSC approval.
4. **Importance of streamlining processes:** Experience from previous phases highlighted the need to reduce administrative and approval timelines to ensure timely project operationalization and implementation.
5. **Participatory planning process:** Multi-stakeholder consultations involving government agencies, technical experts, academic institutions, and OP7 partners helped ensure that the Country Programme Strategy reflects local priorities, lessons learned, and emerging environmental challenges.

Key Issues to be Addressed/Prioritized During the Next Reporting Period

1. Finalization and signing of the Responsible Party Agreement (RPA) with TERI.
2. Approval of the amended Delegation of Authority (DoA) to authorize grant funding across participating countries.
3. Convening of the National Steering Committee and incorporation of any additional strategic guidance.
4. Approval of the Annual Work Plan (AWP) and associated implementation arrangements.
5. Finalization of landscape-level implementation strategies.
6. Finalization of the Social and Environmental Screening Procedure (SESP), Stakeholder Engagement Plan (SEP), and Gender Action Plan (GAP).
7. Launch of the first Call for Proposals for CSOs and CBOs in the selected landscapes.
8. Initiation of project implementation activities and stakeholder engagement at the landscape level.

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9. Annexures

*Provide **CO SharePoint/public website links** to the sources of evidence.*