REVISED STAP SCREENING TEMPLATE, OCTOBER 2022

GEF ID	11050
Project title	An Inclusive Approach for Harnessing Marine Ecosystem Services and Transforming to Sustainable Blue Economy in the Red Sea and Gulf of Aden (HESBERSGA)
Date of screen	10 November 2022
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1. Summary of STAP's views of the project

The PIF focuses on a transboundary marine ecosystem of exceptional biodiversity and presents an adequate description of ecological trends and proximate drivers in the region. But the proposed project lacks a coherent rationale. The focus of the intervention is inconsistently described and seems disconnected from the specificities of the governance challenges within and among the countries involved. The "sustainable blue economy" agenda is referenced centrally but without a convincing logic to indicate how often competing goals will be addressed. While there is detailed reference to prior project investments, no attempt is made to distil lessons from these – an especially glaring gap given that the intent is to update a TDA / SAP exercise completed two decades prior. There are promising elements in the PIF; however, STAP recommends that major adjustments are needed if the project is to proceed to PPG stage.

Note to STAP screeners: a summary of STAP's view of the project (not of the project itself), covering both strengths and weaknesses.

STAP's assessment*

- □ Concur - STAP acknowledges that the concept has scientific and technical merit
- □ Minor - STAP has identified some scientific and technical points to be addressed in project design
- □ **X Major - STAP has identified significant concerns to be addressed in project design**

Please contact the STAP Secretariat if you would like to discuss.

2. Project rationale, and project description – are they sound?

See annex on STAP's screening guidelines.

The project rationale presents an adequate description of the system in ecological terms, and in terms of economic drivers, but appears cursory in its identification of governance challenges. The unique ecological importance of the region is well summarized, in terms of coral reef resilience, biodiversity and fisheries productivity. Scientific citations are relevant, though not all recent.

The goal statement is a bit circular: to "strengthen management of ecosystems and support governance reforms" > "to improve ecosystem services" > "by achieving SDG14" > "through transformation to a Sustainable Blue Economy" (SBE). By contrast, the "long-term impact" in the theory of change is simpler and more direct: "Strengthened regional coordination results in improved conservation and use of … marine and coastal resources for SBE." The inconsistency, however, points

to the need for greater precision: if governance reforms are indeed central to the intervention, then the connections between regional coordination and national/sub-national action needs to be more clearly specified, along with the specific barriers to achieving each.

The Project Rationale section provides detail on threats, drivers, baseline situation and relevant projects but fails to provide a coherent summary of the approach and justification. The key sentence suggesting rationale is very general: "The project aims to address the root causes and barriers … to turn their most pressing challenges into development opportunities." It lacks an articulation of levers for change, prioritization among these, and justification of why the proposed approach is sound.

An extensive listing of other relevant projects in the region is given, but no attempt is made to distil lessons and gaps from these that would help refine and justify the proposed approach.

The Project Description includes a theory of change that usefully visualizes connections between components but lacks articulation of causal pathways or change mechanisms and the assumptions underlying these. Little reference is made to identifying and anticipating future conditions, despite this presumably needing to be a central feature of the TDA.

Component 1 focuses on updating TDA and SAP, which, the PIF claims, "have guided the environmental management efforts in the RSGA region for almost two decades." If the SAP has been in place and, as claimed, guided management, why are the management trends so concerning? The design team needs to directly assess past failures of analysis or implementation, or subsequent changes in the context, to justify the current project.

Little recognition is made of policy disjunctures and points of existing or potential incoherence. For example, sea-bed mining is noted both as a prime factor in undermining the maintenance of ecosystem services and among "blue economy sectors" as a contributor to short-term economic growth, with no indication of how the proposed TDA / SAP would need to consider such competing goals.

The PIF is nearly silent on the central challenges of governance which are alluded to only in very general terms. The risk table notes that several of the states "have fragile political situation" – this is a fundamental characteristic of contextual analysis that is ignored in the rosy assumptions about how an updated TDA/SAP will deliver improved management.

Note: provide a general appraisal, asking whether relevant screening guideline questions have been addressed adequately – not all the questions will be relevant to all proposals; no need to comment on every question, only those needing more attention, noting any done very well, but ensure that all are considered. Comments should be helpful, evaluative, and qualitative, rather than yes/no.

3. Specific points to be addressed, and suggestions

1. Provide greater specificity in identifying governance challenges, both within and among states, that could constitute barriers to achieving the goal of improved ecosystem management. "Institutional and sectoral fragmentation and insufficient intersectoral coordination" is identified, for example, as a single point in a bullet list. In what ways does this relate to capacity, to competing policy goals, to economic or political incentives, to disputes among states or social groups, etc.? If the TDA is meant to probe these issues further, provide a sense of how.

2. Sharpen the articulation of project goals, and ensure consistency with the logic explained in the theory of change. The time elapsed since the last TDA / SAP is, in itself, a very weak justification for a renewed investment. If the current gaps and failures in governance are central, then these need to be linked to more clearly delineated. The pathways shown in the theory of change should be presented in a way that clearly addresses these, including an explanation of key assumptions.

3. To aid in addressing both points above, review and distil lessons from prior investments (including the earlier TDA / SAP) and show how these have explicitly influenced the current project design. Among such lessons, consider specific insights to address regional cooperation amidst the vast economic disparities among countries in the region, failures of enforcement, and the history of conflict.

4. Discussion of the "Sustainable Blue Economy" agenda lacks a recognition of the inherent tensions and a structured way of thinking about the levers of change that are prioritized. Please refer to STAP's recent advisory document (GEF and the Blue Economy) for ideas on how to articulate these in ways that provide a sense of direction to the proposed TDA / SAP.

5. Provide a recognition of how the design is intended to provide enduring progress on GEBs in the face of future uncertainty. Climate change, for example, is listed as low risk but elsewhere it is said to be a major root cause of ecological change. The ESS Annex states that the "realization of the project objectives will strengthen resilience of the population to climate change," but this is not evident in the PIF. How will this be accomplished? Which population?

6. In specifying the project components, aim to indicate areas that could be innovative, with potential for the kind of system transformation envisioned. For example, what types of incentives to promote enhanced management action? (component 2), what types of financial mechanisms to influence private investment trends (component 3)? Even if these remain provisional pending further analysis, it's important to signal the level of ambition with specific approaches rather than rhetoric.

7. References to stakeholder engagement are thin and unconvincing, repeating generic categories of "national and local governments, communities, business/private sector and other stakeholder groups", also reflected in the implementation arrangement diagram (figure 3). The table on stakeholders consulted during PIF development is more specific, but it is not clear how this has influenced design choices. Even if a fuller engagement plan is pending, provide an indication of the rationale for why engagement of key groups is critical to elaborating certain elements of design, and ultimately ensuring successful implementation and scaling.

8. Ensure that targets are well justified. The ambitious target of 3,687,100 ha of marine protected areas under improved management is based on the stated assumption that "the project will assist, at a strategic level, through update of SAP *all marine protected areas in two regions"* (emphasis added). This is a tenuous logic – when the indicator is aimed at actual evidence of improved management. The presumption appears to be that "more detailed guidelines to integrate sustainable blue economy into their management plans… will contribute to better management of these areas." (See points 4 and 6 above.)

STAP stands ready to answer further questions and to consult on the design if needed.

Note: number key points clearly and provide useful information or suggestions, including key literature where relevant. Completed screens should be no more than two or three pages in length.

*categories under review, subject to future revision

ANNEX: STAP'S SCREENING GUIDELINES

1. How well does the proposal explain the problem and issues to be addressed in the context of the **system** within which the problem sits and its drivers (e.g. population growth, economic development, climate change, sociocultural and political factors, and technological changes), including how the various components of the system interact?

2. Does the project indicate how **uncertain futures** could unfold (e.g. using simple **narratives)**, based on an understanding of the trends and interactions between the key elements of the system and its drivers?

3. Does the project describe the **baseline** problem and how it may evolve in the future in the absence of the project; and then identify the outcomes that the project seeks to achieve, how these outcomes will change the baseline, and what the key **barriers** and **enablers** are to achieving those outcomes?

4. Are the project's **objectives** well formulated and justified in relation to this system context? Is there a convincing explanation as to **why this particular project** has been selected in preference to other options, in the light of how the future may unfold?

5. How well does the **theory of change** provide an "explicit account of how and why the proposed interventions would achieve their intended outcomes and goal, based on outlining a set of key causal pathways arising from the activities and outputs of the interventions and the assumptions underlying these causal connections".

    - Does the project logic show how the project would ensure that expected outcomes are **enduring** and resilient to possible future changes identified in question 2 above, and to the effects of any conflicting policies (see question 9 below).
    - Is the theory of change grounded on a solid scientific foundation, and is it aligned with current scientific knowledge?
    - Does it explicitly consider how any necessary **institutional and behavioral** changes are to be achieved?
    - Does the theory of change diagram convincingly show the overall project logic, including causal pathways and outcomes?

6. Are the project **components** (interventions and activities) identified in the theory of change each described in sufficient detail to discern the main thrust and basis (including scientific) of the proposed solutions, how they address the problem, their justification as a robust solution, and the critical assumptions and risks to achieving them?

7. How likely is the project to generate global environmental benefits which would not have accrued without the GEF project (**additionality**)?

8. Does the project convincingly identify the relevant **stakeholders**, and their anticipated roles and responsibilities? is there an adequate explanation of how stakeholders will contribute to the

development and implementation of the project, and how they will benefit from the project to ensure enduring global environmental benefits, e.g. through co-benefits?

9. Does the description adequately explain:

   - how the project will build on prior investments and complement current investments, both GEF and non-GEF,
   - how the project incorporates **lessons learned** from previous projects in the country and region, and more widely from projects addressing similar issues elsewhere; and
   - how country policies that are contradictory to the intended outcomes of the project (identified in section C) will be addressed (**policy coherence**)?

10. How adequate is the project's approach to generating, managing and exchanging **knowledge**, and how will lessons learned be captured for adaptive management and for the benefit of future projects?

11. **Innovation and transformation:**
    - If the project is intended to be **innovative:** to what degree is it innovative, how will this ambition be achieved, how will barriers and enablers be addressed, and how might scaling be achieved?
    - If the project is intended to be **transformative:** how well do the project's objectives contribute to transformative change, and are they sufficient to contribute to enduring, transformational change at a sufficient scale to deliver a step improvement in one or more GEBs? Is the proposed logic to achieve the goal credible, addressing necessary changes in institutions, social or cultural norms? Are barriers and enablers to scaling be addressed? And how will enduring scaling be achieved?

12. Have **risks** to the project design and implementation been identified appropriately in the risk table in section B, and have suitable mitigation measures been incorporated? (NB: risks to the durability of project outcomes from future changes in drivers should have been reflected in the theory of change and in project design, not in this table.)