

Fostering Water Security in the Trifinio Region: Promoting the formulation of a TDA/SAP for its transboundary Lempa River Basin.

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10108

Countries

Regional (El Salvador, Guatemala, Honduras)

Project Name

Fostering Water Security in the Trifinio Region: Promoting the formulation of a TDA/SAP for its transboundary Lempa River Basin.

Agencies

UNEP

Date received by PM

12/11/2020

Review completed by PM

6/9/2021

Program Manager

Christian Severin

Focal Area

International Waters

Project Type

FSP

PIF
CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

23rd of March 2021 (cseverin): No, please adjust starting date of the project.

19th of May 2021 (cseverin): Addressed

Agency Response

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Partly. Please make sure to include the results of sub component 3.1.1B (2 and 3) in the RF for the project, as these activities are planning to

provide direct stress reduction. Please include the baseline that the two sub indicators will be delivering against, which will make it possible to track progress.

Further, please also have a detailed look at the wording of following indicator. It seems to be mixing a number of different issues: "3 (Y2-Q4) 40% reduction in water consumption per kg of coffee processed in participating coffee facilities where honey processing will be installed (# m³/ton cherry)"

Moreover, please include the numerical delivery towards the Core indicators in the RF.

Finally, there is a general lack of reflections in the submission of the constraints and opportunities that the current COVID 19 pandemic will have on the project. Please ensure reflect on this new reality that the project will be implemented under. As a minimum, an opportunity and constraints analysis needs to be annexed and referenced in the submission where appropriate.

23rd of March 2021 (cseverin): Addressed

26th of April 2021 (cseverin): Please address following issues:

1. Expected Implementation Start date has already past ? please amend for a more realistic date.
2. Please make sure there is proportionality between the project management budget, so that GEF portion is following the overall project financing ratio between GEF and cofinancing. Please amend by either increasing the cofinancing portion and/or by reducing the GEF portion:
3. Regional Project Coordinator and Admin and Finance staff are charged to both project components and PMC, same with Stationery and Office. These costs must be charged to the Project Management Costs of both, the GEF portion and the cofinancing portion (see Guidelines paragraph 5 ? page 49) ? please amend accordingly.
4. Please clarify and explain what ?IP Administrative costs? entails.

21st of May 2021 (cseverin): Please address below comments:

- 1. Please make sure there is coherency between budgetary information provided.**
- 2. Please provide TORs for the different positions, which will make it possible to assess what the persons will be doing and what activities that they will be supporting. Maybe such TORs will also be part of assisting in**

clearing up some contradictions ((i) the Agency's answer in the Review Sheet justifies the allocation of 13% of the Project's Coordinator salary by presenting a limited involvement in Coordination/Managerial activities; (ii) in another section, the role of the Project Coordinator includes the whole array of activities that ?in normal circumstances? a Project Coordinator should carry out; (iii) the absence of TORs for the Project Coordinator (there are TORs for project's components) prevents the reader to even understand which one of the above points is the right one; (iv) there are two different presentations of the budget in which the numbers don't match.)

- 3. Please explain how the project is planning to have the Project manager managing the project with only 13% of his/her time (as indicated by the budget for the person's salary). Again, here there is a lack of consistency between the different budget tables.**
- 4. Please ensure that budget tables are illustrating that GEF will not be covering executing's Executing Agency's indirect costs ? every single direct cost has to be itemized in the budget table and ?as mentioned above? charged to PMC accordingly).**
- 5. In the previous version Budget table was included in Portal ? in this version it is not. Per policy, the Budget Template in excel format should be uploaded in the Portal - section ?Documents.**

27th of May 2021 (cseverin): Yes, above comments addressed through providing and referencing uploaded documents.

1st of June 2021 (cseverin): Annex E is now visible, however the budget type uploaded is not the correct one. Please follow the budget guidelines of the GEF and present the budget in Annex E in the portal entry with following :

Columns: Components (perhaps avoid including outcomes to facilitate the table to fit within the margins of the portal format) ? M&E ? PMC ? Totals ? Responsible entity.

Rows: different budget items (goods, consultants, etc.)

2nd of June 2021 (cseverin): Addressed

8th of June 2021 (cseverin): No, please address below comments

PMC can only pay the activities associated with the execution of the project, **not** the fee/indirect costs of the Executing Entity for carrying out such activities. Therefore please remove this from the budget lines in the PMC budget. Removing the executing costs from the PMC budget, will free up \$56,686. Please strongly consider to allocate some, or all of this, to cover a higher percentage of the salary of the Regional Project Coordinator, in order to increase the share of his time that is allocated to project management activities.

9th of June 2021 (cseverin): Addressed

10th June 2021 (cseverin): Please remove the IP Administration costs from the budget.

10th of June 2021 (cseverin): Addressed, IP Administration budget line now at \$0

Agency Response

29th of January 2021:

The indicator for demo under component 3, output 3.1 has been rephrased to ? ?Reduced consumption of water due to close loop cycle practices (m3/ton of coffee cherries processed).? And the associated target is ?(Y2-Q4) 40% reduction in water consumption per tonne of coffee (cherries) processed (with respect to the baseline) in participating coffee facilities where honey processing will be installed (# m3/ton of coffee cherries processed).

Baseline in this section was also further outlined and now states ?It is estimated that 25,000 tons of coffee are produced annually in the region by using typical wet processing techniques, discharging 200,000 m3 of high BOD5 (12,000 mg/l) wastewater into waterbodies. This organic load is equivalent to the BOD5 load generated by all the municipal wastewater of the region. In terms of water consumption associated with wet processing techniques, local practitioners in the region estimate that this is on the order of 20 m3/ton of coffee cherries processed.?

Also, the results framework targets now reflect whether they are process, stress reduction or environmental status related targets.

A note was added regarding how the project targets contributes to the core indicators, see below.

The total of **9,000 hectares (GEF Core Indicator 4)** comes from the following places in the results framework; 1,200 hectares from Output 2.1.3 and a total of 7,800 hectares from Outputs 3.1.1 b [300], c [5,000] and d [2,500]).

The total of **159,400 beneficiaries for Core Indicator 11** is accounted for in the following outputs in the results framework:

- ? C2: Output 2.1.4 (IWMR training): 250 people (at least 40% women) (women: 100 men: 150)
- ? C3: 9,000 direct beneficiaries, as follows:
 - Output 3.1.1a: 900 participants in courses, lectures and workshops (at least 40% women) (women: 360 men: 540)
 - Output 3.1.1b: 1,000 beneficiaries (50% women) (women: 500 men: 500)
 - Output 3.1.1c: 3,000 beneficiaries (50% women) (women: 1500 men: 1500)
 - Output 3.1.1d: 3,500 beneficiaries (50% women) (women: 1750 men: 1750)
 - Output 3.1.2: 600 participants (40% women) (women: 240 men: 360)
 - C4: 150,000 beneficiaries (associated with the people living in municipalities where the DMSS is used) (50% women) (women: 75,000 men: 75,000)
 - Output 4.2.1 (150 beneficiaries of which 40% women) (women: 60 men: 90)

This amounts to **79,510 women** and **79,890 men** which corresponds to 50% women.

Annex I of the CEO endorsement document outlining the COVID-19 risks and opportunities has been attached in the road map section. Please also refer to the COVID-19 Risk response below for additional information.

12th May 2021

1. As requested, the expected implementation start and end date have been amended in the portal, CEO doc, ProDoc and in the workplan accordingly.
2. The PMC co-financing amount has been increased to reflect the same overall project GEF Grant to co-financing ratio.
3. The Project Management Cost (PMC) budget has been amended and only has a portion of the Regional Coordinator salary (to support Project Steering Committee meetings and other management related duties and the remaining stays with the components because it is more specific technical support) and Admin and Finance costs will be under PMC. The Knowledge Management and IWRM specialist have been moved to the components because that is activity related expertise. Lastly, the stationery and office costs were moved to PMC as requested.
4. The IP Administrative costs are the executing agency's indirect costs (ICR) that will provide, amongst other things, the following products and services: planning, monitoring, review and evaluation of projects; resource mobilization

services; financial management framework (e.g., financial manuals, handbooks, guidelines, and training); staff recruitment; overall administrative functions of the General Secretariat; legal and financial review of agreements; banking operations (e.g., receipt of funds, check emission, bank reconciliations); financial reporting; external audit coordination and representation; internal audits; setup and management of accounts; procurement of goods and services; recording and processing of transactions; facilities and utilities; and general use office equipment and supplies (e.g., networks), etc.? This cost is now distributed amongst components and PMC. This is because there are administrative costs associated with each component and engaging executing partners, and the PMC related costs are more for the Project Coordination Unit (PCU) and general management of the project.

24th May 2021 Agency Response:

1. The budgets do match but note that the budget screenshots provided in Annex E of the portal are that of the costed outline per activity and not the overall or detailed budget per category/year. The latter is presented in an Excel form as Appendix 1 of the project document in the road map section. Please refer the last version dated 13 May 2021. Further note that the 'Project management costs' presented in the costed outline only covers the costs that are charged in the PM column of the detailed budget. See below screenshots for ease of reference.

- Costed outline project management

Project Management	2
Project Manager	1
Administrative and Financial Professional	1
Travel	
Equipment	
Supplies, commodities & materials	
Operating & other costs	
ICR	
TOTAL PROJECT COST (\$)	4,8

- Overall Budget

UNEP BUDGET LINE/OBJECT OF EXPENDITURE	BUDGET ALLOCATION BY PROJECT COMPONENT + PM				
	1 US\$	2 US\$	3 US\$	4 US\$	PM US\$
Staff & Personnel (Including Consultants)					
Professional Staff	70,750	131,250	83,500	134,800	128,100
<i>Regional Project coordinator</i>	46,000	68,000	26,000	35,800	27,100
<i>Knowledge Management and Communications Specialist</i>	11,625	27,750	26,875	56,000	0
<i>IWRM and Eba Innovation Specialist</i>	13,125	35,500	30,625	43,000	0
<i>Admin and Finance</i>	0	0	0	0	101,000

2. The TORs for the different members of the PCU were presented back in December as Appendix 08 to the project document.

In response to (i), (ii), (iii), please note the following. While the current budget accounts for 13% of the project coordinator's salary under the PMC column, the remaining 87% of the salary (total for 4 years is \$202,900) is distributed amongst the various components. As outlined in the TORs, the coordinator will be responsible for a wide array of technical outputs under each of the components and the team believes that 13% will suffice to carry out the PMC specific part of the PM TORs bearing in mind that the PM is aided by admin and financial staff (totally charged against PMC). The PM ToRs in Appendix 08 on page 15 provide a list of 44 different responsibilities and activities expected to be carried out by the coordinator. As highlighted below, only the following 6 items are more PMC related (that is also 13% of the tasks):

?Ensures that financial allocations and expenditures are in accordance with UN financial rules and regulations.

?Provides administrative guidance to, and oversight of, the work of the key partners.

?Clears for approval administrative and financial reports, external communications and travel requests

?Prepares progress reports to be submitted to the PSC and OAS, as well as the reports required by UNEP to be submitted through OAS. (This is partly technical and with support of financial staff and with inputs from IP)

?Leads project meetings, and the negotiation process of the agreements, protocols, directives and plans expected from the project. (This is mostly technical though.)

?Prepares and presents for consideration and approval of the PSC, adjustment proposals, change requests or updates to the project management plan, including budget changes as defined by the agencies' guidelines and regulations. (This is partly technical and with support of financial staff)

(iv) The clarification on the budget presentation was provided in point 1 above.

3. This query was clarified in point 1 and 2 above.

4. As per the Project Cycle Policy GEF/C.59/Inf.03 July 20, 2020, it would appear that the executing agency associated costs (fee/indirect costs related to the procurement and management of goods and services aka transaction costs related to contract issuance etc) are in alignment with the eligible functions as described in Table B on page 55. Also note that all direct costs are itemized under the PM column G of the budget in Appendix 01 and take into consideration admin/finance and, stationary and office costs as requested on 26 April 2021.

Table B - Execution Functions eligible for funding by the GEF portion of PMC¹⁰

Staffing costs, including:

- Project manager;
- Project assistant technical specialist(s);
- Procurement specialist; and/or
- Financial specialist.

Project-related activities of Executing Entity, including:

- Preparation of procurement plans;
- Terms of reference and procurement packages;
- Management of consultant activities;
- Management of output deliverables;
- Maintenance of records of all project-related documentation
- Management and administration of the Knowledge Management Plan;
- Preparation of progress reports and financial reports for the project;
- Consultation with project stakeholders;
- Financial auditing for the project.

5. On our end, the budget (costed outline) is still showing up in Annex E of the portal. Note that only the costed outline was posted in this box of the portal and a reference was made to the Excel sheet. As mentioned in the portal, the detailed budget in an Excel format is uploaded as Appendix 1 in the road map section.

08 June Response

Although as stated in our response of 24 May 2021, the EA authorised costs under PMC (incl fee/indirect costs as described in our response of 12 May 2021) were fully in alignment with Project Cycle Policy GEF/C.59/Inf.03 July 20, 2020 Table B on page 55, the budget has been modified in response to the 08 June comment including raising the PM salary amount against PMC.

10 June 2021 response

Budgets were amended as per request of 10 June.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description

of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

1st of December 2020 (cseverin): Yes, all co-financing letters have been uploaded. However, please reassess the different classifications of the co-financing. The issue pertains to the following several co-financing sources have been identified as "in-kind", while simultaneously being classified as "investment mobilized". However, where co-financing truly meets the definition of "in-kind", it should typically be classified as "recurrent expenditures" rather than "investment mobilized". Please revise each entry against this definition

23rd of March 2021 (cseverin): Addressed

26th of April 2021 (cseverin): There are several issues around the cofinancing. Please address these:

- 1) The co-financing letter from the Govt of Honduras refers to Sustainable Development of the Trifinio-Honduras Region Programme 2018-2019. Cofinancing can NOT consist of past activities. Please consider removing this co-financing from table C.
- 2) The co-financing letter from AGAYAS refers to activities that were implemented in period 2019-2020. Cofinancing can not consist of past activities. Please consider removing this co-financing from table C.
- 3) The co-financing letter from CTPT identifies that substantial part of their co-financing originates from Regional Programme for the Protection of the Trifinio Fraternidad Transboundary Biosphere Reserve, funded by Germany (donor Agency). Please revise the information in table C to include co-financing from Germany (even if the letter is issued by CTPT).
- 4) The co-financing from IADB is from "Donor Agency" since IADB is not the GEF agency for this project
- 5) The co-financing from OAS is from "donor Agency" (not "other")

19th of May 2021 (cseverin): Addressed, either through direct changes or through providing rationale for why it need to stay as is.

Agency Response

29th of January 2021:

A further explanation on the in-kind investment mobilized has been provided under table c. In line with the GEF Co-financing Guidelines, as reflected in the co-financing

confirmation letters in Appendix 09, the parallel investment mobilized comprises all relevant investments by project partners that are not operational recurring costs. Such mobilized resources are for most part in-kind and will not be managed in conjunction with GEF resources through the Executing Agency. The activities they help support are however in full alignment and complementary to this project's activities. A summary of these contributions is provided below. A concrete example differentiating recurring expenditure from investment mobilized is also provided below. It has been extracted from the Deltares co-financing letter.

The investment mobilized from the Government of Guatemala consists of an ongoing project to support the transition to low emission and climate resilient agriculture for smallholders' farmers. AGAYAS's mobilized investments consist of sustainable projects including remedial actions to adapt to climate change that allow improving the water resources management, avoiding the expansion of the agricultural frontier and using varieties of basic grains adapted to the climate with a focus on food security. APOLO's contribution is based on initiatives that promote water security with a social focus in the Trifinio region. CCAD's support includes ongoing activities such as the regional dialogue for integrated watersheds management. CTPT's mobilized investment (grant and in-kind) is based on harmonized activities within the framework of the Regional Program for the Protection of the Trinational Biosphere of the Trifinio. The contribution from Deltares consists of complementary projects and developed methodologies, e.g. water security planning framework. FUNDE's mobilized investments consist of workshops and training for the Trifinio Women's Network. The investment mobilized (grant and in-kind) from the Government of Honduras comprises ongoing and future activities under the framework of the Sustainable Development of the Trifinio-Honduras Region Programme. HOSAGUA's mobilized investments consist of projects aimed at empowering women in natural resources governance. The investment mobilized from CATIE consists of knowledge tools and methodologies in support of a reached consensus on the main environmental transboundary issues, root causes, impacts and gaps of the Lempa River basin. IADB's mobilized investment encompasses grant for the creation of a Transboundary Water Fund mechanism and knowledge transfer workshops. The investment mobilized from the Municipality of Esquipulas comprises projects and a residual water treatment plant. The contribution of the Municipality of Santa Catarina Mita includes ongoing initiatives for the improvement of water management. UNIVA's mobilized investment is based on women's training program and tools for dissemination. The investment mobilized from the Government of El Salvador consists of ongoing activities for the development of a Water Portfolio in the Lempa Basin.

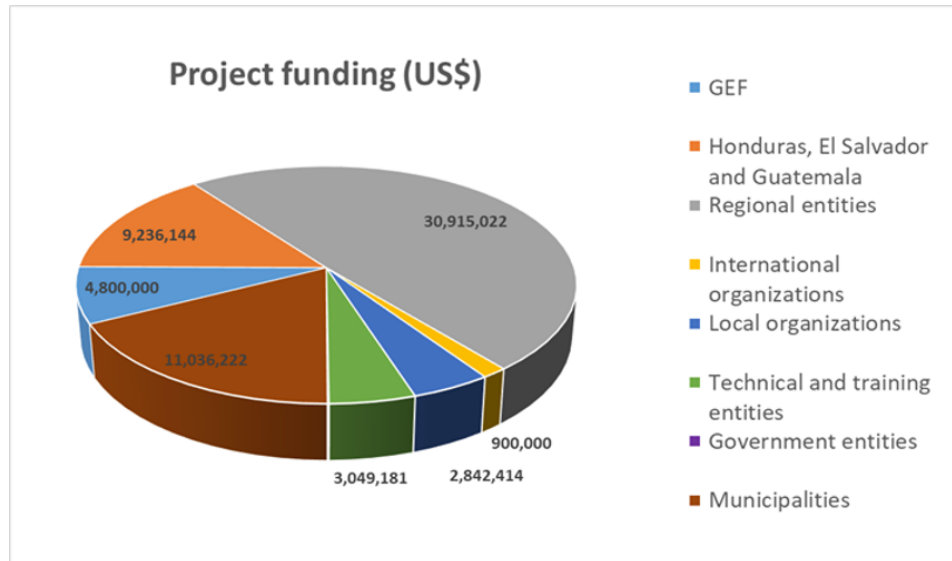


Figure 1 Project Funding

Example of co-financing classification extracted from the DELTARES co-financing letter.

For details about the DELTARES mobilized investments breakdown, please refer to the letter in Appendix 09.

The organization is pleased to inform you that co-financing for the project has been secured as follows:

1. Co-financing in-kind (recurrent expenditures): Deltares expert times and costs involved in missions equivalent to EUR 150,000. - and 98 days in total for years 2021, 2022 and 2023 (for details see Annex 1)	USD	163,245
2. Co-financing in-kind (investments in R&D mobilized): intention for co-matching with existing and ongoing complementary projects where the methodologies proposed have been/are developed	USD	770,000
Total	USD	933,245

12th May 2021

1. Please note that the PIF was submitted in October 2018 and was eventually approved in May 2019 because of a series of back and forth, therefore, the CF consists of activities since PIF conceptualization. This is the usual guidance we follow for all projects since the investment in terms of time and resources starts from the concept stage itself.
2. Same as above.
3. This isn't feasible because these resources will be managed by CTPT directly and not by the Government of Germany. CTPT as the executing partner raised these resources and has the responsibility (as entrusted by Germany and confirmed in writing by the same) to coordinate this project. In this context, the matter of changing the name of the partner in the portal is not something we are at liberty to do.

4. As requested, IADB is now reflected as a donor agency in table C.
5. As requested, OAS is now requested as a donor agency in table C.

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response
Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response
Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request 21st of December 2020
(cseverin): Yes

Agency Response

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request
21st of December 2020 (cseverin): Yes, however, please ensure to include the core indicators into the RF too, under the different output indicators.

23rd of March 2021 (cseverin): Addressed

Agency Response

29th of January 2021:

The core indicators have been reflected at the output level into the results framework along with a cover note at the beginning of the document summarizing how the core indicators were derived. Also note that the targets have been further classified as Process (P), Stress Reduction (SR), and Environmental Status (ES) indicators for added clarity.

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

21st of December 2020 (cseverin): Yes

Agency Response

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

Stakeholders

**Does the project include detailed report on stakeholders engaged during the design phase?
Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes, the portal entry includes a healthy description of the gender activities, and is supplemented by the GENDER action plan that has been included in the full project document as annex 13.

27th of April 2021 (cseverin): No, please upload gender analysis from the prodoc into the portal, as the portal information seems to be outdated and describing activities that will be happening in relation to undertaking a gender analysis and not what has happened.

19th of May 2021 (cseverin): Addressed

Agency Response

29th of January 2021:

Noted, thanks.

12th May 2021

The gender mainstreaming action plan was originally uploaded as an annex in the gender section of the portal. We have re-uploaded it and hopefully it shows up there or in the road map. Additional details regarding the activities carried out during PPG related gender has been added in the gender section 3 in the CEO document. Indeed, it should be noted that during the PPG phase, consultations were held with representatives of HOSAGUA (Network of Rural Women of the Trifinio) and women leaders from different local organizations to understand the current gender landscape in the Lempa basin. Consequently, HOSAGUA and FUNDE (National Foundation for Development) joined the project as co-financiers. UN Women through their MELyT initiative also provided the project with an overview of gender disaggregated information related to

IWRM. The information collected during PPG was assembled in a preliminary gender assessment (see prodoc section 2.4.7 Para 262-297) which served as baseline for the development of the proposed project Gender Action Plan (see Appendix 13 to the predoc) which will guide project execution ensuring gender mainstreaming in all project activities. Specifically, output 1.1.2 will prepare environmental, social (incl. migrant issues) and gender assessments for the Lempa River basin identifying key points for intervention, and the economic valuation of ecosystem goods and services. Building the gender assessment, a Gender Mainstreaming Strategy will be formulated under Output 2.2.1 and will form an integral part of the SAP and its investment plan and constitute a necessary condition to achieve water security in the Lempa River basin. Moreover, all four project components include results that account for gender equality and women empowerment targets.

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes, in this foundational project, the private sector will be involved, but the main activities will remain to be within the scientific and public sectors.

Agency Response

29th of January 2021:

Noted, thanks.

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Partly, please include a full analysis of COVID opportunity and constraints risk assessment and include as part of the risk section, and as an annex to the submission.

23rd of March 2021 (cseverin): Addressed

Agency Response

29th of January 2021:

As requested, annex I of the CEO endorsement document outlines the COVID-19 risks and opportunities and, this has been uploaded in the road map section. Please also note that the risk table in section 3.5 of the prodoc also available in section 5 of the CEO endorsement document already includes an external high risk related to COVID-19 and it captures the associated mitigation action.

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes, the uploaded portal entry includes a good description of the KM deliverables, including how the project will be leveraging the IWLEARN tools and KM network. Moreover, section 3.8 in the PRODOC, contains more detailed descriptions.

Agency Response
29th of January 2021:

Noted, thanks.

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response
Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes. However, it is not clear whether the M&E budget will be financing the Audits, as the AUdit costs does not appear on the PMC budget that has been provided. Please clarify.

23rd of March 2021 (cseverin): Addressed

Agency Response
29th of January 2021:

The audit in this case will be done at the institutional level (OAS) and it is part of their fee.

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes

Agency Response

Project Results Framework

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): Yes, but please provide the additional details, as described earlier in the review.

23rd of March 2021 (cseverin): Addressed

Agency Response

29th of January 2021:

Yes, addressed, please see above response.

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request 21st of December 2020

(cseverin): Yes

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request 21st of December 2020

(cseverin): Yes

Agency Response

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

21st of December 2020 (cseverin): No, please address above comments and resubmit.

23rd of March 2021 (cseverin): Yes, CEO endorsement is being recommended.

27th of April 2021 (cseverin): No please address above comments and resubmit ASAP

21st of May 2021 (cseverin): No, please address above comments and resubmit

27th of May 2021 (cseverin): Yes, CEO Endorsement is being recommended.

1st of June 2021 (Cseverin): No, please upload proper budget table and resubmit ASAP

2nd of June 2021 (cseverin): Yes, CEO Endorsement is being recommended

8th of June 2021 (cseverin): No please address above comments and resubmit urgently.

9th of June 2021 (cseverin): Yes, CEO Endorsement is being recommended.

10th of June 2021 (cseverin): No, Please address above comments

10th of June 2021 (cseverin): Yes, CEO Endorsement is being represented

Review Dates

**Secretariat Comment at
CEO Endorsement**

**Response to
Secretariat
comments**

**Secretariat Comment at
CEO Endorsement**

**Response to
Secretariat
comments**

First Review
Additional Review (as necessary)
Additional Review (as necessary)
Additional Review (as necessary)
Additional Review (as necessary)

CEO Recommendation

Brief reasoning for CEO Recommendations

The Lempa River, is one of the longest rivers in Central America. Its upper basin is located in the Trifinio region, and is characterized as an ecologically fragile system, which is experiencing unsustainable land use practices with a high tendency to erosion and floods. The upper Lempa basin includes the Montecristo Massif, which is one of the largest and least disturbed cloud forests in Central America recognized by its unique biological diversity. Further, a key function of this mountain area is guaranteeing water supply for local communities and playing an important role in regional development through the promotion of coffee production, conifer forest extraction and agro-tourism. This is also the area with the highest environmental significance in the basin, where most of the rainfall capture and infiltration occurs. Most of the Lempa's middle basin area is dedicated to hydro-energy generation, subsistence and commercial rural production systems. The lower Lempa is home to the Jaguar Nancuchime Reserve, and to a sediment-rich delta in the Pacific Ocean

El Salvador, Guatemala and Honduras have through the Trinational Commission of the Trifinio Plan been working on promoting joint management of shared water resources and other natural assets in the Lempa River basin. Despite these efforts, water security in the basin is increasingly threatened and the degradation of its ecosystems continues at an alarming rate. Furthermore, the effects of climate variability and change in the basin are introducing additional uncertainties into efforts to achieve water, food and energy security and protect ecosystems.

To address this situation, the project will enhance tri-national cooperation for the management of water resources in the trinational Lempa River basin, through the implementation of policy, legal and institutional reforms and an investment plan developed through the application of the GEF's TDA/SAP approach. Ultimately the investment will be reducing stress on the transboundary water resources in the Trifinio region by developing a Strategic Action Plan for its trinational Lempa River Basin and

enabling the joint management of the shared water resources, while building community-based ecosystem resilience to climate variability and change.