

Strengthening integrated transboundary management of the Incomati and Maputo river basins

Review PIF and Make a recommendation

Basic project information

GEF ID

11180

Countries

Regional (Eswatini, Mozambique, South Africa)

Project Name

Strengthening integrated transboundary management of the Incomati and Maputo river basins

Agencies

UNDP

Date received by PM

4/12/2023

Review completed by PM

5/15/2023

Program Manager

Astrid Hillers

Focal Area

International Waters

Project Type

FSP

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments

(4/18/2023)

The project is eligible under IW finance.

1. Please fill in the region name in the field for the "region"

2. Please fill in the country names in the "county(ies)" field

3. Please enter the Executing partners and partners type as has been identified in the LoEs (Global Water Partnership in Africa + Incomati and Maputo Watercourse Commission Secretariat) please use one row for each entity.

During PPG please consider following: While the project is overall being executed by GWP SA in partnership with INMACON there should be consideration of the roles of the Lubombo TFCA, a relevant coastal governance body (which?) and counterpart agencies in each of the three countries as executing partners

(5/15/2023) PLEASE ADDRESS

PLEASE follow the letters of endorsement:

•In the General Project Information Table, Executing Partner name and type identified in the LoEs (Global Water Partnership in Africa + Incomati and Maputo Watercourse Commission

Secretariat) is incomplete: the later is missed while the former only has an acronym ? please include the full name for GWPSA and include Incomati and Maputo Watercourse Commission Secretariat - also use one row for each entity.

(Please note that we are aware of the different definitions in UNDP and GEF which can cause confusion. Implementing partner for UNDP is what the executing agency is for the GEF. Similarly, what UNDP calls responsible party is what GEF defines as the executing partner. At his stage please stay with the letters of endorsement.)

(5/17/2023) Comment addressed. Cleared.

Agency's Comments

UNDP, 9 May 2023

1. The region name is added in the field for the "region" in the portal.
2. The country names are added in the "county(ies)" field in the portal.
3. The Global Water Partnership South Africa (GWPSA) has been specified as the UNDP Project Implementing Partner and the Incomaputo Watercourse Commission (INMACOM) Secretariat as Responsible Party.

The roles of the Lubombo TFCA, the Nairobi Convention Secretariat, The Peace Park Foundation and Ministries of Environment in each of the three countries as executing partners will be well defined during the PPG.

UNDP, 17 May 2023

Global Water Partnership in Africa (the full name of GWPSA in the LoEs and Incomati and Maputo Watercourse Commission Secretariat have been added in the General Project Information Table as Anticipated Executing Entity(s) as presented in the LoEs and they are in separate rows.

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments

(4/18/2023)

1. The summary in itself does not reflect the logic of the project clearly enough. The underlying problems should be more specific than "uncoordinated development of economic sectors" and as the first statement is broad the second "lack of alternative income options" is unclear as well - alternatives to what ?

2. ... riverbasins host biodiversity of global importance. Please be more specific or add a few data and not a random sounding list of "elephants, turtles, reefs, birds and fish" - besides that strictly speaking the basins do not have reefs, yet of course to mention the global importance of the coastal zone.

3. Very good to see that the project is aiming at a source-to-sea approach but the "how" is not well elaborated. e.g. the summary mentions that a governance framework will be established that applies the source to sea approach. As the agreement establishing the Incomato and Maputo basin Commission does not extend in mandate into the coastal zone will there be some MOU with the coastal management institutions ? (and which ? relevant national entities, the Nairobi Convention, other ... ?).

4. Along the same lines, it seems that component iii "supporting basin-wide strategic planning and investment mobilization" should include the coastal zone in a source-to-sea approach and building on the WIOSAP experiences.

(5/15/2023)

Comment addressed at PIF stage.

By endorsement, there needs to be a clear and science and data based presentation of the root causes and solutions (and in the ToC there should also be a discussion on alternatives considered and adaptive management approaches at ER stage).

Cleared.

Agency's Comments

UNDP, 9 May 2023

1. The summary has been revised to address this comment.
2. The summary has been revised to address the comment.
3. The summary has been revised to address the comment and Output 1.2.2 *?Establish working arrangements with relevant coastal management institutions at national and regional level e.g. the Nairobi Convention Secretariat?* has been added to show *?how?* and with *?Whom?*.
4. The summary has been revised to address the comment.

17 May 2023

Thank you. We take note and we will make sure this comment is addressed at the PPG phase.

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?

b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments

(4/18/2023)

1. Please strengthen the PDO to more clearly indicate the end goal of the project. It helps to think about measurable PDO indicators and an end of project desired outcome when formulating this.
2. Source to Sea: see earlier comments to more consistently carry the source to sea approach through the components and naming the main counterpart on coastal mmgt. (e.g. in 1.3.1 it mentions INMACOM, TFCA and ??? "other key role-players") to be the counterpart e.g. in data and information exchange, TDA/SAP, DSS etc.
3. Please more clearly address the cooperation between INMACOM and TFCA including enhancement of specific areas of cooperation and potential mutually reinforcing GEBs.
4. Climate risk mitigation plan developed and operationalized (2.2.4) is not an IW eligible activity. Same of adaptation unless aiming at a broader concept of resilience.

(5/15/2023)

Comments addressed.

Agency's Comments

UNDP, 9 May 2023

1. The PDO has been revised to more clearly indicate the end goal of the project.
2. Outcome 1.1 and its 4 outputs; Outcome 1.2 and its output 1.2.2; and output 1.3.1 have been revised and Output 1.3.3 added to address the comment.

3. Output 2.2.1 updated as follows to address the comment: *?Transboundary Diagnostic Analysis for the Incomati-Maputo Basins and Lubombo TFCA carried out, including identification of areas of cooperation and potential mutual reinforcement of Global Environmental Benefits through application of the source-to-sea concept?.*

4. Output 2.2.4 changed as follows to address the comment: *?Livelihood risk management plan aimed at enhancing resilience developed and operationalised?.*

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's Comments

(4/18/2023)

Yes, they are included in the components. For detailed comments please see question on project description.

Agency's Comments

UNDP, 9 May 2023

Thank you.

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

(4/18/2023)

1. On project financing:

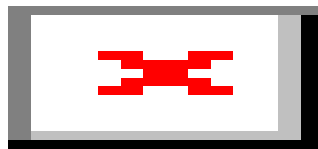
i) Please give an approximate/initial idea on the extent and type of work envisioned on aquifer characterization and conjunctive management. The entire component 2 is budgeted with 2.3 million and includes a number of investments that can be costly.

ii) ditto for the WIS and DSS if it is built new or is there an existing WIS and DSS that will be consolidated or expanded.

iii) Two bankable projects - again, within time and budget will this aim at concept development or prefeasibility analysis ?

2. Proportionality: PMC : co-finance versus overall grant : co-finance:

PMC Proportionality: there is not proportionality in the co-financing contribution to PMC. If the GEF contribution is kept at 5%, for a co-financing of \$22,840,000 the expected contribution to PMC must be around \$2,055,600 instead of \$760,000 (which is 3%). As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion. A more definitive estimation of PMC should be presented and adjusted at CEO Endorsement stage.



(5/15/2023)

Comments addressed - including PMC proportionality. Cleared.

Agency's Comments

UNDP, 9 May 2023

1. On project financing:

i) Discussions have been held with SADC GMI in order to clarify the activities around groundwater management. Details on the extent and type of work envisioned on aquifer characterization and conjunctive management have been added under the Project description section, Outcome 2.1.

ii) Output 2.2.3 has been edited to show that these are existing WIS and DSS that will be strengthened.

iii) The output on bankable projects has been removed.

2. To address the comment, the PMC co-financing has been increased from USD \$760,000 to USD \$1,123,810 (5%). A more definitive estimation of PMC will be presented at CEO Endorsement stage.

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments

(4/18/2023) While the section provides an overview of the basins and problems, the section needs to be less general and more clearly analyze and provide evidence in the description of the problems and barriers and could benefit from being more concise.

1. Please provide a more concise rationale for the project and back up pressures and trends with data and a references when possible. The section leaves it vague of the relative magnitude of importance nationally and regionally of sectors mentioned and what e.g. main crops, mining products (beyond sand mining) etc. are and how important for economy and employment. How big e.g. is the shrimp fishing industry? Artisanal versus commercial etc. Also, how important is the textile sector? South Africa itself (cross the country) is the largest producer of mohair from angora goats globally.

2. There is very little description of existing infrastructure on the river as well as planned. e.g. Para 7 mentions it in general ways but is lacking the naming and location of these installations and any data of approximate changes in flows they cause (which is mentioned but no data or reference given). Same of para 9. Which of these sectors use roughly how much in each country (even if there is a need to estimate bulk part numbers). How much therefore has this contributed to decreased flows to Mozambique? Is there any clearer description on how this has influenced the estuary - you mentioned sediment deposits, saltwater intrusion and impacts on shrimp breeding grounds and production. Are there any data, studies, reports that one can draw on?

Water quality - sound data are often hard to come by, but there must be some indication of sediment and nutrient loads and other pollutants of concern based on the water users mentioned.

3. Climate change - please give an overview of current and past rainfall, river flows, and extreme weather events and any outlook/future scenarios from IPCC or other?

4. How are the overall areas of work and mandates of INMACOM and the TFCA aligned both on the marine and terrestrial side? INMACOM is a recent institution but its mandates and objectives are defined in the agreement. The cooperation and regular and institutionalized interaction seems to be a great opportunity to achieve synergies and greater outcomes together than if operating in isolation.

5. Please give a clearer overview of the source to sea impacts and opportunities that could come from an integrated approach. Good to see that the WIOSAP efforts are mentioned.

6. Para on unsustainable resource use (para 10). "Illegal resource use due to poverty" is mentioned strongly and could use more granularity and explanation. How significant is household fuel wood consumption compared to wood used by pulp and paper mills. What are water quality impacts of these, the sugar production, mining etc.

7. There is clearly a need to strengthen transboundary governance and management. Yet, that is unlikely to happen unless the national policy, institutional and regularity are enhanced at the same time. While the TDA, SAP and NAPs will usually identify key gaps and national reform needs (including competing sector policies and possible conflicting subsidies) it would be useful to identify obvious policy, institutional or regulatory areas that need strengthening in either of the three countries.

(5/15/2023)

The situation analysis has much improved from the previous version and provides much more insight into competing sectors and issues that influence water uses. Moving forward the TDA clearly needs to take a systems view and addressing both policies and subsidies that enable unsustainable uses and prioritize actions including setting clear timelines and agreed targets in the SAP. Without that any possible SAP implementation support by the GEF down the line is not likely.

Building on the situation analysis and pressures outlined from e.g. large amount of water for cooling purposes of the coal fired powerplants receiving water transfers, water uses for sugar and textiles as well as the inputs into these supply chains and associated water uses and impacts on water quality need to be analyzed in the TDA/SAP process and overlaid by emerging pressures including climate change and population pressures. A systems approach to sustainable planning is needed that addresses policy coherence across the energy, food, and other productive sectors and accounting for the negative spill over on ecosystems, fisheries and coastal zones, tourism and long term urban water security. The project preparation therefore needs to be seen in the context of the recent SADC Nexus framework and could build on the integrated scenario development and nexus modeling tools developed under the GEF Integrated Solutions to Water, Energy and Land (ISWEL) project which was UNIDO implemented and IIASA executed and clearly identified the sub-region as a global Nexus hotspot when overlaying a range of climate projections. Please consider building on and employing these tools during the process of TDA and SAP formulation.

Agency's Comments

UNDP, 9 May 2023

1. The background information under the project Rationale has been updated to address the comment. In South Africa the big textile mill Standerton Mill is in the Orange-Senqu River Basin and most of the larger ones are situated in Johannesburg or Cape Town. However, the government of South Africa is implementing the Retail?Clothing Textile Footwear Leather Value Chain Master Plan 2030 which is looking at revamping and growing the textile industry (this Master Plan has a huge impact on the Eswatini textile industry as it disincentivizes imports). During the PPG phase stakeholders involved in implementing the plan will be engaged to understand the plans for South Africa and to promote water stewardship. There is a Cotton Ginnery at Makhathini - which supports small scale cotton farmers. In Mozambique Riopete textile factory was reopened in 2014 - after 10 years of closure and operations include spinning, weaving and dyeing. Engagement to provide learnings will be explored during the PPG phase as well. In Eswatini the textile industry is the second largest employer after the sugar industry. Details have been added in the PIF.
2. Details that address the comments have been added from paragraph 7 to 11.
3. Data from IPCC report have been added under paragraph 2.
4. The comment is addressed under paragraph 16.
5. The comment on overview of the source to sea impacts and opportunities is addressed under paragraph 22.
6. The comment on "Illegal resource use due to poverty" is addressed under paragraph 10.
7. The comment is addressed under paragraph 23.

17 May 2023

Thank you. We take note and we will make sure this comment is addressed at the PPG phase and the proposed tools will be employed during the process of TDA and SAP formulation.

4.2 JUSTIFICATION FOR PROJECT

- a) Is there an indication of why the project approach has been selected over other potential options?
- b) Does it ensure resilience to future changes in the drivers?

c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?

d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments

(4/18/2023)

1. Strengthening the background as commented on above will provide a much clearer springboard to underpin the project design and why this project approach has been chosen. While there is clear need to strengthen INMACOM and the details of the other components will benefit from a strengthened background section that than also builds the base for a revised TOC which more clearly outlines solution pathways to which the project contributes in various ways.

2. Please also show how the suggested project not only builds on SADC efforts, WIOSAP and regional efforts but also key past and ongoing GEF (incl. LDCF/SCCF) and non-GEF projects and lessons learned on national levels.

3. Stakeholders: Please be clearer on the key stakeholders in the basin and to be involved in the project beyond government agencies - are there mainly large or small farmers, fisherfolk, miners or corporations ? Are there existing conflicts across sectors within or across countries? Who are key private sector associations or groupings likely to be consulted during PPG? What are gender dimensions ? Some of the critical stakeholders mentioned in the ESS screen are not mentioned in the PIF. Also, which will be the lead counterpart agency in each country ?

(5/15/2023)

Building on the situation analysis and pressures outlined from e.g. large amount of water for cooling purposes of the coal fired powerplants receiving water transfers, water uses for sugar and textiles as well as the inputs into these supply chains and associated water uses and impacts on water quality need to be analyzed in the TDA/SAP process and overlaid by emerging pressures including climate change and population pressures. A systems approach to sustainable planning is needed that addresses policy coherence across the energy, food, and other productive sectors and accounting for the negative spill over on ecosystems, fisheries and coastal zones, tourism and long term urban water security. The project preparation therefore needs to be seen in the context of the recent SADC Nexus framework and could build on the integrated scenario development and nexus modeling tools developed under the GEF Integrated Solutions to Water, Energy and Land (ISWEL) project which was UNIDO implemented and IIASA executed and clearly identified the sub-region as a global Nexus hotspot when overlaying a range of climate projections.

Please consider building on and employing these tools during the process of TDA and SAP formulation.

Please also note that the discussion on stakeholders should be integral to the situation analysis and - including clearly the range of private sector actors mentioned in the situation analysis and description of the project approach. Leaving this to a separate section risks a project design that does not fully integrate cross-sector, horizontal as well as societal vertical/socio-economical dimensions, including gender dimensions.

This needs much clearer attention during PPG phase.

Agency's Comments

UNDP, 9 May 2023

1. Comment addressed under the Background section
2. More projects have been added under the section on "coordination and cooperation with ongoing initiatives and projects".
3. The comments on stakeholders has been addressed under stakeholders section in the PIF.

17 May 2023

Thank you. We take note and we will make sure this comment is addressed at the PPG phase.

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments

(4/18/2023)

The need to strengthen INMACOM and work across sectors to address pressures on water and risking basin closure is outlined overall well (though as mentioned above needs to be supplemented by some data, information and references as mentioned before). The TOC can be revisited and made more concise after revising the background and rationale.

Components:

1. Please keep in mind that outputs can and likely will evolve and change (within the overall project scope) during the preparation phase.
2. Floods and droughts: how much is influenced by the operational rules of existing infrastructure and how much via rainfall. If releases from dams are a significant factor, will the dam operators be involved in the planning of flood and drought mitigation measures?
3. Data and information exchange (1.2): please during PPG include discussions and formal agreement on the type, frequency and use/purpose to share what data and information across jurisdictions and sector within and across countries. Ditto for the Environmental Management Framework (2.2.2)
4. It is mentioned in outcome 2.2. that the TDA will be updated ? Which TDA is referred to here?
5. Demonstration pilots: please provide clear and factual criteria on selection and clarity who has or will approve these criteria. Pilots should then be selected based on these and address key drivers, and promote innovative and scalable solutions as well as *among* those empower and involve women, youth and marginalized groups. Interventions that e.g. simply aim at land restoration where sand mining occurs should be re-evaluated to address drivers and not risk to marginally address symptoms.
6. Communications strategy : KM and learning deliverables such as a knowledge generation, lessons capture, dissemination of best practices and lessons, peer-to-peer learning, awareness raising, exchanges, workshops as well as knowledge materials such as reports. The project plans to participate in IW:Learn. However, there is no mention of an overall communications strategy/plan. Thus, the agency is requested to provide a *brief description of a Communications Strategy/Plan* for outreach, awareness raising and dissemination of outputs/results.

(5/15/2023)

Comments addressed.

Agency's Comments

UNDP, 9 May 2023

The background, rationale and ToC have been revised.

Components:

1. Noted.
2. The comment on floods and droughts is addressed under paragraph 33.
3. During the PPG the discussions and formal agreement on the type, frequency and use/purpose to share what data and information across jurisdictions and sector within and across countries will be added.
4. It was an error. This project will develop a TDA for the basin.
5. The comment on demonstration pilots is addressed under paragraph 43.
6. The comment on communications strategy is addressed under paragraph 45, under component 5 and output 5.1.4: ?Communication Strategy and Plan developed to facilitate targeted communications to stakeholders driving outreach, awareness raising and dissemination of outputs/results? has been added.

5.2 INCREMENTAL/ADDITIONAL COST REASONING

Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat's Comments

(4/18/2023)

Please include more clearly based on comments provided before and provide a clearer national and regional baseline to which the GEF investment will provide incremental finance. What is the situation with and without the proposed project?

(5/15/2023)

Addressed.

Agency's Comments

UNDP, 9 May 2023

A clearer national and regional baseline to which the GEF investment will provide incremental finance is provided under the section on Coordination and Cooperation with

Ongoing Initiatives and Project. The situation with and without the proposed project is provided under paragraph 24 under the Theory of change.

5.3 IMPLEMENTATION FRAMEWORK

a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) Is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's Comments

(4/18/2023)

1. Please clearly identify the executing partners. While GWP SA is operating as executing agency for now the project design should plan to increasingly hand over responsibilities to INMACOM over time, outline the cooperation between INMACOM and TCFA, and be clear on the executing partner/s on coastal management.

2. Please fill out the section on "coordination and cooperation with ongoing initiatives and projects":

for examples, please outline coordination and cooperation with other development partners involved in INMACOM and TFCA support (.e.g NL; others ?) and adjacent basins draining in the same general coastal areas such as the Pungwe-Save-Busi basins (and the GEF supported and IUCN implemented project) as well as national efforts (incl existing flood and drought preparedness efforts)/.

3. During implementation , please explore linkages to the global platform and relevant child projects (e.g. Cambodia re sand mining or Mongolia and Peru on textiles) of the supply chain IP. Once the Clean and Healthy Oceans IP is developing there are additional synergies and knowledge exchanges possible.

(5/15/2023) During project preparation and implementation please explore the linkages to the mentioned IPs as well as the outputs and tools developed under the ISAEEL project as mentioned earlier.

Comments addressed.

Agency's Comments

UNDP, 9 May 2023

1. Identified the executing partners are described under paragraph 55.
2. The section on "coordination and cooperation with ongoing initiatives and projects" has been completed. More will be identified at the PPG phase.
3. Linkages to the global platform and relevant child projects (e.g. Cambodia re sand mining or Mongolia and Peru on textiles) of the supply chain IP will be explore at the PPG. Also, synergies and possible knowledge exchanges with the Clean and Healthy Oceans IP will be identified once the preparation of this IP is completed and approved by the GEF Sec.

17 May 2023

Thank you. We take note and we will make sure this comment is addressed at the PPG phase.

5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project's indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's Comments

(4/18/2023)

1. In the portal indicator 7 and sub-indicators are not filled out.
2. The ambition of the listed core indicators (3.1, 4 and 11) for a project that size are extremely low even taking into account that this is a 'foundational' IW project. Please revisit.

(5/15/2023) Comments addressed in the word document. There seems to be a problem with the PDF of the portal which still does not show the CI 7 indicators. This needs to be addressed with the portal IT team.

Agency's Comments

UNDP, 5 May 2023

1. Indicator 7 and sub-indicators are now filled out in the portal.
2. The ambition of the listed core indicators (3.1, 4 and 11) has been increased.

17 May 2023

We can see the CI Indicators in the portal from our side. This error might be linked to the PDF of the portal from the GEF Sec side.

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's Comments NA

Agency's Comments

5.6 RISKS

- a) Are climate risks and other main risks relevant to the project described and addressed within the project concept design?**
- b) Are the key risks that might affect the project preparation and implementation phases identified and adequately rated?**
- c) Are environmental and social risks, impacts and management measures adequately screened and rated at this stage and consistent with requirements set out in SD/PL/03?**

Secretariat's Comments

(4/18/2023)

1. Climate risks: As mentioned before there could be some quantitative information and references for climate risks. Given the increased frequency of major cyclones having hit Mozambique over the last decade this should be included in the climate risks.
2. Strategies and policies: is the answer implying that the governance of surface and groundwater is well developed in all countries, zoning and/or permits and water withdrawals and pollution restriction issued, monitored and enforced ? Also, there are no significant subsidies for fertilizers, energy or other distorting incentives and contributing to the overuse of natural resources ?
3. Technical design: it is mentioned that the project is 'treading new ground' n terms of cooperation with the TFCA and coastal management. Can you please confirm that these entities consulted with during PIF preparation?
4. Fiduciary: ... Please confirm that the PMU will be co-located with the INMACOM commission.

(5/15/2023) Comments addressed. Please especially address comments 1 and 2 are expanded on *in project design/PPG phase*.

Agency's Comments

UNDP, 9 May 2023

1. The comment has been addressed under the Risks table.
2. The comment has been addressed under the risks table. The risk rating has been changed from low to moderate to take into consideration any conflicting policies at national level.
3. Yes, these entities have been consulted during the PIF preparation.
4. Yes, the PMU will be co-located with the INMACOM commission.

17 May 2023

Thank you. We take note and we will make sure this comment is addressed at the PPG phase.

5.7 Qualitative assessment

- a) Does the project intend to be well integrated, durable, and transformative?
- b) Is there potential for innovation and scaling-up?
- c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's Comments

(4/18/2023)

The project aims to enable the "youngest" of the SADC river basin commission to be able to fulfill its mandate. Eswatini as the host country for INMACOM has voiced keen interest for GEF support during national and regional consultations over the last years. The intend to seek a comprehensive approach and aim at regular or even institutionalized cooperation between INMACOM, the Lubombo TFCA, and coastal management is innovative and commendable. Lessons on Source-to-Sea linkages in the region can also be solicited from the linkages of ORASECOM and BCLME.

While this is an innovative approach and could serve as an example for other basins and TFCA cooperation as well as S2S management, the translation to the objectives and components, the TOC, and envisioned execution and institutional set-up options (which of course are yet to explored in more detail during project preparation) should be made more concise and clear.

Another aspect to provide a more solid rationale for the project is to provide more quantitative information on the current situation and trends which either pose pressures and/or opportunities.

(5/15/2023) Comments addressed at PIF stage.

Agency's Comments

UNDP, 9 May 2023

The project objective, components, TOC, and envisioned execution and institutional set-up options have been updated to make this approach more explicit. More details will be provided at the PPG phase.

More quantitative information on the current situation and trends has been added under the project rationale section of the PIF.

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's Comments

(4/18/2023)

Yes, the project is overall aligned with the IW focal area strategy and also has potential links to other focal areas and IPs (such as the Supply Chains and Clean and Healthy Oceans IP).

Agency's Comments

6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)

Secretariat's Comments

(4/18/2023)

The project is aligned with regional strategies but there should also be attention to national policies and strategies, including MEA related.

(5/15/2023) Please address during the PPG/project design phase.

Agency's Comments

17 May 2023

Thank you. We take note and we will make sure this comment is addressed at the PPG phase.

6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat's Comments

(4/18/2023) Given the aims of the projects and its cooperation with TFCA and enhancement of flows to reach the coast and addressing water quality, please consider if the project may have some positive contribution to the GBF framework.

(5/15/2023) Addressed.

Agency's Comments

UNDP, 9 May 2023

The project contribution to the GBF has been added under section C. Alignment with gef-8 programming strategies and country/regional priorities.

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments (4/18/2023) Yes

Agency's Comments

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's Comments

(4/18/2023) A list of stakeholders consulted has been added yet the table should include month/year. Also, it seems that the TFCA management and coastal (Nairobi convention, WIMOSA or similar) are an omission. Given the WIO project is implemented by UNEP these connections should be easy to initiate.

(5/15/2023) Comment addressed.

Agency's Comments

UNDP, 9 May 2023

The Nairobi Convention, SADC Secretariat and SADC GMI have been consulted and a column with the month and year consultations were made has been added in the table. More consultations will be done at the PPG phase.

8 Annexes

Annex A: Financing Tables

8.1 Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

STAR allocation?

Secretariat's Comments NA

Agency's Comments

Focal Area allocation?

Secretariat's Comments Yes

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments NA

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments NA

Agency's Comments

SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat's Comments NA

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments NA

Agency's Comments

8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments Yes

Agency's Comments

8.3 Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat's Comments

(4/18/2023)

1. Please reconfirm that the listed WB and AFDB co-finance are likely and not already counted towards other GEF projects.

Also, the World Bank and AfDB are not implementing agencies for this project. Please change ?GEF agency? to ?Donor Agency? in the co-financing table.

2. Are the NL still supporting INMACOM ? It is mentioned in the PIF.

3. What about CRIDF and/or EU support via GIZ in the SADC region and addressing especially the Nexus concept. e.g. https://cridf.net/RC/wp-content/uploads/2018/06/P2460_CRIDF_countries_south_africa_v1_WEB.pdf

4. Also, is TFCA supported in part by the Peace Park Foundation ? Any co-finance? which could be explored by endorsement.

(5/15/2023) Agency responses noted. Addressed.

Agency's Comments

UNDP, 9 May 2023

1. Yes, these are not counted towards other GEF projects. The letters will be provided at the PPG phase. These co-financiers have also been changed from 'GEF agency' to 'Donor Agency' in the co-financing table.

2. The Netherlands financing to INMACOM is up to 2023. Negotiations for further funding are taking place. So, NL co-financing will be confirmed at the PPG phase.

3. CRIDF funding came to end on 30 April 2023; GIZ confirmed that they do not have a project in the Incomati-Maputo basin yet; KfW is funding the SADC TFCA Facility through IUCN but currently, there is no funding in the Lubombo and the Nexus Concept project funded by EU is ending in September 2023.

4. Yes, TFCA is supported in part by the Peace Park Foundation. We had a meeting with the Regional Manager who indicated that they are interested in the project and they will provide co-financing but there have been delays in sharing information and their co-financing will be included at the PPG phase.

Annex B: Endorsements

8.4 Has the project been endorsed by the country's(ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's Comments (4/18/2023) Yes

Agency's Comments

Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat's Comments (4/18/2023) Yes

Agency's Comments

Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat's Comments (4/18/2023) Yes

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's Comments NA

Agency's Comments
Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project's intended location?

Secretariat's Comments
(4/18/2023)

1. Yes for the two basins
2. Please also include an outline of the Lumbobo TFCA

Agency's Comments
UNDP, 9 May 2023

2. The map of the Lumbobo TFCA has been added.

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's Comments
(4/18/2023) Yes. The risk is rated as "substantial" which for this type of a project seems unusual. How will this be addressed and mitigated in the project design so that risks are reduced? What kind of procedures are triggered in UNDP if projects are rated as "substantial"?

(5/15/2023) Agency response noted. Addressed.

Agency's Comments

UNDP, 9 May 2023

The Agency undertook a safeguard pre-screening at the PIF phase. A detailed and full safeguards screening will be undertaken at the PPG phase and the process will involve in-depth stakeholder engagement to revise the risks rating. Also, at the PPG phase, on-ground demonstration projects will be clearer and given that the criteria to select them includes sustainability, it is likely that the overall risks rating will change from substantial to moderate. In case the overall risk rating remains substantial, an Environmental and Social Management Framework (ESMF) that details how risks will be mitigated will be developed at the PPG phase.

Annex E: Rio Markers

8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat's Comments

(4/18/2023) No. These are all marked as "no contribution" which is not aligned with the project objective.

(5/15/2023) Addressed.

Agency's Comments

UNDP, 9 May 2023

The correction has been made. The climate adaptation and biodiversity have been now marked 1.

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments (4/18/2023) Yes

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments NA

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

(4/18/2023) Please address the comments and resubmit.

(5/15/2023) Comments are provided for specific points to be taken especially in consideration during the PPG below and throughout the review sheet. These need to be addressed by endorsement.

PLEASE address comment on the executing entity and resubmit as soon as possible.

(5/17/2023) The remaining comment has been addressed.

The project is technically cleared and recommended for inclusion in a future work program.

Agency's Comments

17 May 2023

Thank you. We have addressed the comment on the executing entity and we take note of the comments that we will ensure they are addressed at the PPG phase

9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/ Approval

Secretariat's Comments

1. During project preparation please address the key risk factors for the "substantial" ESS rating. This project should be designed such that the stakeholders mentioned are consulted and engaged in the project and conflict risks addressed in the project designed to avoid or appropriately compensate for the anticipated social and economic impacts. Such compensation than would need to be budgeted for.
2. The agency should further elaborate on its specific plans to consult key stakeholder during the development the project before CEO endorsement. Gender and youth considerations in the project design and implementation need to be clarified during project design phase and clearly outlined by endorsement (including in the results framework).
3. Please also note the comments made earlier in the review sheet for greater cross-sectoral and private sector engagement.

Agency's Comments

UNDP, 9 May 2023

1. An in-depth screening of risks will be undertaken at the PPG phase. Demonstration projects and their sites will be more defined, and stakeholders consulted further to ensure activities and budgets related to mitigating identified risks are included in the project document to avoid or appropriately compensate for the anticipated social and economic impacts. The grievance redress mechanism will also be developed to address any grievances.
2. At the PPG phase, a stakeholder analysis will be undertaken, and stakeholder engagement plan developed to ensure the needs of stakeholders are considered and they are fully engaged during the project implementation.

Review Dates

	PIF Review	Agency Response
First Review	4/19/2023	
Additional Review (as necessary)	5/15/2023	
Additional Review (as necessary)	5/17/2023	
Additional Review (as necessary)		
Additional Review (as necessary)		