

# Enhancing water-food security and climate resilience in volcanic island countries of the Pacific

Review PIF and Make a recommendation

## Basic project information

**GEF ID**

10712

**Countries**

Regional (Fiji, Solomon Islands, Vanuatu)

**Project Name**

Enhancing water-food security and climate resilience in volcanic island countries of the Pacific

**Agencies**

FAO

**Date received by PM**

9/28/2020

**Review completed by PM**

10/22/2020

**Program Manager**

Christian Severin

**Focal Area**

International Waters

**Project Type**

FSP

## **PIF**

### **Part I – Project Information**

#### **Focal area elements**

**1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Partly, the project is fully aligned with the IW focal area, but it seems that project can still be strengthened to capture the LD financing that Vanuatu has allocated to the project, but which has NOT been included at all in the budget. Please address

22nd of October 2020 (cseverin): Addressed

### Agency Response

Kindly note that shortly before the submission in the GEF portal, the LD allocation for Vanuatu was removed from the project because we realized that the funds committed by the country were not available. All the references to these funds have been removed from the PIF. The projects outcomes, outputs and activities have been reviewed to be fully aligned with the IW focal area as this is the only source of funds for the project.

### Indicative project/program description summary

**2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?**

### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Partly:

- 1) This project will be assisting pacific countries in implementing the first Strategic Action Programme ever formulated, based on funding from the GEF IW FA. One of the ever important issues in the SAP, were aquifer pollution. The presentation of the rationale for the investment, seem to be founded around the the TWAP, and the implementation of the SAP. However, the SAP itself seems to have been omitted. Please make sure that references are correct.
- 2) Please revise objective, an objective is to describe in concise terms what project will be delivering. "the project objective is to..." . Expanding the role may be important, but it would seem even more appropriate if the project would contribute to conservation of ground water resources, improved management of ground water resources, more sustainable use of ground water resources or limit pollution to pacific sids aquifers. Please carefully reformulate objective.
- 3) The new reformulated Objective should then be reflected upon in the components and their outcomes and outputs.
- 4) please ensure that proposed activities and associated outputs, are fully aligned with the national IWRM plans and their implementation (as identified and initiated under the PACIFIC IWRM project).
- 5) considering that Vanuatu has allocated funding to the project, this should also be reflected upon in the results framework, budget etc.

22nd of October 2020 (cseverin): adequately addressed, however, please ensure to reference the correct SAP <https://iwlearn.net/resolveuid/638c168074f80ef7f5761f2eb5823a1e>, and the threats identified.

### Agency Response

- 1) The references to the Strategic Action Programme (SPA) have been reviewed and updated.
- 2) and 3) The overall objective of the project, as well as the wording of the outcomes and outputs have been reviewed following the indications of GEFSEC.
- 4) Text was added to ensure that the proposed activities and associated outputs are fully aligned with the national IWRM plans and their implementation (as identified by GEF ID 2586).
- 5) Kindly Refer to see section 1: the LD STAR funds proposed by Vanuatu have been removed from the project together with the related activities.

### Co-financing

**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, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?**

### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Please carefully assess if the \$15 mio investment mobilized will be in the form of a grant or in reality will be parallel in-kind financing.

22nd of October 2020 (cseverin): Addressed

27th of October 2020 (cseverin): No, please address following: There is not proportionality in the co-financing contribution to PMC – it should be around 5% as it is the GEF contribution. Hence, for a co-financing of \$23,100,000, the expected contribution to PMC must be around \$1,155,000 instead of \$300,000.

28th of October 2020 (cseverin): Addressed

#### Agency Response

Text has been added to the PIF to explain the rationale behind the USD 15M grant co-financing committed by PSC. The institution confirmed that this co-financing should be considered as grant according to the GEF guideline on co financing – i.e. the USD 15M are “Resources provided without expectation of repayment”

**28th of October 2020 (FAO):** The co-financing has been redistributed in order to contribute for approx. 5% to PMC - the new contribution to PMC has been set to \$1,200,000.

#### GEF Resource Availability

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

#### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes, the funds will be available from the IW focal area.

27th of October 2020 (cseverin): No, please address following issue:

Amounts in Portal for the GEF Financing (\$6,000,000) and Agency Fee (\$570,000) are higher than amounts allocated in the LoEs – The only LoE that accurately reflects the amounts in Portal is Vanuatu’s. As two out of the three LoEs (Fiji and Solomon Islands) have a lower amount, the solution is either (i) reduce the amounts requested in Portal as presented in these two LoEs (GEF Financing: \$5,636,947 – Fee: \$535,510 – PPG:\$150,000 – PPG Fee: \$14,250); or (ii) leave the amounts in Portal with new LoEs for Fiji and Solomon Islands identical to Vanuatu’s.

28th of October 2020 (cseverin): Addressed, new LOEs uploaded.

Agency Response **28th of October 2020 (FAO)**: New LoEs for Fiji and Solomon Islands identical to Vanuatu's have been uploaded. Figures and now consistent for all the LOEs.

**The STAR allocation?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response NA

**The focal area allocation?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): LD financing has been included in Vanuatu LOE, however, this funding has not been accounted for in the results framework. Please address.

22nd of October 2020 (cseverin): Addressed

Agency Response

The references to LD STAR (Vanuatu) funds have been removed from the project (kindly refer to the response given in section 1)

**The LDCF under the principle of equitable access**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response NA

**The SCCF (Adaptation or Technology Transfer)?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response NA

**Focal area set-aside?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response NA

**Impact Program Incentive?**

Secretariat Comment at PIF/Work Program Inclusion

Agency Response NA

**Project Preparation Grant**

**5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes

Agency Response NA

**Core indicators**

**6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes

27th of October 2020 (cseverin): Please address below comment:

Section on global environment benefits explains project's contribution through indicator 7 but no target has been provided. Please revise

28th of October 2020 (cseverin): Addressed and noted.

Agency Response **28th of October 2020 (FAO)**: targets for indicator 7 have been provided. These take into account the peculiar situation of SIDS, yet reflect the project's contributions to the improved cooperative management of the SWE.

**Project/Program taxonomy**

**7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Partly, please include all focal areas including \$ to the project.

22nd of October 2020 (cseverin): Addressed



Agency Response The references to LD STAR (Vanuatu) funds have been removed from the project (kindly refer to the response given in section 1)

## **Part II – Project Justification**

### **1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Partly, please ensure that the underlying rationale for IW investment is clear (the 1997 Pacific IW SAP, that clearly identified aquifer pollution, along side the national IWRM plans formulated and enacted through the Pacific IWRM investment).

22nd of October 2020 (cseverin): Addressed

Agency Response

References to the 1997 Pacific IW SAP, aquifer pollution and the national IWRMs have been added.

### **2. Is the baseline scenario or any associated baseline projects appropriately described?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes

Agency Response NA

### **3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Partly, please add Theory of Change

22nd of October 2020 (cseverin): Adequately Addressed. However, it is expected that the ToC will be further developed and elaborated upon during the PPG process.

#### Agency Response

Theory of Change prepared and uploaded. This reflects the new objective, outcomes and outputs prepared following the advice included in this Review Sheet.

#### **4. Is the project/program aligned with focal area and/or Impact Program strategies?**

##### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Partly, full alignment with IW, but LD financing seems to have been omitted in project budget and components.

22nd of October 2020 (cseverin): Addressed

Agency Response The references to LD STAR (Vanuatu) funds have been removed from the project (kindly refer to the response given in section 1)

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

##### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): No, incremental reasoning is to illustrate the "additionality" that the investment will bring, on top of the baseline. The paragraph included focuses more on what the project will do. what will happen in a scenario where GEF would not invest??

22nd of October 2020 (cseverin): Addressed. However it is noted that the incremental rationale needs to be further strengthened during the PPG process

#### Agency Response

The incremental reasoning has been rephrased focusing on additionally and on the value added of this GEF investment, i.e. what would happen in a scenario where GEF would not invest in these 3 SIDS

#### **6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?**

## Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): No,

1) the global environment benefits are not necessarily the same as the core indicators. eg the rationale for GEF IW is to further transboundary cooperation on shared resources. Since this investment will not fit squarely into indicator 7, please add description here.

Further, Core indicator 3 and 7 is mentioned, but not reported on in Core Indicator table. On the other hand Core Indicator table lists Core Indicator 11, which is not mentioned in paragraph, please add. Please ensure consistency between text and table.

22nd of October 2020 (cseverin): Addressed

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## Agency Response

The global environment benefits section has been updated to explain the benefit brought by the transboundary cooperation on shared resources.

References to Core indicator 3 have been removed and consistency between the text and the table have been reviewed.

**7. Is there potential for innovation, sustainability and scaling up in this project?**

## Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes

Agency Response NA

## **Project/Program Map and Coordinates**

**Is there a preliminary geo-reference to the project's/program's intended location?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes

Agency Response NA

**Stakeholders**

**Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): No, the stakeholder matrix only includes official entities. These may indeed be central for a successful implementation of the investment, but it would seem that local stakeholder groups and natural resource users would be equally important. Please expand.

22nd of October 2020 (cseverin): Addressed

Agency Response

The stakeholder matrix has been reviewed and relevant local stakeholder groups and natural resource users have been included.

**Gender Equality and Women's Empowerment**

**Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin):Yes

Agency Response NA

**Private Sector Engagement**

**Is the case made for private sector engagement consistent with the proposed approach?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin):No, this is a very generic description of the private sector stakeholders. Please expand

22nd of October 2020 (cseverin): Addressed

Agency Response

The text on the private sector stakeholders has been expended providing few concrete examples of potential private investors

**Risks to Achieving Project Objectives**

**Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin):No, the risks identified does not include a climate risk screening, please provide. Please see GEF STAP guidance.

In general it is remarkable that climate change is not even mentioned in the risk matrix, considering the central role climate change plays in the pacific islands.

Further, It is noted that COVID 19 has been identified, but please expand on the potential short, medium and long term impacts on this proposed investment.

22nd of October 2020 (cseverin): Addressed

#### Agency Response

The Climate Risk Screening for the project has been uploaded in the portal

A specific section on climate change risk has been added to the risk matrix.

The text on COVID-19 has been reviewed indicating specific potential short, medium and long term impacts on this proposed investment

#### **Coordination**

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

#### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin):Yes

#### Agency Response NA

#### **Consistency with National Priorities**

**Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?**

#### Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin):Partly, considering that Vanuatu have allocated STAR financing to the project, it should be captured in the RF and proposed activities.

22nd of October 2020 (cseverin): Addressed

Agency Response The references to LD STAR (Vanuatu) funds have been removed from the project (kindly refer to the response given in section 1)

#### **Knowledge Management**

**Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): Yes, however please note the opportunities for collaboration with IWLEARN and its SIDS component.

22nd of October 2020 (cseverin): Addressed

#### **Agency Response**

Output 4.1.4 has been reworded to reflect better contribution to IWLEARN activities, including sharing of results globally focusing on SIDS (by using 1% of the IW funds in full coordination with the IWLEARN project).

#### **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 PIF/Work Program Inclusion

5th of October 2020 (cseverin): No, please append the ESS document

22nd of October 2020 (cseverin): Addressed

#### **Agency Response**

ESS document has been appended

### **Part III – Country Endorsements**

**Has the project/program been endorsed by the country’s GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin):Yes

Agency Response

LOEs updated to reflect the exclusion of the LD start funds of Vanuatu.

**Termsheet, reflow table and agency capacity in NGI Projects**

**Does the project provide sufficient detail in Annex A (indicative termsheet) 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 in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

NA

**GEFSEC DECISION**

**RECOMMENDATION**



**Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?**

Secretariat Comment at PIF/Work Program Inclusion

5th of October 2020 (cseverin): No, please address comments.

22nd of October 2020 (cseverin): Yes, PIF is recommended for technical clearance

27th of October 2020 (cseverin):No, please address above comments and resubmit ASAP

28th of October 2020 (cseverin): Yes, PIF is recommended for technical clearance.

**ADDITIONAL COMMENTS**

**Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.**

Secretariat Comment at PIF/Work Program Inclusion

**Review Dates**

**PIF Review**

**Agency Response**

**First Review**

**10/17/2020**

**Additional Review (as necessary)**

**10/28/2020**

**PIF Review**

**Agency Response**

**Additional Review (as necessary)**

**Additional Review (as necessary)**

**Additional Review (as necessary)**

**PIF Recommendation to CEO**

**Brief reasoning for recommendations to CEO for PIF Approval**

Volcanic Pacific Island Countries (PICs) are generally characterized by heavy dependence on traditional agriculture and suffer from environmental degradation determining structural constraints for economic growth, human development and environmental sustainability. At the same time, these PICs possess unique characteristics that further exacerbate the problems associated with environmental degradation, given the small size of the countries (in terms of both physical area and economy), limited infrastructure, distance from large international markets, high vulnerability to natural disasters, low level of human resource development, increasing urbanization, and vulnerable freshwater resources.

This project aims to enhance water and food security and climate resilience, sustain ecosystem services, and relieve pressure on over-exploited coastal aquifers by expanding and assessing the role of volcanic aquifers and by introducing sound groundwater governance frameworks in selected volcanic island states of the Pacific

With a long-term view to ensuring water and food security this project will adopt a three-pronged approach: 1 - Strive to produce an overall assessment of the aquifers present in the three countries, 2 - Promote the adoption of sound groundwater governance frameworks (developed by the GEF-FAO Global Groundwater Governance project), and 3 - Implement “on the ground” actions, introducing innovative practices and solutions while considering the Water-Energy-Ecosystem-Food Nexus principles to ensure a more integrated and sustainable use of natural resources that can be applied and replicated at all scales.

The diagnostic analysis of selected primary aquifers and the drafting of aquifer management plans will support land use planning and sustainable management of groundwater resources in areas with multiple competing users from different sectors. The proposed “hard investments” will demonstrate new approaches and de-

risk innovations to groundwater management, integrated catchment management, and sustainable land management with the goal of enhancing water and food security.