

Implementation of the Guarani Aquifer Strategic Action Program: Enabling Regional Actions

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10139

Countries

Regional

Project Name

Implementation of the Guarani Aquifer Strategic Action Program: Enabling Regional Actions

Agenices

CAF

Date received by PM

1/11/2019

Review completed by PM

11/1/2019

Program Manager

Christian Severin

Focal Area

International Waters

Project Type

MSP

CEO Approval Request

Part I – Project Information

1. Focal area elements. Is the project aligned with the relevant GEF focal area elements as indicated in Table A and as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: Yes, the proposal is aligned with the IW GEF 7 strategies.

Agency Response

2. Project description summary. 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 PIF/Work Program Inclusion

23rd of January 2019: The SAP finalized in January 2009, specifically mentions an Immediate Implementation Stage that the involved countries would be undertaking directly following the signing of the SAP. The identified route towards implementation was then to be followed by formulation of a common framework for convergence of actions towards safeguarding GAS, which then would inform the Future Implementation Stage. The submitted proposal does not clearly indicate how far the countries have gotten in these different processes, nor how the proposed interventions will be delivering towards this. Please elaborate.

Considering that the information leading to the SAP has been collected and analyzed more than 10 years ago, it would be appropriate to update the SAP accordingly, vis a vis both national and regional activities. Such activities seem to be appropriate for re-activating the countries around implementation of the GAS SAP.

Please include an overview on how far national and regional implementation is on the SAP priorities.

Considering the importance involvement of all stakeholders, especially the private sector towards sustainable use of the Aquifer resources, it seems odd that the section on private sector engagement is empty. Moreover, the proposed intervention does not seem to be leveraging any private sector co-financing, which could potentially be a red flag for long-term sustainability. Please include description on what private sector stakeholder consultation and analysis have been undertaken, as well as the road map for continued engagement.

The strength of the SAP is that it among others, identify potential areas for investment and associated financing. Please elaborate on how the proposed project will be assisting the nations in leveraging financing for addressing the different identified priorities, as well as set the scene for interventions from other stakeholders, eg, that may have been engaged in the TDA/SAP formulation project.

Under Component 3, in the paragraph on IWLEARN, please include the fact that the project will be delivering atleast one experience note and one results note.

Successful implementation of SAP activities towards furthering regional cooperation should happen through a regional organization. Please elaborate on how this project will be working through, and strengthening the capacity of a regional organization (eg CIC), potentially working under the Plata Treaty Framework, The concept include a few references to this, but this needs to be elaborated upon. and be clearer. Further, please include reference letter from the given regional organization that recognizes that this project will be executed through them.

12th of September 2019 (cseverin): Partly Addressed. Please include mentioning in to component 3, that atleast 1% of the GEF grant will be allocated to support the IWLEARN activities described.

8th of October 2019 (cseverin): Partly addressed. Considering that the project will be mainstream gender into SAP implementation, as part of one of the deliverables. It is expected that the project would be delivering to Core Indicator 11 on Gender. Please reassess and include any such deliverables that is expected to be achieved during project implementation.

28th of October (cseverin) Addressed

Agency Response

In the Component 3, it was included that at least 1% of the GEF grant will be allocated to support the IWLEARN activities described. See page 3.

After finalization of the SAP, countries focused on the negotiation of the “Guarani Agreement”, seen as the optimal legal framework for transboundary cooperation and SAP implementation. In 2018 the Agreement was finally ratified by Argentina, Brazil and Uruguay. Paraguay is still in the process of ratification of the Agreement, and it will finally enter into force thirty days after the fourth instrument of ratification have been deposited.

While this was ongoing, countries initiated a limited action in line with SAP provisions, but fragmented and lacking regional strategic coordination. Text describing these actions has been added to the Baseline at pages 18 and 19 of the CEO Request for Endorsement.

The proposed project is intended to cover the “immediate implementation” stage foreseen in the SAP.

By submitting this project proposal to the GEF, countries have confirmed the full current validity of the 2009 SAP. Text clarifying this has been added at page 17. Gender aspects, not at the time considered by the SAP, will be mainstreamed into the SAP (output 3.1.2), through the collection and analysis of WWAP sex-disaggregated indicators developed by UN and the use of UNESCO’s WWAP Gender and Water Toolkit in training and capacity building sessions aimed to water professionals, policy-makers, NGOs and other stakeholders.

For response to "include an overview on how far national and regional implementation is on the SAP priorities", please see response to point 1.

Given the “enabling” nature of this bridging project aimed at reviving countries’ commitment to the SAP by the Guarani Agreement, and at implementing initial and critical regional actions, the project is exclusively directed to creating the prerequisite regional basis for SAP national implementation by strengthening of institutional capacities (harmonized monitoring) and regional cooperation frameworks (Institutionalization of multi-country committees). Given its “enabling” regional nature, private sector participation and financing is not foreseeable. However, the key to sustainability might lay in the engagement of civil society (mobilized around water, sustainable local development and gender issues), which will pledge for responsible investment. Civil society will be involved during the capacity building and the gender diagnosis processes.

The project builds upon the favorable momentum for resuming regional SAP implementation created by the Guarani Agreement, the most significant transboundary treaty related to aquifers worldwide, and one of the flagship achievements of the GEF IW focal area. The aim is to set up the regional frameworks (see response to point 4) that will foster national SAP investments and compliance with the Agreement provisions. The gender diagnostic will also collaborate to identify safety concerns in sanitation and wastewater treatment and inadequate current water supply/ availability in both quality and quantity in the households of different areas and thus pinpoint investment opportunities.

The project will be delivering at least one experience note and one results note, already foreseen, see Logframe page 37 output 3.1.3

As foreseen in the SAP, the execution of the project will be almost totally responsibility of the four countries (National Executing Agencies) through the multi-country Technical Committees, to be established at the start of the project. Among them the committee named in the SAP “Unidad de Articulacion del SAG” (SAP articulation unit), which was the only one established soon after SAP endorsement, and that has since evolved into the CeReGAS, a permanent regional Category 2 UNESCO Center funded by Uruguay. CeReGAS will be the regional organization that will coordinate the project execution and host the PCU, as foreseen by the SAP. The UNESCO Regional office in Montevideo will be responsible for procurement and administration only. A letter of CeReGAS confirming acceptance of this role is attached. Text clarifying execution arrangements has been added at pages 27, 28 and 29 of the CEO Endorsement Request.

To ensure an effective coordination with the CIC and with the parallel GEF MSP aimed at enabling the full implementation of the La Plata Basin SAP, the CIC has been included in the SC of the project.

The core indicator 11 on gender will be include. In page 25 was include a new text, *“an estimated of 1.000 participants will enroll in these courses, and several mechanisms to ensure gender parity in enrollment will be but in place”*. Also, *“It is expected that the monitoring data sharing protocols referred in component 2 will include a chapter on harmonization, measurement and interchange of a set of priority gender sensitive indicators”*. Finally, *“Apart from the incorporation of the most relevant of these indicators within specific chapter of the data sharing protocols a complete gender analysis of the SAP will be conducted as part of the project”*.

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

Secretariat Comment at PIF/Work Program Inclusion NA

Agency Response

4. Co-financing. Are the confirmed 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, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: An annex have been included in the submission that outlines upcoming funding in the GAS under CAFs implementation to be at \$64.4 mio. Considering this, it is a remarkable low cofinancing CAF is bringing to the project (only \$400k has been listed).

Please note that the endorsement letter from Brazil, does not mention providing cofinancing to the project, contrary to the other three countries. Please provide cofinancing letter from Brazil.

Further, please include cofinancing from private sector towards ensuring the long term sustainability of the shared water resources in the GAS>

12th of September 2019 (cseverin): Partly Addressed. Considering the important role Brazil plays in the Guarani region, please provide the cofinancing letter, including the actual amounts, and reflect on its contribution throughout the project documents.

8th of October 2019 (cseverin): Partly Addressed. please ensure that all cofinancing letters (if not provided in English) is followed by an English translation.

28th of October 2019 (cseverin): Addressed.

7th of November 2019 (cseverin): No, please address following points:

1) Please provide cofinancing letter for UNESCO.

2) Please note that at thsi stage in project development, the status of the type of financing can NOT be unknown, please identify which kind UNESCO will be providing and make sure this is properly reflected in the portal. Further, please expand on how investments mobilized was identified, the one line response included is insufficient.

3) Please ensure that the budget line project management is cofinanced. Havign such activities solely financed by GEF is not optimal. Therefore please make changes that will reflect upon the fact that GEF will not be carrying the cost of project management by itself.

14th of November 2019 (cseverin): Addressed

Agency Response

1) UNESCO Co-financing Letter

Mr. René Gómez García Palao,
Senior Executive/CAF GEF Coordinator

Montevideo, 13th November, 2019

Reference: PHI-095/19

Subject: Project Co-financing Commitment "CAF GEF Implementation of the Guarani Aquifer Strategic Action Programme: Enabling Regional Actions"

Dear Mr. Gómez García Palao,

I am writing to you regarding the above mentioned Global Environment Facility (GEF) funded project.

The UNESCO International Hydrological Programme for Latin America and the Caribbean (LAC) has led global action to protect groundwater through many initiatives including groundwater maps for the Americas and impacts of climate change on groundwater. Also UNESCO IHP-LAC has an extensive track record in transboundary water management and cooperation through data collection, assessment, hydrodiplomacy on transboundary surface and groundwater resources (e.g. ISARM Americas and PccP programmes).

Convinced of the importance of enhancing the long-term sustainability of the groundwater resources of the Guarani Aquifer System, we are pleased to hereby confirm the commitment of UNESCO IHP-LAC to act as executing agency and contributing to the above mentioned GEF funded project, with US\$ 1.200.000. This contribution will be implemented through actions and activities funded by the IHP aimed at water resources management in the Guarani Aquifer System; and in the project beneficiary countries in kind also referring to time of specialized personnel, logistic support, office space, studies and other facilities, as well as the relevant existing data base and documentation.

Yours sincerely,



Miguel Doria
Regional Hydrologist for
Latin America and the Caribbean

2) See pág 4. Based on the objectives of the project co-financed by the GEF, CAF will also focus the work of complementary technical assistance to the SAG Countries in the framework of the concrete actions that it carries out, such as the Water Agenda, the Green Agenda and the Program Cities with Future. The operation of these initiatives through technical cooperation projects financed by CAF will generate synergies, that is products and results that contribute to the implementation of the SAP-GAS. Likewise, these technical cooperation projects will include capacity development and project pre-investment will generate significant opportunities for the execution of investment projects within the direct influence area of the SAG. The UNESCO contribution, as executing agency, will be implemented through actions and activities funded by IHP aimed at water resources management in the Guarani Aquifer System.

3) Added USD 200.000 co-financing in Table B, and Annex D. page 42

Brazil's co-financing letter was received from the Regional Development Ministry and reflected its contribution throughout the project documents. See Annex 1.



5. GEF resource availability. 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 23rd of January 2019: Yes

Agency Response

STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Focal Area allocation?

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: Yes

Agency Response

LDCF under the principle of equitable access?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

SCCF (Adaptation or Tech Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Focal Area Set Aside?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

6. Project Preparation Grant. If PPG is requested in Table E.1, has its advanced programming and utilized been accounted for in Annex C of the document?

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: No, please make sure that Annex C reflects upon the entire PPG amount.

12th of September 2019 (cseverin): Addressed.

Agency Response Done

7. Non-Grant Instrument. If this an NGI, are the expected reflows indicated in Annex D?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

8. Core Indicators. Are the targeted core indicators in Table E calculated using the methodology in the prescribed guidelines? (GEF/C.54/Infxxx)

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: The core sub indicators has been reported on appropriately.

Agency Response

9. Project taxonomy. Is the project properly tagged with the appropriate keywords as in Table G?

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: Partly, please consider if it would be appropriate to also tag the project under level 2 themes such as Transform policy and regulatory environments, Strengthen institutional capacity and decision making, Beneficiaries, Local communities, Civil Society.

Further, this project is NOT a targeted research project under IW, please remove this tag. The project should be tagged as Freshwater, Aquifer and Strategic Action Plan Implementation.

12th of September 2019 (cseverin): Partly Addressed. above comments addressed, but given that the project is engaging in transboundary aquifer governance work, it is envisioned that such investment would fall under some of the RIO markers. Please carefully reassess and identify the proper RIO marker(s).

Finally, please remember to tick the appropriate RIO markers at the bottom of the project taxonomy sheet.

8th of October 2019 (cseverin): Addressed

Agency Response

Despite the project have not included a climate vulnerability study, with the background of the previous project it can be inferred that in this specific case, the adaptation score can be considered a secondary objective, with adaptive score 1, for the RIO Markers. The appropriate adaptation RIO marker was selected at the bottom of the project taxonomy sheet.

Part II – Project Justification

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

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: Please refer to comments under question 2

12th of September 2019 (cseverin): addressed.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: The baseline scenario sections seems to be focusing on describing the natural scientific issues and factors in and around the Aquifer. Baseline scenarios should be including description on the suite of projects and activities that delivers the baseline for the proposed set of interventions.

12th of September 2019 (cseverin): considering the nature of the investment, it is seen as addressed through explanations provided.

Agency Response

The baseline for the proposed MSP consists of the SAP, whose current validity has been confirmed (see point 2), of the Guarani Agreement, and of the regional and national actions undertaken by the countries since SAP endorsement. See responses to point 1, 4, 5 .

A beneficiary-oriented assessment and intervention, needed to construct baselines scenarios will be available as soon as the gender diagnosis process is completed. The data set will be complemented with the available information at the Brazilian Gender Statistics System of the National Secretariat of Women's Policies (that depends on the Ministry of Human Rights) and other national sources that might be identified during the stakeholders engagement phase of the implementation process.

3. Project Description. Is there an elaboration on the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there more 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

23rd of January 2019: Please see comments provided under question 2

12th of September 2019 (cseverin) Addressed.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: No, please elaborate on the incremental cost reasoning, including more solid description of the investments that provide the baseline whereupon the proposed investment will be building.

12th of September 2019 (cseverin) addressed.

Agency Response

Please see page 23 point 4, and page 17 point 6.

Increased coordination among the aquifer's countries will positively reflect on the ability to enhance synergies among the many ongoing fragmented sectorial actions (baseline contributions) in countries in the SAG region. See. Pag. 38

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

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019:, Please expand on the innovative aspects of the proposed set of interventions

12th of September 2019 (cseverin): addressed.

Agency Response Please see page 23 point 6

8. Project Map and Coordinates. Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: information on the Aquifer has been included. Please explain if it possible to include geo referenced information on the project intervention sites.

12th of September 2019 (cseverin): Geo Reference points submitted for the Guarani Aquifer.

Agency Response

Guarani Aquifer System Extreme Points in Each Country

| Country | NORT | | SOUTH | | EAST | | WEST | |
|-----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Latitude S | Length W |
| ARGENTINA | 25°31'6.29" | 57°34'47.67" | 31°56'2.87" | 58° 9'43.70" | 26°14'56.70" | 53°38'18.68" | 28° 3'0.59" | 61°47'34.22" |
| BRASIL | 16°49'48.62" | 53°47'59.13" | 31° 4'12.64" | 55°21'11.20" | 21° 2'46.57" | 46°47'32.94" | 22° 4'19.09" | 56°23'14.22" |

| | | | | | | | | |
|----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| PARAGUAY | 22°16'15.94" | 56° 7'3.80" | 27°34'15.62" | 56°24'49.24" | 24°21'27.71" | 54°15'29.44" | 27°11'8.98" | 58°39'27.57" |
| URUGUAY | 30° 5'11.92" | 56°52'30.17" | 32°29'17.83" | 56° 2'26.57" | 31° 4'12.64" | 55°21'11.20" | 31°52'57.92" | 58°11'32.74" |

NOTE: Keep in mind that these points are approximate and correspond to the final products of the SAG Project (2003-2009), so through subsequent studies may have changed.

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

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

10. 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 PIF/Work Program Inclusion

23rd of January 2019: Please elaborate on the stakeholder engagement that have been undertaken during the project preparation. Further, please include stakeholder engagement plans for project implementation.

12th of September 2019 (cseverin): Please elaborate on the foreseen stakeholder engagement plan for the project implementation phase.

8th of October 2019 (cseverin): Addressed

7th of November 2019 (cseverin): Please include reference in portal submission to costed stakeholder engagement as described in the Budget. Further, please include wording that will describe how the project, at project inception, will provide a costed, more strategic and targeted stakeholders' involvement plan, which will inform the design of stakeholder participation activities needed for the production of each project output. (ie. A costed Stakeholders Involvement Plan will be prepared and submitted for adoption at the first Steering Committee Meeting of the project.)

14th of November 2019 (cseverin): Partly, please make sure to include wording that will describe how the project, at project inception, will provide a costed, more strategic and targeted stakeholders' involvement plan, which will inform the design of stakeholder participation activities needed for the production of each

project output. In the results framework, (table) under output 1.1.1 please include wording along following lines "A costed Stakeholders Involvement Plan will be prepared and submitted for adoption at the first Steering Committee Meeting of the project."

14th of November 2019 (cseverin): addressed

Agency Response

Done, please see page. 2 (Table B), page 22, page 56. A costed Stakeholders Involvement Plan will be prepared and submitted for adoption at the first Steering Committee Meeting of the project.

In order to further foster and monitor participation and more specifically, the Stakeholders’ involvement and commitment to the project goals, a Stakeholders’ Engagement Framework (SEF) has been developed through the adaptation of some of the International Association for Public Participation (IAP2) concepts and tools.

The SEF sets out the principles guiding the participative approach based on the common principles and common instruments identified in chapter 4 of the “Baseline Scenario”. Its methodology sets up a four-category engagement typology in order to recognize that different kinds and levels of participation are not only expectable, but also necessary.

The four categories include “Inform”, “Consult”, “Collaborate” and “Empower”. They are used to plan and to monitor the different actions agreed to accomplish a useful, relevant and inclusive participation strategy.

The first step (Planning) is to narrate and describe the commitments taken by each actor (expected actions) regarding every project’s component and activity and specifying ultimate responsibilities. Those actions are fed into the following chart. Their execution is monitored on a regular, negotiated basis, and afterwards registered on the same table. Every expected action is accompanied by a description and every executed action by a link directing to a verification means.

| Engagement level/type | Inform | | Consult | | Collaborate | | Empower | |
|-----------------------|----------|----------|----------|----------|-------------|----------|----------|----------|
| | Expected | Executed | Expected | Executed | Expected | Executed | Expected | Executed |

| | | | | | | | | |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Stkhldr 1 | -action 1 |
| | -action 2 |
| Stkhldr 2 | -action x |
| | -action y |

It has been pondered that one of the keys to sustainability might lay in the engagement of civil society mobilized around water, sustainable local development and gender issues, which according to their recent actions in some of the four countries, will pledge for responsible investment.

Civil society will be involved during the capacity building and the gender diagnosis processes and their references and coordinates will be included in the PRODOC. Please see Annex Memory Report Guarani Aquifer Meeting – Montevideo March 2019

11. 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 PIF/Work Program Inclusion

23rd of January 2019: please include results of the gender analysis, which gaps have been identified and how these will be addressed during project implementation.

12th of September 2019 (cseverin): Addressed.

Agency Response

The representation gap, related to the institutional factor, will be addressed through the promotion of gender balance in decision – making and participation in capacity building of the institutions in charge of water and gender issues and other relevant actors. There is no baseline or indicators whatsoever to attempt a gender.-gap analysis in access and control over water resources.

With the only exception of the abovementioned Gender Statistics System of the National Secretariat of Women’s Policies in Brazil, there is no production of gender sensitive data or intra-household disaggregated information related to water.

The baseline as well as the gaps assessment will be overcome through the collection and analysis of WWAP sex-disaggregated indicators developed by UN and the use of UNESCO's WWAP Gender and Water Toolkit in training and capacity building sessions aimed to water professionals, policy-makers, NGOs and other stakeholders.

12. 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 PIF/Work Program Inclusion

23rd of January 2019: There is a general lack of a private sector engagement strategy. Please elaborate on how private sector will be engaged early in the project implementation process, to ensure participation towards successful implementation of the SAP.

12th of September 2019 (cseverin): Addressed, but please continue to stride towards including the private sector throughout the investment period.

Agency Response

Given the “enabling” nature of this bridging project aimed at reviving countries’ commitment to the SAP by the Guarani Agreement, and at implementing initial and critical regional actions, the project is exclusively directed to creating the prerequisite regional basis for SAP national implementation by strengthening of institutional capacities (harmonized monitoring) and regional cooperation frameworks (Institutionalization of multi-country committees). Given its “enabling” regional nature, private sector participation and financing is not foreseeable. However, the key to sustainability might lay in the engagement of civil society (mobilized around water, sustainable local development and gender issues), which will pledge for responsible investment. Civil society will be involved during the capacity building and the gender diagnosis processes.

13. Risk. 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 PIF/Work Program Inclusion

23rd of January 2019: The project proposal identifies two risks to successful project implementation. Please consider if factors such as lack of private sector engagement, climate change, lack of national baseline projects presents a risk for the successful implementation of the project.

12th of September 2019 (cseverin): A project that works on water resources management, will more likely than not be impacted by a changing climate and lack of private sector engagement. Therefore, please elaborate on the role th these two potential risks are to the overall success of the project.

8th of October 2019 (cseverin): Addressed

Agency Response

Done, please see page 26

| Risks | Rating | Risk Mitigation Actions |
|---|----------|---|
| <u>Cooperation risk.</u> The existing diverse, heterogeneous nature of the legal jurisdictions in the four countries as they pertain to water in general, and groundwater in particular, define risk. Politically, from the national level, to the provincial or state levels, failures to adopt, implement and/or cooperate on the SAP recommendations may negate efforts initiated by the GEF support | Low | This risk will be mitigated by strengthening coordination at the aquifer level (Component 1), and enact broad stakeholders' participation throughout project implementation |
| <u>Implementation risk.</u> The level of risk associated with the implementation of the project is very low, considering the great interest on, and commitment to the SAP of the countries' governments and institutions, as well as of international organizations and potential partners. | Very Low | Through activities of Component 3 the project will ensure continuing support from countries and partners. |
| <u>Climate Change</u> The project deals with the huge groundwater resources contained in the Guarani Aquifer, a resource little affected by climatic variations, and a fundamental asset for CC adaptation. | Very Low | Through activities of Component 2 the project will monitoring the quantity, quality and availability of the resource, which contribute to cross-border water security |
| <u>Lack of active private sector participation.</u> The private sector users of the Guarani resources will have a key role in the future full SAP implementation. The enabling nature of this project will set the ground for private sector involvement. | Very low | Through activities of Component 3 the project will raise awareness of the private sector and open the way for systematic involvement in the full SAP implementation. |

14. 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 PIF/Work Program Inclusion

23rd of January 2019: One of the strong features of GEF investments and in particular for GEF IW investments is to build local capacity and capacity of regional bodies, such as CIC, to manage transboundary water resources. The coordination description suggests that execution will happen through UNESCO. Please make needed changes to reflect that the project will be executed through a regional institution.

Please include description of relevant GEF funded projects in the region that will be coordinated with.

12th of September 2019 (cseverin) Partly addressed. However, please identify additional relevant GEF investments in the region that the project will seek coordination with.

8th of October 2019 (cseverin): Addressed, it seems that there are no investments with direct impact on the Guarani according to project proponents.

Agency Response

As foreseen in the SAP, the execution of the project will be almost totally responsibility of the four countries (National Executing Agencies) through the multi-country Technical Committees, to be established at the start of the project. Among them the committee named in the SAP “Unidad de Articulacion del SAG” (SAP articulation unit), which was the only one established soon after SAP endorsement, and that has since evolved into the CeReGAS, a permanent regional Category 2 UNESCO Center funded by Uruguay. CeReGAS will be the regional organization that will coordinate the project execution and host the PCU, as foreseen by the SAP. The UNESCO Regional office in Montevideo will be responsible for procurement and administration only.

No other GEF ongoing project is at present of relevance for the proposed project. The project will monitor the evolution of the GEF portfolio and establish contacts with other new projects whenever deemed necessary /useful.

To ensure an effective coordination with the CIC and with the parallel GEF MSP aimed at enabling the full implementation of the La Plata Basin SAP, the CIC has been included in the SC of the project.

15. Consistency with national priorities. Has the project described the consistency of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: yes

Agency Response

16. Knowledge management. Is the proposed “Knowledge Management Approach” for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: yes

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: Yes

Agency Response

18. 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 PIF/Work Program Inclusion

23rd of January 2019: Please elaborate on the socioeconomic benefits that the project will be providing.

12th of September 2019 (cseverin): Addressed.

Agency Response

The shortage of water-related indicators by person challenges the possibility of benefits prediction. Nevertheless, the benefits might yet be unquantifiable but well-known as a result of previous experiences and literature.

The achievement of information-based joint managed underwater resources will, among other impacts, lead to long-term clean water access. This becomes increased communities' resilience, enhanced local self-sufficiency for productive and household uses, nutritional improvements, enteric health, child growth and development, poverty alleviation, women and girls empowerment and better allocation of their time.

19. Annexes:

Are all the required annexes attached and adequately responded to?

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: Yes

Agency Response

Project Results Framework

Secretariat Comment at PIF/Work Program Inclusion 23rd of January 2019: Yes

Agency Response

GEF Secretariat comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Council comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

STAP comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Convention Secretariat comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Other Agencies comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

CSOs comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Status of PPG utilization

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: Please ensure that PPG financing table adds up to total applied for.

8th of October 2019 (cseverin): Addressed.

Agency Response Done.

Calendar of expected reflows (if NGI is used)

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Project maps and coordinates

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Part III – Country and Agency Endorsements

1. 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

23rd of January 2019: All four countries have endorsed the project. However, Paraguay and Argentina have changed focal points. Hence, please obtain new endorsement letters and include these in resubmission.

12th of September 2019 (cseverin): Addressed, through explanatory text.

Agency Response Although Argentina, Brazil and Paraguay changed their Focal Points, at the last Meeting in Montevideo on march 25 and 26'2019, the four countries, with the presence of their focal points, reiterated support for the project. View meeting memory.

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

Agency Response

GEFSEC DECISION

1. RECOMMENDATION.

Is CEO endorsement/ approval recommended?

Secretariat Comment at PIF/Work Program Inclusion

23rd of January 2019: No, please address comments and resubmit

12th of September 2019 (cseverin): No, Please address comments

8th of October 2019 (cseverin): No, please address comments.

28th of October 2019 (cseverin): please address comments communicated, and resubmit

7th of November 2019 (cseverin): No, please address comments provided

14th of November 2019 (cseverin): No, please address comment

14th of November 2019 (cseverin): Yes CEO Approval is recommended

Review Dates

1SMSP CEO Approval

Response to Secretariat comments

| | | |
|---|--|--|
| First Review | | |
| Additional Review (as necessary) | | |