



Enhance the adaptative capacity to floods and water security in S?o Tom? and Principe

Review PIF and Make a recommendation

Basic project information

GEF ID

11544

Countries

Sao Tome and Principe

Project Name

Enhance the adaptative capacity to floods and water security in S?o Tom? and Principe

Agencies

UNDP

Date received by PM

3/22/2024

Review completed by PM

4/29/2024

Program Manager

Fareeha Iqbal

Focal Area

Climate Change

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 3/28/24:

Yes.

Agency's Comments

UNDP, April 24, 2024:

Thank you.

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 3/28/24:

Yes.

Agency's Comments

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 3/28/24:

Yes.

Agency is requested to kindly see comment below for project preparation/CEO endorsement stage.

Agency's Comments

UNDP, April 24, 2024:

Thanks, noted. We made slight adjustments now, but more will be done during the project preparation phase when further information is collected.

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

Secretariat's Comments 4/29/24:

Cleared.

3/28/24:

Further information is requested.

- 1) While the project will deliver direct adaptation benefits in terms of more consistent and high quality water for both men and women, please consider if there are opportunities to reduce aspects of climate vulnerability that particularly impact women and girls, through the project. If these are identified, please discuss in the project component sections.
- 2) Please ensure women and gender experts are meaningfully engaged in Outputs 1.1 and 1.2, and that the legal and institutional frameworks developed are gender responsive. In Output 2.2., please ensure that the trainings include gender aspects and engage women and gender experts.
- 3) When developing the GAP, please ensure that the gender-related actions are monitored and reported on, and that it is budgeted.

Agency's Comments

UNDP, April 24, 2024:

1. Thank you for this comment, and we thus made slight adjustments in several sections of the PIF text. Of particular relevance, we have highlighted in the problem statement that women and girls bear the burden of frequent water supply interruptions due to climate change. This category of the population is disproportionately affected, as they have to move distances in order to fetch water for their households. Further details on these aspects and ways to address such gender-differentiated vulnerabilities will be elaborated during the project preparation phase/CEO Endorsement stage.
2. Yes, descriptions for Output 1.1 (para #3), output 1.2 (para #4), and output 2.2 (para #9) have been revised accordingly. These are also reflected in GEF portal.

3. Yes, and this is well noted for the GAP to be developed during the PPG phase.

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 4/29/24:

Cleared.

3/28/24:

Revision is requested:

Cofinance table: Please revise the 'Source of co-financing' for the World Bank from 'Other?' to 'Donor Agency?'.

Agency's Comments

UNDP, April 24, 2024:

The comment is now addressed by revising the co-finance table accordingly (please see page 44 and GEF portal).

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 4/29/24:

Cleared; all comments addressed for this section.

3/28/24:

Adjustments are requested.

i) As requested, the GEF used the uploaded PIF to conduct the first review. However,

subsequent reviews will need all information to be available in the online Portal template (also note that only this version is circulated for Council review). Please work with the GEF Portal IT team to ensure that all figures display correctly and all relevant PIF information is visible in the Portal template entry.

ii) Please reference the IPCC report that contains the sea level rise projections referred to in the PIF.

iii) Please provide projections (referenced) that would indicate that rainfall intensity is likely to increase with climate change. We see that the number of dry days is likely to increase, which would suggest that rainfall may be heavier when it occurs if annual/seasonal rainfall is expected to stay the same or increase. However, the PIF does not provide information on projected precipitation (with climate change). Please include this, as it forms the basis of the adaptation rationale for the project.

Agency's Comments

UNDP, April 24, 2024:

Well noted, with thanks! The Agency team has liaised with the GEF IT team and was informed that the project rationale page exceeds the expected 3-5 pages of content (in the case of the current PIF it is 9 pages) and is restricting the team from capturing any additional information (text or image). As such, the issue with the completeness of information transferred to the Portal persists. A similar issue also persists in the Annex C (Maps) section. Given the very tight timeline, we would greatly appreciate if it the reviewers could please refer to the PIF in word version that has been uploaded to the Roadmap section, please.

The observation is now addressed by referencing the IPCC Assessment Report 6 (released in 2023) and the information described in the PIF was updated accordingly.

Additional information providing information on projected precipitation under RCP scenarios 4.5 and 8.5 was thus introduced, as Figure 6 and 7 (which unfortunately cannot be saved in GEF portal, but are included in the word version of PIF).

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 4/29/24:

Cleared.

3/28/24:

Further information is requested.

- 1) Please discuss why the current project approach has been selected over other potential options (to achieve the desired result).
- 2) Please discuss coordination with the EIB-funded 'Sao Tome Water Supply' project.

Agency's Comments

UNDP, April 24, 2024:

1. The alternative options (such as building a water retention dam upstream the cities) are now presented on page 14 under the section Problem Statement and preferred solution. The application NbS is also complements the hard infrastructure focused interventions supported by EIB and others.
2. A table on the Complementarity with Existing and Past GEF, GCF and Other Projects and Programs was added (page 37 of the PIF). Coordination with EIB-funded project was then discussed there.

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 3/28/24:

Yes.

Agency's Comments

UNDP, April 24, 2024:

Thanks!

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 3/28/24:

Yes.

Agency's Comments

UNDP, April 24, 2024:

Thanks!

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

5/6/24:

Cleared.

5/3/24:

Revisions are requested.

This comment related to Implementation Arrangements as well as Risks:

The narrative in the Key Risks section states that the Agency may provide execution support. Please all reference in the PIF to provision of support to National Implementation Modality (NIM) by the Agency, as it is too early to make such a determination at PIF stage.

3/28/24:

Adjustment is requested.

1) The section on "Coordination and Cooperation with Ongoing Initiatives and Project" includes a "Yes" response to the question on whether the GEF Agency expects to play an execution role, with the reason provided being that the "implementing partner's capacity was assessed and the risk level demonstrated that, to ensure proper fiduciary standards are implemented, it is best to support the execution". However, in the LoE, the executing partner is "to be determined". It is unclear how the executing partner's capacity could have been assessed, if a potential executing partner has not been yet selected .

Please remove any mention of UNDP playing an executing role from the PIF.

2) Please describe cooperation with ongoing GEF and non-GEF initiatives and projects.

Agency's Comments

UNDP, May 6, 2024:

Reference to the Agency potentially providing support to NIM has been removed from the Risk Section of the PIF. Other sections including in the table under Stakeholder Engagement section were adjusted accordingly. Please see the revisions highlighted in blue in the respective sections in GEF portal, and also in PIF page 26/para 13, page 37-38/Table on Risks related to capacity for implementation and fiduciary risks, and page 40/Table on stakeholders consulted.

UNDP, April 24, 2024:

1. The initial LoE was signed in November 2023 while it was not clear yet which implementing partner would be executing partner for this project, due to the fact that the approach was not yet defined. However, an updated LoE is now secured (dated April 17, 2024) in which the Directorate of Environment and Climate Action (DAAC) is identified as the national partner for project execution.

(i) Mention of UNDP support has been removed from the PIF. However, due to the low rating in the HACT assessment carried out for DAAC, UNDP will, at PPG stage, assess this in detail, including the high-risk areas, the likely support needed, and who could provide this support, in consultation with the GEF and national counterparts.

2. Details (including a new table) have been inserted to page 36 and 37 (Table) and in GEF portal to describe the cooperation with ongoing GEF and non-GEF initiatives and projects

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 4/29/24:

Cleared.

3/28/24:

Adjustments are requested.

Meta-indicators section: STP is included in the World Bank's FY24 List of Fragile States, for institutional and social fragility. Please change the response to "True" in the meta-indicators section.

Agency's Comments

UNDP, April 24, 2024:

Thanks; this is now corrected.

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

Secretariat's Comments n/a

Agency's Comments

5.6 RISKS

a) Is there a well-articulated assessment of risk and identification of mitigation measures under each relevant risk category?

b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?

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 5/6/24:

Cleared.

5/3/2024:

Revisions are requested. This comment relates to Risks as well as Implementation Arrangements:

The narrative in the Key Risks section states that the Agency may provide execution support. Please remove all reference in the PIF to provision of support to National Implementation Modality (NIM) by the Agency, as it is too early to make such a determination at PIF stage.

3/28/24:

Revisions are requested.

i) Please spell out "NIM" under the "Capacity for Implementation" risk category.

ii) Please review and confirm the "Substantial" risk rating for the "Capacity for Implementation" risk category with a focus on ensuring that the residual risk rating is provided by accounting for anticipated mitigation measures. Does the risk remain Substantial even based on the suggested mitigation measure?

iii) Please review and confirm the "Substantial" risk rating for "Overall Risk" reflects the residual risk after accounting for the planned implementation of mitigation measures.

Agency's Comments

UNDP, May 6, 2024:

Reference to the Agency potentially providing support to NIM has been removed from the Risk Section of the PIF. Other sections including in the table under Stakeholder Engagement section were adjusted accordingly. Please see the revisions highlighted in blue in the respective sections in GEF portal, and also in PIF page 26/para 13, page 37-38/Table on Risks related to capacity for implementation and fiduciary risks, and page 40/Table on stakeholders consulted.

UNDP, April 24, 2024:

i) Done; NIM is now spelled out as National Implementation Modality.

ii) Following the risk mitigation measures, the residual risk will be 'low' on the capacity for implementation. Additional text has been added to clarified this.

iii) The inherent risk (overall) remains Significant. However, following the risk mitigation measures, the residual risk will be 'low' on the overall risk rating. We have clarified this in the table in GEF portal and also in the PIF.

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 3/28/24:

Yes. The project is integrated and potentially transformative. It seems to establish innovative revenue-generating procedures for environmental sanitation, and couple these with traditional approach of revenue generation. There is potential for scale up. It will contribute to needed adjustment of relevant policies, with the overall objective of Component 1 being to establish a comprehensive policy environment that supports the implementation of integrated water resources management in Sao Tome and Principe. It will support the preparation of a watershed management plan for 'gua Grande District, including the required hydrological, hydraulic and land use studies. The project will support the setting-up of an effective institutional framework for climate-resilient planning and sector development (therefore increasing interdepartmental cooperation), while building awareness on the nexus between water-sanitation-waste in flood prevention and adaptation.

Agency's Comments

UNDP, April 24, 2024:

Thanks!

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^{3/28/24}:

Yes. It is aligned with the GEF's Adaptation Strategy for the LDCF (2022-2026) period, in which Water is a priority theme.

Agency's Comments

UNDP, April 24, 2024:

Thanks!

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^{3/28/24}:

Yes. It is aligned with STP's NAPA as well as its Water Law (2018), the National Participatory Water and Sanitation Strategy (EPAS, 2021), the Implementation Plan for the Integrated Water Resources Management (2020) and the National Environmental Sanitation Strategy and Action plan (ENPASA, 2022-2030).

Agency's Comments

UNDP, April 24, 2024:

Thanks!

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^{n/a}

Agency's Comments

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments4/29/24:

Cleared.

3/28/24:

Adjustment is requested,

There is lack of clarity on whether and how the private sector will be engaged in the project. The Meta-indicators section states that the project will not provide adaptation benefits to the private sector, and a Core Indicate 5 value of zero has been provided (for number of private sector enterprises engaged in climate adaptation and resilience). However, the Agency has indicated in the Stakeholder Engagement section that the private sector will be engaged in the project. "Private sector" has also been included in the project taxonomy. Please discuss in further detail how private sector (domestic) engagement is envisioned.

Agency's Comments

UNDP, April 24, 2024:

The core indicator has been updated. In addition, in some sections of the PIF, additional text has been embedded to explain better the involvement of the private sector, particularly under Output 3.1 and Output 4.2.

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

Secretariat's Comments4/29/24:

Cleared.

3/28/24:

Revisions are requested.

- 1) The PIF indicates that the Agency has consulted with local communities but in the table provided on consultations it mentions these are TBD. Please clarify and/or provide additional/updated information.
- 2) The project could further elaborate on the expected roles of key stakeholders, including local communities and civil society organizations.

Agency's Comments

UNDP, April 24, 2024:

1. The table on consultations had mistakenly mentioned TBD. This has been corrected and types of consultations elaborated for each of the stakeholders.

2. Information on the role of key stakeholders has now been included in the aforementioned table

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_{n/a}

Agency's Comments

Focal Area allocation?

Secretariat's Comments_{n/a}

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments_{3/28/24}:

Yes. Sao Tome and Principe is an LDC and eligible to access up to \$20 million under the LDCF during the GEF-8 period.

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments_{n/a}

Agency's Comments

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

Secretariat's Commentsn/a

Agency's Comments

Focal Area Set Aside?

Secretariat's Commentsn/a

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 Comments3/28/24:

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 Comments3/28/24:

Yes.

Agency's Comments

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 Comments3/28/24:

Yes.

Agency's Comments

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

Secretariat's Comments 3/28/24:

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 4/29/24:

Cleared.

3/28/24:

Revision is requested.

1) The information in the LoE should match exactly that which is presented in the Portal PIF entry.

The submitted LoE indicates that the executing partner is "to be determined". However, in the Portal an executing partner has been specified: "General Directorate of Environment and Climate Action, Ministry of Environment", whose Type is "Government". Please either modify the executing partner in the Portal, to match the executing partner information in the LoE ; or (ii) submit a new LoE, with same executing partner as in the Portal (note: the executing partner can be changed during the preparation phase).

2) The LoE template submitted for this project has modified the table in which the OFP allocates the resources, which in turn, has resulted in the removal of key information such as Source of Funds, GEF Agency and Focal Area Source. Agencies were informed in March 2023 (when GEF was constituting the June 2023 Work Program) that LoEs "with modifications cannot be accepted and will be returned". Please request a new LoE using the template accessible on the GEF website: once GEF receives the resubmitted LoE, it will check the accuracy and completeness of the financial information in the Portal vis-à-vis the information in the LoE.

Agency's Comments

UNDP, April 24, 2024:

1. Yes, thanks! this is addressed now with a new LoE
2. Yes, thanks! this is addressed now with a new LoE

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 Commentsn/a

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 Comments4/29/24:

Cleared.

3/28/24:

Not yet.

Please work with the GEF Portal IT team to include in the online Portal template.

Agency's Comments

UNDP, April 24, 2024:

Yes, the Agency team has reached out to the Portal IT team and was informed that the maps section has limitation. However, the Agency has managed to transfer most of the information in this section, with the exception of an additional image included during the review process.

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 Comments3/28/24:

Yes, the SESP template has been uploaded.

Agency's Comments

UNDP, April 24, 2024:

Thanks!

Annex E: Rio Markers

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

Secretariat's Comments 3/28/24:

Yes.

Agency's Comments

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments 3/28/24:

Yes.

Agency's Comments

UNDP, April 24, 2024:

Thanks!

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 n/a

Agency's Comments

9 GEFSEC Decision

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

Secretariat's Comments 5/6/24:

Yes.

5/3/24:

Not yet. Please address the remaining comment, provided both for the Risks and Implementing Arrangement sections.

3/28/24:

Not yet. Please address the review comments.

Agency's Comments

UNDP, May 6, 2024:

The remaining comment has been addressed in the relevant sections in GEF portal and PIF document.

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

Secretariat's Comments 1. Please ensure that reforestation measures under Output 3.1 are undertaken using best practice, avoiding water-intensive and monoculture species, and using species that are expected to be resilient to climate change, including increased climatic variability.

2. Please provide detailed information on mitigation measures of environmental and social risks rated Moderate or Substantial.

3. Please address all other CEO-endorsement stage comments provided during the PIF review.

Agency's Comments

UNDP, April 24, 2024:

Yes, well noted and these will be done so during the PPG/CEO Endorsement stage.

Review Dates

	PIF Review	Agency Response
First Review	3/28/2024	

PIF Review**Agency Response**

Additional Review (as necessary)	5/3/2024
Additional Review (as necessary)	5/6/2024
Additional Review (as necessary)	
Additional Review (as necessary)	