



## GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS\*

### THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4494		
Country/Region:	Sao Tome and Principe		
Project Title:	Integrated Ecosystem Approach to Biodiversity Mainstreaming and Conservation in the Buffer Zones of the Obo National Park		
GEF Agency:	IFAD	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-2; BD-2; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$2,418,182
Co-financing:	\$8,390,000	Total Project Cost:	\$10,808,182
PIF Approval:	April 05, 2011	Council Approval/Expected:	May 01, 2011
CEO Endorsement/Approval	Expected Project Start Date:		
Program Manager:	Jean-Marc Sinnassamy	Agency Contact Person:	Mr. Naoufel Telahigue

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes	
	2. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	IFAD will be managing a soft loan of \$8 million with the government.	
	3. Has the operational focal point endorsed the project?	<p>Addressed.</p> <p>The OFP endorsed a project using all the BD allocation for this project, including feed, and PPG, if any. We understand that there will not be any PPG.</p> <p>April 4, 2011</p> <p>The PIF has been updated. The total requested amount is \$2,660,000 (project grant + fees). If the project is endorsed, IFAD will ask for a PPG of \$100,000 (+10% of fees).</p>	

\*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

<sup>1</sup> Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 9-8-2010

Agency's Comparative Advantage	4. Is the Agency's comparative advantage for this project clearly described and supported?	IFAD's strategy in Sao Tome and Principe is based on the improvement of livelihoods of poor smallholder farmers and fishermen. This project is in the mandate of IFAD's strategy.	
	5. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>Most of the co-financing is brought up by a \$8 million soft loan. We understand that this loan will be used to scale up results obtained through the PAPAFA - Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme that aimed to improve the living conditions and incomes of women and men in rural smallholder agriculture and artisanal fisheries.</p> <p>However there are not explanations about the uses of this new soft loan. Please clarify and confirm that this project can serve as a coherent baseline for the GEF grant.</p> <p>April 4, 2011 Addressed. A section has been added in the section 2, part B.1., p.6.</p>	
	6. Does the project fit into the Agency's program and staff capacity in the country?	The IFAD's program is based on the PAPAFA, with an existing implementation structure. This project will fit with the staff capacity in the country.	
Resource Availability	7. Is the proposed GEF/LDCF/SCCF Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	This project will use 100 percent of the country BD STAR allocation.	
	• the focal area allocation?	This project will use 100 percent of the country BD STAR allocation.	
	• the LDCF under the principle of equitable access?	NA	
	• the SCCF (Adaptation or Technology Transfer)?	NA	
	• focal area set-aside?	NA	
Project Consistency	8. Is the project aligned with the focal area/multi-focal area/ LDCF/SCCF results framework?	The project is aligned with the objective BD-2 related to mainstreaming, and outputs 1 (policies and regulatory frameworks for production sectors), 2	

		(national and sub-national plans that incorporate biodiversity), and 3 (certified production landscapes and seascapes).	
	9. Are the relevant GEF 5 focal area/ LDCF/SCCF objectives identified?	Yes BD-2	
	10. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, and NCSA?	Addressed.	
	11. Does the proposal clearly articulate how the capacities developed will contribute to the institutional sustainability of project outcomes?	<p>Not enough. We understand that the project will target poor farmers and fishermen of the rural and coastal communities, using participatory approaches tested under the previous IFAD project. Partnerships with government agencies and different kinds of association are mentioned. We welcome a way of working empowering local professional associations, NGO, and other fisherman/farmer organizations, but please develop how their capacities will be reinforced, and how the institutional sustainability will be ensured.</p> <p>Please, confirm that the project unit is well integrated with legitimate authorities.</p> <p>April 4, 2011  Addressed. The answer is given in the details given in the baseline project. The PAPAFA is a joint venture and partnership between the government of Sao Tom &amp; Principe and IFAD, involving many NGOs and grassroots partners.  The strong institutional setup of the project and its work with a network of NGO (e.g. MARAPA, Zatona etc.) will contribute to institutional sustainability, as well as the strong emphasis of PAPAFA on community organisation and their implication on management and monitoring of the project.</p>	

Project Design	12. Is (are) the baseline project(s) sufficiently described and based on sound data and assumptions?	<p>No. Descriptive information is provided in the section B.1. Most of the information does not fit with the question (NBSAP, management plan, ecological description).</p> <p>1) No information on the baseline project is detailed. Please describe the baseline project giving</p> <p>2) Explain the problem that the project wants to address.</p> <p>April 4, 2011</p> <p>The baseline project concentrates its efforts on 3 main components: (i) economic activities and development of value chains; (ii) community infrastructure fund and (iii) support to community organisation and project management. Through its dual focus on production and access to market opportunities as well as natural resource management and fisheries, PAPAFA offers a good entry point to anchor this GEF investment and to mainstream biodiversity in the production landscape.</p>	
	13. Is (are) the problem(s) that the baseline project(s) seek/s to address sufficiently described and based on sound data and assumptions?	<p>No. We understand that the new soft loan will be used to reinforce the PAPAFA. But there is no information on the problem and the assumptions that the new project will address. Please explain.</p> <p>April 4, 2011</p> <p>The main issue that the project will address is logging and forest clearing for cropping. Forest clearing has increased impact of biodiversity of global importance and threatens the buffer areas of the Obo Park. The project will promote cropping of high value crops under forest shadow (coffee, cocoa etc.). The project will contribute to the promotion of a scenario that leads to income increase, notably because the baseline project will finance complementary activities in accessing markets and selling products at higher value. From a conservation point of view,</p>	

		the GEF part will finance the conservation of the forest cover and its important biodiversity. Lastly, the project will propose coordination and integrated ecosystem approaches for the use of natural resources and biodiversity in the buffer zone of the park. The project will contribute to integration at the institutional level and in terms of ecosystem approach by targeting the buffer zone and the marine ecosystems that are subject to increased pressure and threat from unsustainable use.	
	14. Is the project framework sound and sufficiently clear?	<p>1- Please reformulate the project objective. Expressed as it, part of this project will not be eligible to the GEF5 Strategy. The restoration of degraded ecosystems for instance is not the priority of the GEF5 BD strategy and the objective 2 on mainstreaming.</p> <p>2- It seems that there are some confusion between outcomes (=impacts, expected effects after intervention's outputs), and outputs (= products and services which result from the completion of activities). Please re-organize the hierarch between outcomes and outputs.</p> <ul style="list-style-type: none"> <li>- For instance, "forest conservation plan elaborated an implemented", "co-management plan for the buffer zone prepared and implemented" are outputs.</li> <li>- The distinction of outcomes and outputs between the two components are not clear, notably related to the management and conservation of forests, as well as the creation of marine managed areas.</li> </ul> <p>April 4, 2011 Addressed.</p>	
	15. Are the incremental (in the case of GEF TF) or additional (in the case of LDCF/SCCF) activities complementary and appropriate to further address the identified problem?	<p>We understand that the GEF will finance conservation efforts in key ecosystems to match local needs with the global environment benefits.</p> <p>April 4, 2011 Activities financed by the GEF grant will</p>	

		come at the top of the baseline project to address logging and forest clearing for cropping. The GEF grant will promote cropping of high value crops (coffee, cocoa etc.) under forest shadow in the buffer areas of the Obo Park. The project will also contribute to integration at the institutional level by targeting the buffer zone and the marine ecosystems that are subject to increased pressure and threat from unsustainable use.	
	16. Are the applied methodology and assumptions for the description of the global environmental benefits/adaptation benefits sound and appropriate?	There will be a focus on measures to reduce negative impacts on biodiversity in the productive landscapes. The project will strengthen the capacity of the public sector, develop incentive mechanisms for private actors. A component will focus on monitoring.  Addressed.	
	17. Has the cost-effectiveness sufficiently been demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?	We did not find the rationale on the cost-effectiveness of the project, and the advantages of this option in comparison to alternative options.  April 4, 2011 A comparison between "business as usual" and "with the GEF" has been done. On one hand, the transformation financed by the GEF will lead to biodiversity mainstreaming and conservation of the ecosystems. On the other hand, the project will aim to reduce pressures on existing biodiversity and increase the level of income of the poor farmers and rural communities. By coupling GEF investment with the PAPAFA and running both projects from a single PMU, the operation would be highly cost-effective. Further assessment of cost-effectiveness will be provided at CEO endorsement.	

	18. Is there a clear description of the socio-economic benefits to be delivered by the project and of how they will support the achievement of environmental/ adaptation benefits (for SCCF/LDCF)?	The project will build on the socio-economic benefits obtained under the PAPAFA.	
	19. Is the role of civil society, including indigenous people and gender issues being taken into consideration and addressed appropriately?	<p>The role of local and professional organizations is provided. Please confirm whether and how any indigenous people and gender issues will be taken into account.</p> <p>April 4, 2011 Addressed.</p> <p>By the way, women are expected to have a leading role in the area of food security and cropping (organic and certified) mainly in relation to the processing and/or marketing of products. No less than 40% of the beneficiaries of the fisheries activities implemented under this PAPAFA component are estimated to be women.</p>	
	20. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	Risks are indicated. At CEO endorsement, please provide a comprehensive risk analysis, including the consequences of climate change and mitigation measures.	
	21. Is the provided documentation consistent?	Addressed	
	22. Are key stakeholders (government, local authorities, private sector, CSOs, communities) and their respective roles and involvement in the project identified?	<p>The keystakeholders are identified, notably those on the ground. Please provide some information on the institutions with a mandate in the production sectors included in the project (agriculture, fisheries).</p> <p>April 4, 2011 Addressed.</p>	
	23. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Addressed.	

	24. Is the project implementation/ execution arrangement adequate?	The project implementation arrangements will be based on the experience of the PAPAFA. Please provide more information on this arrangement.  April 4, 2011 Addressed	
	25. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	26. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	27. Is the GEF/LDCF/SCCF funding level for project management cost appropriate?	The management costs (\$168,182) represents 7.5 percent of the project grant (2,418,182-168,182=\$2,250,000). It is acceptable. However, the cofinancing ratio must be the same for the management costs (1:3.4). Please, improve the cofinancing ratio or lower the GEF contribution.  April 4, 2011 The cofinancing ratio of the management costs has been improved to 1:3.09	
	28. Is the GEF/LDCF/SCCF funding per objective appropriate to achieve the expected outcomes and outputs according to the incremental/additional cost reasoning principle?	We understand that the GEF funding will focus on biodiversity conservation and mainstreaming, in addition to a support to production sectors through the PAPAFA. At CEO endorsement, please develop the reasoning.	
	29. Comment on indicated cofinancing at PIF. At CEO endorsement, indicate if cofinancing is confirmed.	1:3.4 - It is acceptable for such project on biodiversity in Sao Tome y Principe.	
	30. Is the budget (GEF/LDCF/SCCF funding and co-financing) per objective adequate to achieve the expected outcomes and outputs?	The largest part of the budget will focus on the mainstreaming component.	
Project Monitoring and	31. Has the Tracking Tool been included with information for all relevant indicators, as applicable?	NA	



<b>Evaluation</b>	32. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
<b>Agency Responses</b>	33. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
<b>Secretariat Recommendation</b>			
<b>Recommendation at PIF Stage</b>	34. Is PIF clearance/approval being recommended?	March 25, 2011. Not yet. Please address the comments above.  April 4, 2011 The PIF is recommended for clearance.	
	35. Items to consider at CEO endorsement/approval.	- Confirm the co-financing. - Develop the incremental reasoning. - Develop the project implementation arrangements and the role of institutions. - Include the tracking tools.	
<b>Recommendation at CEO Endorsement/ Approval</b>	36. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	37. Is CEO endorsement/approval being recommended?		
<b>Review Date (s)</b>	First review*	March 25, 2011	
	Additional review (as necessary)	April 04, 2011	
	Additional review (as necessary)		

\* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.

## REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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