

GEF SECRETARIAT REVIEW FOR LDCF/SCCF PROJECTS¹

(For both FSPs and MSPs)

Type of Fund: Least Developed Countries Fund (LDCF)

Country/Region: Sao Tome and Principe

Project Title: Sao Tome and Principe: Strengthening the Adaptive Capacity of Most Vulnerable Sao Tomean's Livestock-keeping Households

GEFSEC Project ID: **4274**

GEF Agency Project ID:

GEF Agency: AfDB

Anticipated Project Financing (\$): PPG: \$125,250

GEF Project Allocation: \$1,985,000

Co-financing: \$6,200,000

Total Project Cost: \$8,310,250

PIF Approval Date: November 02, 2010

Anticipated Work Program Inclusion: November 30, 2010

Program Manager: Rawleston Moore

GEF Agency Contact Person: Souleye Kitane

Review Criteria	Questions	Secretariat Comment at PIF/Work Program Inclusion ²	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Sao Tome and Principe is a LDC and thus eligible to receive resources from the LDCF	Sao Tome and Principe is eligible to receive resources from the LDCF.
	2. Has the operational focal point endorsed the project?	An endorsement letter from the Operational Focal point has been submitted	An endorsement letter is on file.
	3. Does the Agency have a comparative advantage for the project?	African Development Bank has a long established history of practical ground level investments in Sao Tome and Principe, and thus has a comparative advantage for this type of project. African Development Bank has previously financed a Livestock Development Support Programme in Sao Tome and Principe	African Development Bank has comparative advantage for this kind of project.
Resource Availability	4. Is the proposed LDCF/SCCF Grant (including the Agency fee) within the resources available in the LDCF/SCCF fund?	The proposed grant request is within the resources of the LDCF	The grant request is within the resources of the LDCF.
Project Design	5. Will the project deliver tangible	The proposed project will deliver tangible	

	adaptation benefits?	adaptation benefits. The project will improve the ability of local stock breeders to effectively cope with climate change. The project will also assist in mainstreaming adaptation options into livestock national development strategy	
	6. Is the adaptation benefit measurable?		For the most part, the adaptation benefit is measurable. Adaptation options in the livestock sector will be mainstreamed into national documents of strategy and planning. Farmers will be trained in the basics of genetics.
	7. Is the project design sound, its framework consistent & sufficiently clear (in particular for the outputs)?	<p>The project design is sound however there is a need for some more detail and clarification. The project consists of three components - Component 1 Strengthen the adaptive capacity of most vulnerable livestockkeeping households, Component 2- Mainstreaming adaptation options into livestock national development strategy, and Component 3- Building indigenous research capacity on livestock systems adaptations to climate change. There needs however to be clarification on some of the outputs. Further clarification and detail is required on the system of access to credit-in-kind to enable the stock breeders to acquire resilient breeds to climate change. For example is this a revolving fund? Are GEF Resources being used to purchase livestock breeders?</p> <p>Component 3 consists of a research component. LDCF resources are supposed to be used for activities and research is not financed.</p>	<p>No. There is a need for further clarification. The project has changed from the PIF stage. Component 1 no longer includes a system of access to credit-in-kind to enable the stock breeders to acquire resilient breeds to CC and set up integrated sustainable livestock seed projects. The project will now protect natural resources, through sustainable management, with an ecosystem approach being used.</p> <p>Recommended Action: Please clarify why the system of access to credit is no longer in the project. Please also provide information on what the specific activities will be implemented to protect and sustainably manage the natural resources and what exactly the ecosystem approach in the context of this project will involve. Please provide details as to what exactly the targeted participatory demonstration projects on livestock will involve.</p>

¹ Some questions here are to be answered only at PIF or CEO endorsement. Please do not answer if the field is blocked with gray.

² Work Program Inclusion (WPI) applies to FSPs only. Submission of PIF of FSPs will simultaneously be considered for WPI. For MSPs, once the PIF is approved by CEO, next step will be to continue project preparation until the project is ready for CEO approval.

	8. Is the project consistent with the recipient country's national priorities and policies?	The project is consistent with national priorities. The project supports adaptation priority number 7 in the NAPA. Please clarify why the second NAPA project for Sao Tome does not address priorities 1-6	The project supports NAPA priority 4.
	9. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>The project is consistent with other activities in the country. The project will build on the previous Livestock Development Support Project , and be coordinated with the following projects and programmes</p> <p>The AfDB phase II of the Livestock Development Support Project (LDSP-II) The UNDP/Japan Africa Adaptation Programme (AAP) regional program The UNDP/WB/GEF Adaptation Learning Mechanism (ALM), regional program The UNDP/GEF Endemic livestock regional project The International Livestock Research Institute (ILRI) Livestock-based adaptation research project and the Millennium Ecosystem Assessment (MEA), multi-agency</p> <p>Clarification is requested on how the project will be coordinated with project # 4018 Sao Tome and Principe -Adaptation to Climate Change, which is currently under preparation by the World Bank</p>	The project is coordinated with other related initiatives in Sao Tome, through the Ministry of Foreign Affairs and the Ministry of Planning and Finance.
	10. Is the proposed project likely to be cost-effective?	Full cost effectiveness should be demonstrated at CEO Endorsement	
	11. Has the cost-effectiveness sufficiently been demonstrated in project design?		Cost effectiveness has been demonstrated. The project is being implemented in conjunction with the Livestock Development Support Project Phase II to ensure efficient use of resources.
	12. Is the project structure sufficiently close to what was presented at PIF?		There have been some changes in the project. New outputs have been identified for components 1, as a result of work completed during the PPG phase. The outputs for

Justification for GEF Grant			components 2 and components 3 have been reformulated and readjusted.
	13.Does the project take into account potential major risks and include sufficient risk mitigation measures?		The project identify potential major risks and includes mitigation measures.
	14.Is the value-added of LDCF/SCCF involvement in the project clearly demonstrated through additional cost reasoning?	The component additional cost reasoning needs further expansion and clarification, so that the exact nature of the value added of the LDCF involvement can be clearly demonstrated.	<p>No. It is not completely clear how the investment of the LDCF will provide adaptation benefits in some of the components.</p> <p>Recommended Action.</p> <p>Please explain what are the additional activities which the LDCF resources will be used for, to protect and sustainably manage natural resources. What exactly will the ecosystem approach involve? Component 3 identifies that there will be demonstration projects. Please provide additional information on the exact nature of these demonstration projects recognizing that LDCF resources cannot be used for mitigation activities. In terms of improved security in the livestock system, it is noted that a qualitative study of inventory and characterization of existing breeds will be conducted to assess if the genetic potential exists because of the numerous animal imports. Please note that LDCF resources should not necessarily be used for studies. Please provide further information on the qualitative study as this does not seem to provide adaptation benefits.</p>
	15.How would the proposed project outcomes and adaptation benefits be affected if LDCF/SCCF does not invest?		If the LDCF/SCCF does not invest, then adaptation options in the livestock sector will not be mainstreamed. Mainstreaming adaptation options into livestock national development strategy will not occur if the LDCF/SCCF does not invest.
	16.Is the LDCF/SCCF funding level of	The level of funding for project management	The level of funding for project management

	project management budget appropriate?	is appropriate	is appropriate
	17.Is the LDCF/SCCF funding level of other cost items (consultants, travel, etc.) appropriate?		The level of LDCF/SCCF funding of other cost items is appropriate.
	18.Is the indicative co-financing adequate for the project?	The indicative cofinance for the project is adequate. The project will mobilize US\$7,650,000 of cofinance. Letters confirming cofinance should be submitted at CEO Endorsement	
	19.Are the confirmed co-financing amounts adequate for each project component?		There are no confirmed cofinance letters on file. Recommended Action. Please provide confirmed cofinance letters for the project.
	20.Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		There is a budgeted M&E plan that monitors and measures results with indicators and targets.
Secretariat's Response to various comments from:	STAP		
	Convention Secretariat		
	Agencies' response to GEFSEC comments		
	Agencies' response to Council comments		
Secretariat Decisions			
Recommendations at PIF	21. Is PIF clearance being recommended?	Currently the PIF is not being recommended for clearance. The project concept and idea is a good one but there needs to be further clarification and details on components 1 and 3, and the additional costs reasoning needs to be clearly demonstrated. Update Sept 8th 2010	

		<p>Some of the issues have been successfully addressed by the agency however it is stated that GEF resources are not being used to purchase livestock breeders for distribution, but some livestock breeders may be needed in the demo centres. What resources are to be used to obtain these breeders for the demo centres? This issue needs further clarification.</p> <p>Update October 18th 2010</p> <p>The relevant changes are acceptable. The PIF is recommended for CEO for clearance</p>	
	22.Items worth noting at CEO Endorsement.		
Recommendation at CEO Endorsement	23. Is CEO Endorsement being recommended?		<p>CEO endorsement is not yet being recommended. Please address the concerns highlighted in boxes 7, 14 and 19.</p> <p>Update Janaury 14 2014.</p> <p>After telephone conversations with AFDB the project is now recommended for CEO endorsement.</p>

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	For the most part the activities are appropriate, however further clarification is requested on the setting up a coordinating committee component, specifically the national PPG coordination team recruitment and the purchase of complementary

		equipment for the coordination committee
	2. Is itemized budget justified?	For the most part the budget is justified except for the section on setting up a coordinating committee, which needs further clarification
	3. Is the consultant cost reasonable?	The consultant costs are reasonable.
	4. Is the proposed LDCF/SCCF Grant (including the Agency fee) within the resources available in the LDCF/SCCF?	xxPPGResorcesxx
Recommendation	5. Is PPG being recommended?	<p>The PPG is not being recommended. There is a need for further clarification on the "setting up a coordinating committee" component of the PPG</p> <p>Update Sept 8th 2010</p> <p>LDCF resources cannot be used to pay for capital works, equipment etc. It is noted that some of the activities have a cofinancing element that will cover some of the cost, with equipment meaning 1 or 2 computers and printers computer devices and rental of vehicles. LDCF resources at PPG stage cannot be used for the purchase of equipment. This issue needs clarification</p> <p>Update October 18th</p> <p>The PPG is not recommended for clearance. In the proposed project preparation activities, with the functioning coordinating committee, it is stated that "Complementary office access and communication equipments for the coordination committee purchased including M&E," with US\$10,000 of GEF resources allocated for this activity. This needs clarification. LDCF resources cannot be used to pay for capital works, equipment etc. It is unclear how complimentary equipment can be purchased. Please remove the allocation of GEF Resources for this activity.</p> <p>Update November 5th 2010</p> <p>The relevant changes have been made. The PPG is recommended for clearance by the CEO</p>
Other comments		