



## GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS\* THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4725		
Country/Region:	Solomon Islands		
Project Title:	Solomon Islands Water Sector Adaptation Project (SIWSAP)		
GEF Agency:	UNDP	GEF Agency Project ID:	4568 (UNDP)
Type of Trust Fund:	Least Developed Countries Fund (LDCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-1; CCA-2; CCA-2; CCA-2; CCA-3; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$6,850,000
Co-financing:	\$40,255,000	Total Project Cost:	\$47,105,000
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Bonizella Biagini	Agency Contact Person:	Jose Erez Padilla

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes, Solomon Islands is eligible under LDCF, as it is an LDC.	
	2. Has the operational focal point endorsed the project?	Yes, a letter of endorsement has been signed by the OFP.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	Yes. UNDP has been implementing water resource management projects in Solomon Islands.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	NA	
	5. Does the project fit into the Agency's program and staff capacity in the country?	Yes. UNDP has staff capacity in the country.	
Resource	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		

	<ul style="list-style-type: none"> <li>• the STAR allocation?</li> </ul>		
	<ul style="list-style-type: none"> <li>• the focal area allocation?</li> </ul>		
	<ul style="list-style-type: none"> <li>• the LDCF under the principle of equitable access</li> </ul>	Yes.	
	<ul style="list-style-type: none"> <li>• the SCCF (Adaptation or Technology Transfer)?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Nagoya Protocol Investment Fund</li> </ul>		
	<ul style="list-style-type: none"> <li>• focal area set-aside?</li> </ul>		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	Not entirely. Some expected outputs are not aligned with the CCA Results Framework. Please refer to Section 14.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	<p>Not clearly. The project identifies Objective CCA-1 only. However, some of the Outcomes in Component 1 and Component 3 fit Objective CCA-2. Namely: Expected Outputs 1.1.1, 3.1.2, 3.1.3, and 3.1.4.</p> <p>Likewise, some of the activities listed under Component 2 could potentially support objective CCA-3, including technologies for effective water catchment and storage demonstration and replication, and use of water filtration systems.</p> <p>Recommended Action: please include objective CCA-2 in Table A. Also, please consider including objective CCA-3.</p> <p>April 23, 2012: Objectives CCA-2 and CCA-3 have been included in the FA Strategy Framework.</p>	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPEF	Yes, the project is consistent with Solomon Islands' NAPA. Water supply and sanitation is one of the priorities. The project is also in line with the Second National Communication which	

		resources. Finally, the project is consistent with other national plans on biodiversity, renewable energy, and waste management.	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	Yes. Components 1 and 3 clearly describe training activities at national, provincial, and community levels, as well as development of guidelines, which will enable longer term planning for the water sector.	
Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	<p>Not clearly. The proposal lists a number of interventions as "baselines", however some of these are not sufficiently described and/or cannot be accounted for as baseline:</p> <ul style="list-style-type: none"> <li>a) Uncoordinated donor support, listed under Component 1 cannot be accounted as baseline, as it is not a development activity upon which the adaptation interventions can be built on.</li> <li>b) The baseline referring to SIWA under Component 2 is not sufficiently described.</li> <li>c) The proposal states a UNDP/GEF project on IWRM. GEF-funded projects may not work as baseline for LDCF-funded projects.</li> <li>d) Further information is needed on water sanitation projects by Australian government and the Red Cross program, such as total investment amount.</li> </ul> <p>The EU-funded "Rural Water and Sanitation Improvement initiative" can be accounted as a solid baseline for this proposal, depending on whether it targets the same pilot sites as this proposal.</p>	

		<p>Recommended Actions: Please clarify the areas of intervention for the EU-funded project.</p> <p>Furthermore, if the projects listed above, in this Section, are to be considered baselines, please describe further: How much money is invested in these initiatives? How many beneficiaries do they target? Which are the pilot sites? For how long have these initiatives been implemented?</p> <p>April 23, 2012:</p> <p>From the proposal, it would appear that the RWSS programme, consisting of two projects on rural WatSan, and jointly funded by the EU and Aus Aid, will serve as baseline for the investment component of the project (component 2). The EU-funded project is expected to start implementation in 2013; the AusAid initiative, started in 2010. However, it is important that the pilot sites for both interventions (EU and AusAid-funded activities) are the same as the pilot sites of the proposed project.</p> <p>Recommended Action: By CEO Endorsement, please state the pilot sites for the proposed project, and demonstrate their correspondence to the areas of intervention of the baseline project, RWSS.</p>	
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>		

	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>Not clearly. Please see Section 11 on the clarification of potential baseline projects for this proposal. Without sufficiently described baselines, it is difficult to justify additional cost principle.</p> <p>April 23, 2012: Yes, the EU- and AusAID “funded projects will be complemented with the inclusion of climate change adaptation measures to make the basic water supply and sanitation projects resilient to the impacts of climate change. The SIWSAP project will build on the baseline project "Rural Water and Sanitation Improvement Initiative" by integrating CC considerations in significant ongoing and planned water sector projects that are primarily developmental in nature.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>No. Activities listed as Outputs 1.2.1 and 1.2.2 are not adaptation Outputs. It is not clear if these activities are budgeted under Component 1. LDCF cannot finance investment dialogues and meetings to seek additional funding for this project.</p> <p>Some of the Expected Outputs under Component 1 and 3 are redundant and could be consolidated: Output 1.1.2 and 1.1.3 and 3.1.1; as well as 3.1.3 and 3.1.4.</p> <p>Expected Output 2.1.1 specifically mentions "protection and restoration of</p>	

	<p>resources". These activities may need to be done under "business-as-usual" initiatives, if other pressures on these ecosystems exist and are not predominantly climatic in nature. Such activities should focus on managing other pressures on these ecosystems, whereas managing impacts of climatic stress can be financed under the LDCF.</p> <p>Recommended Action: Please remove Outputs 1.2.1 and 1.2.2. Please remove redundant Outputs or consolidate as describe above. Consider reducing the requested budget for each component as redundant outputs are consolidated.</p> <p>Please describe the adaptation benefits of protecting and restoring ecosystems, i.e. given the prospect of climate change and variability, as it is included under Output 2.1.1., as well as explaining why this method is being selected to improve sanitation and water supply, in the context of climate change.</p> <p>April 23, 2012: Outputs 1.2.1 and 1.2.2 have been removed. Outputs in Components 1 and 3 have now been consolidated. The restoration activities in Output 2.1.1 are explained: restoration and protection of watersheds is expected to contribute to the conservation of the limited freshwater lens, as the primary source of potable water; possibly reducing variability in water supply during droughts. Outcome 2.2 has been added, to</p>	
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		increased the grant amount requested in Component 2, by \$1,758,000. Co-financing for the component has increased as well (by \$7 M), and this component is now labeled "INV" as opposed to "TA". This Outcome includes outputs on water and sanitation infrastructure investments and, according to Section B.2 in the proposal, proven technologies will be demonstrated in communities covered by the project through a sequential implementation, particularly of infrastructure investments.	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	Not clearly. Please refer to previous point on Output 2.1.1, in Section 14.  April 23, 2012: This is cleared. See Section 14.	
	16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?	Yes, clear socio-economic benefits, including benefits for women, are included.	
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	Yes, public participation of indigenous people is included in the project and addressed properly.	
	18. 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)	Not entirely. Poor coordination among project partners is a high risk in the project as it currently stands. Recommended Action: please identify coordination amongst project partners to be a high risk, and identify solid mitigation measures to respond.	

		<p>The MECDM is undergoing discussions for a CC Working Group initiative to strengthen partnerships. This has been proposed as a mitigation measure for the risk of weak coordination among partners.</p>	
	<p>19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>Not clearly. The proposal does not mention the current project being developed by the World Bank which is also requesting LDCF resources. Other initiatives by other MFIs are also under preparation. Coordination with these agencies is not discussed in this proposal. This discussion is critical for further development of this project.</p> <p>Further clarification is also needed to ensure that the following initiatives do not duplicate efforts of the current proposal and/or explain in more detail how this proposal will benefit from and/or incorporate lessons learned in such initiatives:</p> <ol style="list-style-type: none"> <li>1. Pacific Integrated Water Management project.</li> <li>2. Provincial Government Strengthening Project</li> <li>3. Constituency development funds (especially since these Funds aim to scale up IWRM and CCA)</li> <li>4. Solomon Islands Red Cross Health and Sanitation Program</li> </ol> <p>The SEMRICC (UNDP) project is not mentioned in this section. Clarification on coordination with this initiative, to avoid overlap of activities is needed.</p> <p>Recommended action: please provide clarification and more information on</p>	



		<p>section.</p> <p>April 23, 2012: Coordination with WB and ADB initiatives is explained. Coordination with other activities is also clear.</p>	
	20. Is the project implementation/ execution arrangement adequate?	<p>Not entirely. There is very little mention of execution arrangements as this project is in very early stages of preparation. However, coordination with other activities in the country is not clear in some cases. See Section 19. Recommended action: please include a section on expected execution arrangements.</p> <p>April 23, 2012: This is cleared. An execution arrangements section has been included. A Project Steering Committee composed of key government and non-government partners, and UNDP will be at the core of the organizational scheme.</p>	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	<p>Yes, project management costs are 5% of the total requested LDCF grant.</p> <p>April 23, 2012: No. PMC are higher than 5% of the sub-total requested grant.</p>	

		PMC, so that these reflect 5% or less of the sub-total LDCF amount requested.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>Not entirely. Components 1 and 3 include Outputs that are either redundant or not aligned with the CCA RBM and therefore should be removed and/or consolidated. (See Section 14). In this regard, the funding per Component should be reduced.</p> <p>Funding per Objective also needs clarification, as the project potentially addresses CCA-2 and CCA-3 and therefore the budget in Table A needs to be revisited.</p> <p>Recommended action: please revisit funding requested per Component, as well as funding requested per Objective (Table A).</p> <p>April 23, 2012: Co-financing has increased by \$7M for Component 2, which is now an "Investment" component. This Component now supports CCA-3 and includes one more Outcome and 2 Outputs. The budget in table A has been adjusted.</p>	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	<p>Co-financing ratio is 1:6.4. It consists of \$30 million in grant from the EU and \$1.2 M in grant from UNDP.</p> <p>April 23, 2012: Co-financing ratio is now 1: 5.8. The co-financing consists of \$38,755,000 in grants (EU, AusAid, UNDP).</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in	Not clear. Please note that LDCF projects should be co-financed by a	

		<p>SEMRICC project (listed in the proposal as UNDP's co-financing) should be discussed under Section B.6 in which discussion of "coordination with other activities" is stated.</p> <p>Recommended Action: Please clarify in section B.6 how the proposed project will coordinate with SEMRICC, in order to avoid duplication of efforts and overlapping of activities.</p> <p>Please state a different UNDP co-financing source coming from a baseline initiative.</p> <p>April 23, 2012: This is cleared. Most of the grant co-financing comes from the baseline project "RWSS" funded by EU and AusAID. UNDP is only providing \$1.7 million from the SEMRICC project.</p>	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	<b>30. Is PIF clearance/approval being recommended?</b>	<p>No. The PIF cannot be approved in its current form. Please see recommended actions in Sections 7, 8, 11, 13, 14, 15, 18, 19, 20, 24, and 26.</p>	

		<p>April 23, 2012: No, please revise PMC as requested in Section 23.</p> <p>May 2nd 2012 The relevant changes have been made to the PIF and the PMC. The project is recommended for clearance.</p>	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	<b>33. Is CEO endorsement/approval being recommended?</b>		
Review Date (s)	First review*	December 12, 2011	
	Additional review (as necessary)	April 27, 2012	
	Additional review (as necessary)		
	Additional review (as necessary)		
	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. Greyed areas in each section do not need comments.**

#### REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	Yes.
	2. Is itemized budget justified?	Yes.
Secretariat Recommendation	<b>3. Is PPG approval being recommended?</b>	<p>No, PPG cannot be recommended at this time, since the PIF is not being recommended for approval.</p> <p>April 23, 2012:</p>

		<p>yet.</p> <p>May 3rd 2012: The PIF is being recommended for clearance, and thus the PPG is being recommended for clearance</p>
	4. Other comments	
Review Date (s)	First review*	December 12, 2011
	Additional review (as necessary)	

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