



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

GEF ID:	<b>5204</b>		
Country/Region:	<b>Uganda</b>		
Project Title:	<b>Building Resilience to Climate Change in the Water and Sanitation Sector</b>		
GEF Agency:	<b>AfDB</b>	GEF Agency Project ID:	
Type of Trust Fund:	<b>Least Developed Countries Fund (LDCF)</b>	GEF Focal Area (s):	<b>Climate Change</b>
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	<b>CCA-1; CCA-2; CCA-2; CCA-3; Project Mana;</b>		
Anticipated Financing PPG:	<b>\$250,000</b>	Project Grant:	<b>\$8,370,000</b>
Co-financing:	<b>\$38,000,000</b>	Total Project Cost:	<b>\$46,620,000</b>
PIF Approval:	<b>January 22, 2013</b>	Council Approval/Expected:	<b>March 07, 2013</b>
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Knut Sundstrom</b>	Agency Contact Person:	<b>Mbiro Andrew</b>

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. Uganda is an LDC Party to the UNFCCC and it has completed its NAPA.	YES. No change from PIF.
	2. Has the operational focal point endorsed the project?	YES. A Letter of Endorsement, signed by the Operational Focal Point and dated November 7, 2012, has been attached to the submission.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	YES. AfDB has a comparative advantage in investment projects in the water and sanitation sectors.	YES. No change from PIF.
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	NA	NA

\*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 11-22-2010

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	5. Does the project fit into the Agency's program and staff capacity in the country?	YES. The proposed project would be closely aligned with the AfDB Water Supply and Sanitation Programme and it would benefit from the Agency's country office and technical staff in Uganda.	YES. No change from PIF.
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access	YES. The proposed grant is available from the LDCF in accordance with the principle of equitable access.	YES. No change from PIF.
	• the SCCF (Adaptation or Technology Transfer)?		
	• Nagoya Protocol Investment Fund		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	YES. The proposed project is fully aligned with the LDCF/SCCF results framework.	YES. No change from PIF.
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	NOT CLEAR. While Table A identifies the LDCF/SCCF objectives towards which the proposed project would contribute, the associated, indicative grant and co-financing amounts do not seem to reflect the design and structure of the proposed project. In particular, components 1 through 3 appear to be very consistent with CCA-1.2, yet the indicative grant amount associated with this outcome is just over 10 per cent of the total project grant.	YES. No change from PIF.

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		<p>RECOMMENDED ACTION: Please ensure that the indicative grant and co-financing amounts provided in Table A correspond to the design and structure of the proposed project.</p> <p>01/07/2013 â€œ YES. The Focal Area Strategy Framework (Table A) has been revised as recommended.</p>	
	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>YES. The proposed project would contribute towards addressing Uganda's NAPA priorities in the areas of water resources management and sanitation, reforestation, and sustainable land management. In addition, the project would be aligned with Uganda's Water Action Plan; the Health Sector Strategic Action Plan; the Second National Health Policy; as well as the country's Vision 2025 and National Development Plan.</p>	<p>YES. No change from PIF.</p>
	<p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p>	<p>NOT CLEAR. It is not entirely clear how the proposed investments under components 1 and 2 would benefit from appropriate, climate-resilient land-use and municipal planning, important prerequisites for sustainability.</p> <p>RECOMMENDED ACTION: Please clarify how the investments proposed under components 1 and 2 would benefit from appropriate land-use and municipal planning.</p> <p>01/07/2013 â€œ YES. The re-submission provides adequate clarification as to how the proposed investments would benefit from appropriate capacity</p>	<p>YES. No change from PIF.</p>

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		building, including for land-use and municipal planning.	
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 CLEAR. The PIF does not provide a clear description of the baseline project nor the problems it seeks to address. Section II.B.1 of the PIF describes the additional activities proposed for LDCF financing. Instead, the baseline Water Supply and Sanitation Programme (WSSP) is introduced in section II.B.2. The PIF also lacks information regarding the intended duration and intervention sites of the baseline project, as well as the indicative amount of co-financing associated with it, consistently with Table C.</p> <p>RECOMMENDED ACTION: Please provide, in section II.B.1 of the PIF, a clear and coherent description of the baseline project on which the proposed LDCF grant would build, the problems it seeks to address, the intended duration and targeted areas, and the indicative co-financing associated with the project.</p> <p>01/07/2013 – YES. Section II.B.1 of the PIF has been revised to focus on the baseline Water Supply and Sanitation Programme (WSSP), including the problems it seeks to address, the intended duration and the associated co-financing. Further information regarding the targeted areas has been provided in Section II.B.2.</p>	YES. No change from PIF.

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	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?		YES. Section B.3 of the Request for CEO Endorsement clearly demonstrates the cost-effectiveness of the approaches selected.
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>NOT CLEAR. Please refer to Section 11 above. In absence of a clear description of the baseline project and the problems it seeks to address, the additional cost reasoning cannot be fully assessed at this stage.</p> <p>Specifically, the project is quite broad and it is not clear how it would achieve meaningful and sustainable adaptation benefits across the three targeted regions. With respect to Component 1, it is not clear whether and how the proposed investments would build on relevant investments under WSSP. As for Component 2, it is not clear how the investments proposed would enhance the resilience of existing and planned sanitation infrastructure, as suggested. With respect to Component 3, the additional investments proposed for LDCF financing “ notably in rainwater harvesting and gravity flow schemes -- would seem to replicate rather than enhance the resilience of the baseline project. As for Component 4, finally, the scope of the proposed activities is not clear.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under</p>	YES. The Request for CEO Endorsement specifies the baseline investments and additional adaptation measures as requested.

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		<p>Section 11, please provide, in section II.B.2 of the PIF, a clear and coherent additional cost reasoning for proposed project, demonstrating that the project can achieve meaningful and sustainable adaptation benefits in the targeted regions.</p> <p>01/07/2013 “ NOT CLEAR. While the PIF has been restructured to provide a more coherent additional cost reasoning in support of the proposed LDCF grant, it remains unclear to what extent the project would enhance the resilience of investments made under the baseline project, as opposed to simply replicating these. In particular, components 2 and 3 appear to propose approaches and technologies already applied under WSSP.</p> <p>01/17/2013 “ YES. The additional cost reasoning has been adequately clarified for this stage of project development.</p> <p>By CEO Endorsement, upon relevant vulnerability assessments, please provide a more detailed additional reasoning, including further information as to how the proposed additional adaptation measures will be targeted in relation to the baseline investments, and how these additional measures will be integrated into and scaled up through the baseline program.</p>	
	14. Is the project framework sound and	NOT CLEAR. Please refer to Section 13	YES. The project framework is sound

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	sufficiently clear?	<p>above.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 13, please adjust the Project Framework as appropriate.</p> <p>01/07/2013 â€œ NOT CLEAR. Please refer to Section 13 above.</p> <p>01/17/2013 â€œ YES. The proposed project framework is sound and sufficiently clear.</p>	and sufficiently clear.
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	<p>NOT CLEAR. Please refer to Section 13 above.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 13, please describe the expected adaptation benefits in section II.B.2 of the PIF, based on sound methodology and assumptions.</p> <p>01/07/2013 â€œ NOT CLEAR. Please refer to Section 13 above.</p> <p>01/17/2013 â€œ YES. The adaptation benefits are adequately described for this stage of project development, based on sound methodology and assumptions.</p>	YES. The project results framework (Annex I) provides clear, quantified baselines and targets. The proposed project would, inter alia, provide 400,000 people with access to improved, more resilient sanitation; while 29,000 people in drought-prone areas would gain access to improved water sources.
	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. The expected socio-economic and gender dimensions are adequately described for this stage of project preparation.	YES. Socio-economic benefits and gender dimensions are clearly described in the Request for CEO Endorsement.

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	17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?	YES. Stakeholder participation, including the role of CSOs, is adequately described for this stage of project development.	YES. Stakeholder participation, including the role of CSOs, is adequately described.
	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)	<p>NOT CLEAR. The PIF does not discuss risks and adverse trends underlying deforestation and land degradation, as well as poor sanitation in peri-urban settlements, which may undermine the investments planned under components 1 and 2 in particular.</p> <p>Please refer also to Section 10 above.</p> <p>RECOMMENDED ACTION: Please discuss the risks underlying deforestation and land degradation, and poor sanitation in peri-urban settlements, and identify appropriate mitigation measures.</p> <p>01/07/2013 – YES. The initial risk assessment has been adequately strengthened for this stage of project development.</p>	YES. Relevant risks and appropriate mitigation measures are adequately described.
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	YES. Coordination with other related initiatives is adequately described for this stage of project development.	YES. No change from PIF.
	20. Is the project implementation/ execution arrangement adequate?	YES. Implementation/execution arrangements are adequately described for this stage of project development.	YES.
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		YES.



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	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		NA
Project Financing	23. Is funding level for project management cost appropriate?	<p>NOT CLEAR. At \$450,000 or 5.7 per cent of the sub-total for project components, the proposed LDCF funding level for project management is somewhat high. Moreover, according to the PIF, AfDB would not provide any co-financing towards project management.</p> <p>RECOMMENDED ACTION: Please ensure that the proposed LDCF funding level for project management does not exceed 5 per cent of the sub-total for components 1 through 4, and identify adequate, indicative co-financing towards project management.</p> <p>01/07/2013 â€“ YES. The proposed LDCF funding level for project management has been revised as recommended.</p>	YES. No change from PIF.
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>NOT CLEAR. Please refer to Section 13 above.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 13, please adjust the indicative grant and co-financing amounts per component accordingly, if necessary.</p> <p>01/07/2013 â€“ NOT CLEAR. Please refer to Section 13 above. In addition, please ensure that the proposed Agency</p>	YES. The grant and co-financing amounts per component seem appropriate and adequate.

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		<p>Fee does not exceed the allowed 9.5 per cent of the project grant as per the new fee structure.</p> <p>01/17/2013 “ YES. The Agency Fee has been adjusted as recommended.</p>	
	<p>25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.</p>	<p>NOT CLEAR. Please refer to Section 11 above.</p> <p>In addition, the indicative co-financing amounts are not consistent between tables A, B, and C, and section II.C.1 of the PIF.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 11, please (i) adjust the indicative co-financing figures accordingly, as appropriate, and (ii) ensure that the co-financing figures are consistently reported across the PIF.</p> <p>01/07/2013 “ The co-financing figures have been adequately clarified in the re-submission.</p>	<p>YES. Appropriate confirmation is provided for the \$38 million that AfDB would bring in co-financing towards the proposed project.</p>
	<p>26. Is the co-financing amount that the Agency is bringing to the project in line with its role?</p>	<p>RECOMMENDED ACTION: Please address the recommendations under Section 25 above.</p> <p>01/07/2013 “ YES.</p>	<p>YES. AfDB would bring \$38 million in confirmed co-financing.</p>
<p>Project Monitoring and Evaluation</p>	<p>27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?</p>		<p>NOT CLEAR. The Adaptation Monitoring and Assessment Tool (AMAT) has been completed with baselines and targets for most relevant focal area objectives and outcomes. It is not clear, however, why the tracking tool does not provide baselines and</p>

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			<p>targets for indicators corresponding to outcomes CCA-2.2 and 3.1, even though according to the Focal Area Strategy Framework (Table A) most LDCF financing is associated with these outcomes.</p> <p>RECOMMENDED ACTION: Please ensure that the tracking tool is completed with baselines and targets for all relevant focal area objectives and outcomes, consistent with Table A of the Request for CEO Endorsement.</p> <p>10/02/2014 -- YES. A revised tracking tool has been provided.</p>
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		YES.
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?	NA	NA
	• Convention Secretariat?	NA	NA
	• Council comments?		YES.
	• Other GEF Agencies?	NA	NA
<b>Secretariat Recommendation</b>			
Recommendation at PIF Stage	<b>30. Is PIF clearance/approval being recommended?</b>	<p>NOT YET. Please refer to sections 8, 10, 11, 13, 14, 15, 18, 23, 24, 25 and 26.</p> <p>01/07/2013 â€œ NOT YET. Please refer to sections 13, 14, 15 and 24.</p> <p>01/17/2013 â€œ YES.</p>	
	31. Items to consider at CEO endorsement/approval.		

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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?		YES.
	<b>33. Is CEO endorsement/approval being recommended?</b>		NOT YET. Please refer to Section 27. 10/02/2014 -- YES.
Review Date (s)	First review*	November 19, 2012	September 05, 2014
	Additional review (as necessary)	January 07, 2013	October 02, 2014
	Additional review (as necessary)	January 17, 2013	
	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. The proposed PPG (\$250,000) would support vulnerability and adaptation assessments of the Mount Elgon region; the peri-urban areas in Soroti, Bukedea, Budaka, Pallisa, Kumi and Butaeja; as well as Nakasongola, Apac and Katakwi districts. In addition, the PPG would cover the design and development of an M&E framework and plan, stakeholder consultations, as well as financial management and procurement planning.
	2. Is itemized budget justified?	YES. The proposed preparation activities have been designed in a cost-effective manner, and the itemized budget is justified. AfDB would provide \$250,000 in co-financing towards the proposed PPG.
Secretariat Recommendation	<b>3. Is PPG approval being recommended?</b>	YES.
	4. Other comments	
Review Date (s)	First review*	May 30, 2013
	Additional review (as necessary)	

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