Lake Victoria Environmental Management Programme Phase 3

*GEF Secretariat Review for Full Sized Project*

**Basic Information**

**GEF ID**
10116

**Countries**
Regional (Burundi, Kenya, Rwanda, Tanzania, Uganda)

**Project Title**
Lake Victoria Environmental Management Programme Phase 3

**GEF Agency(ies)**
World Bank

**Agency ID**

**GEF Focal Area(s)**
International Waters

**Program Manager**
Astrid Hillers

**Part I – Project Information**

**Focal area elements**

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

Informal comments/an informal review sheet was sent to the agency while resubmitting with all LOEs. That review sheet and agency responses are filed in the project documents. The current review sheet builds on these previous comments, agency responses given and revisions made in the PIF and draft project document (extended from PIF) which is also in the project files.

(11/12/2018) Yes. The project is aligned with table A elements. Cleared

Agency Response
Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018)

- Overall, yes, the revisions made to table B and the component descriptions are cleared.

Comments in the draft review sheet have been taken into consideration and responses appropriately detailed for a PIF stage document. Moving some GEF resources from component 1 to component 2 (stress reduction) is noted and appreciated as well as involving the private sector in this. Cleared.

Please - by endorsement - take account of following:

- According to LVBC regional water quality guidelines exist in draft. They will need to be adopted at appropriate regional and national level and incorporated into national regulatory frameworks.

- Results Framework: the transparency on how area (ha) targets based on cost norms for the erosion control measures were set is appreciated. We welcome that quantifiable indicators e.g. for BOD reduction, numbers of companies, beneficiaries and sex dis-aggregated targets are included and will capture clear targets to address pollution by endorsement. Please provide by endorsement.

- Please by endorsement elaborate how gender has been taken into account in the design overall and especially component 2 activities (land management and private sector involvement in hyacinth control) and provide the gender assessment.

- Please formulate a clear sustainability and exit strategy for project activities. For example, past efforts on collection of water quality and other NRM related data (e.g. in LVEMP I) seem to have had poor retention in the national and regional agencies.

- Component 4: please note that GEF PMC is capped at 5% of GEF project grant. Component 4 GEF grant funded should therefore be directed towards other needed activities such as e.g. the knowledge management related activities (including but not limited to IW learn related), enhanced communication to raise awareness of the impacts on sediment and other pollution loads on livelihoods, health and commercial activities in the lake (incl. e.g. fisheries and aquaculture, ship traffic and ports, and other water uses).

Agency Response
Co-financing

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, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the amounts, sources and types of co-finance are adequately documented and based on the IDA grant and loan resources. Cleared.

Note: country contribution of about USD 18 million are also being leveraged but are likely related to mostly recurring costs and therefore not to listed as "investment mobilized" finance in table C in the portal.

The current explanation for 'investment mobilized' in the response matrix is noted.

Please at endorsement consult the GEF co-finance guidance for further differentiation of investment mobilized (to e.g. exclude recurring costs in the co-finance that is labeled as investment mobilized) and provide an updated explanation how 'investment mobilized' versus recurring costs as part of the co-finance is calculated.

Agency Response

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the proposed GEF finance is within available GEF 7 IW resources.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response
The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

Yes, see above.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)
Secretariat Comment at PIF/Work Program Inclusion


Agency Response

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, core indicators have been provided.

Please by endorsement (i) list "Lake Victoria" not "Nile" as the name of the shared ecosystem. We understand that this is a Portal issue at this point and "lake Victoria" is for now missing in the drop down menue. Please also fill in sub-indicator 7.3. rating for Inter-ministerial Committees and project relevant national and local reforms in line with regional agreements.

11/21/2018 Sub-indicator 7.3 has been provided. Cleared.

Agency Response

Project/Program taxonomy

7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Thank you for adding the Rio Marker for adaptation in the taxonomy. .

Please also add the Rio Marker for Mitigation (which equals 'zero').

By endorsement, please fill in levels 3 and 4 of the project taxonomy worksheet/table.

Cleared at PIF stage. (Please note that the Portal has mixed up the Rio Adaptation marker which should be "1")

Agency Response
Part II – Project Justification

1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the key problems and barriers have been described and the Theory of Change updated based on previous comments (see informal review sheet and responses in the project files). Cleared.

Agency Response

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018). Yes, the text describes the baseline and an Annex is listing related ongoing regional and national initiatives.

Agency Response

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the alternative and its expected outcomes and components are described. Please see comments under Part 1/question 1 for comments to be addressed by endorsement.

Agency Response

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, enhancing cooperation around Lake Victoria to improve water quality through management of sources of sediments and other nutrient and pollution sources to the lake clearly is aligned with the GEF IW focal area strategy. Previous comments have been addressed.

Cleared.

Agency Response
5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018). Yes, previous comments to differentiate where GEF additionality versus national IDA investments are best placed has been addressed. Cleared.

Agency Response

6. Are the project’s/program’s indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the targets provided as far seem ambitious (on side of sedimentation) but appear reasonable and achievable. The ha figures are backed up with costs norms as a basis for a PIF stage estimate. Further quantifiable indicators e..g for BOD decrease have been added to the results framework and targets will be defined during project design. Cleared.

Agency Response

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes. Innovation: both the efforts on disruptive data technologies on regional level and clean tech investments with the private sector are aimed at innovation.

Sustainability: clearly the design will aim to take this into account. In terms of LVBC itself its core costs are covered via country contributions to EAC. The project aims to enhance the technical and management capacities of LCBC and hence its capacities to implement the Lake Vic protocol according to its mandate.

Cleared.

Agency Response

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project’s/program’s intended location?

Secretariat Comment at PIF/Work Program Inclusion
Yes, a map of the lake location and hotpots to be addressed has been provided.

Agency Response

**Stakeholders**

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) The information provided on who has been involved by now and how e.g. community interventions will be designed and with what stakeholders to be involved on the ground is adequate a PIF stage. Cleared.

Agency Response

**Gender Equality and Women’s Empowerment**

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the information at PIF stage is adequate and clear gender differentiated indicators and targets have been provided in the draft results framework. Before endorsement, please consult the GEF gender guidance document to aid that a gender analysis is carried out and informs design of project components to assure e.g. including for women to have the same opportunities in activities such as e.g. support to private sector in water hyacinth removal and commercial products. Cleared.

Agency Response

**Private Sector Engagement**

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion
(11/12/2018) Yes, the description of how the private sector will be engaged e.g. in cleaner production activities and in the commercial use of water hyacinths has been expanded and is sufficient at PIF stage. Cleared.

Agency Response

**Risks**

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the project is addressing a broad range of risks. In terms of climate impacts assessments on climate risks on Lake Victoria have been carried out and the project design will aim to increase climate resilience in the basin and especially community based national activities (via IDA). Cleared.

By endorsement, please better reflect/describe the climate risks and various analysis that have been carried out and the expected impacts in the sub-watersheds and for specific type of activities within the project.

Agency Response

**Coordination**

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, in terms of coordination: the project especially seeks to initiate one or two concrete areas of collaboration between the LVBC and the NBI, such as e.g. on the State of the Lake Basin and the Nile Basin Reports, and/or a water quality baseline and/or investment planning. The project will also seek coordination or collaboration with other relevant projects listed in Annex 6 and others that may be identified during project design. Please by endorsement seek to indicate start and expected closing date for the relevant projects (some are missing).

By endorsement, please provided detail on the coordination arrangements to aid in creating synergies and avoid overlaps (e.g. will the BMZ funds for fisheries also address fish surveys and
how will they differ or not, etc.). In addition, please e.g. also note the Austria funded work with LVBC on 'water futures and solutions' e.g. examining a range of sustainable pathways to achieving the SDGs and explore future scenarios for development. Cleared.

Agency Response

**Consistency with National Priorities**

**Has the project/program cited alignment with any of the recipient country’s national strategies and plans or reports and assessments under relevant conventions?**

Secretariat Comment at PIF/Work Program Inclusion

(11/13/2018) Yes, the project outlines alignment with national development strategies with regard to committing to sustainable and/or cooperative water and natural resources management in the basin. **Cleared**.

While no GEF STAR allocations are requested the team during preparation/project design also will want to take a look at the relevant convention reports for CBD and UNCCD to possibly inform work on natural habitats and erosion/land restoration.

Agency Response

**Knowledge Management**

**Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?**

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018) Yes, the project activities integrate a conscious approach of learning from past experiences in project design and builds in information and knowledge sharing activities into the project design including a 1 % allocation for active collaboration within IW-Learn. Cleared.

Agency Response

**Part III – Country Endorsements**

**Has the project/program been endorsed by the country’s GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

Secretariat Comment at PIF/Work Program Inclusion

(11/12/2018)
Endorsement letters for all five countries have been submitted. Thank you for submitting the revised letter for Kenya and Tanzania, yet:

Please submit the revised LOE for **Burundi** (i.e. signed by the political focal point instead of the operational focal point).

The PIF can only be cleared if all Operational Focal Points have submitted LOEs.

Further:

**By endorsement:** Please assure that all LOEs list the correct/final GEF grant total of 10 million USD (including PPG and fees).

(11/21/2018) The revised letter from Burundi has been submitted. Cleared (at PIF stage; note comment above for endorsement). Cleared.

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

Please resubmit with endorsements from all countries - as discussed with you. We will review and provide technical comments when receiving the complete resubmission (please note to kindly also fill in all fields of the portal submission as discussed). Best regards.

(11/16/2018) The PIF is not technically cleared yet. Please urgently address the following:

- Please submit the revised LOE for Burundi.

- Please also fill in the ranking of sub-indicator 7.3 and the Rio Marker for Mitigation (to be zero?; in the taxonomy)

- Please add a short text in the stakeholder involvement section drawing from the existing information in the PIF and project document.

(11/20/2018) All comments addressed other than the revised LOE for Burundi which was signed by the Political Focal Point.
Please note: The Portal has a glitch resulting in the Rio Marker for Adaptation being filled in twice. The correct value is "1".

(11/21/2018) All comments have been addressed and the project is recommended for technical clearance.

**ADDITIONAL COMMENTS**

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

As the first submission (before the PIF submission deadline in October) did not include all LOEs, it was deemed incomplete without the letters of endorsement by countries and not formally reviewed. A draft review though was sent to enable the agency and counterpart teams to not lose time to adjust the concept and respond to comments. This "informal" review sheet was in detail responded to and attached to the current submission. It is filed in the portal documents for the project and forms part of the project history.

**Cover memo elements:**

**Background.** Lake Victoria and its watershed is a transboundary natural asset of global importance – it the world’s second largest lake with a surface area of about 68,800 km\(^2\) and an average depth of 40 meters. The Lake Victoria Basin (LVB) itself occupies an area of 194,000 km\(^2\), which is jointly shared by Tanzania (44 percent), Kenya (22 percent), Uganda (16 percent), Rwanda (11 percent), and Burundi (7 percent). Rwanda and Burundi are a part of the upper watershed draining into Lake Victoria through the Kagera river. The lake basin is home of the headwater of the White Nile. Lake Victoria’s ecosystems have undergone substantial and alarming environmental degradation over the last 40 years – many of the complex and interwoven water-quality challenges are driven largely by the deep poverty and lack of alternative livelihoods in the region. With a water retention time of about 23 years, environmental degradation—once it occurs in the Lake—is hard to revert, and has a lasting impact on the people and economy of Lake Victoria Basin (LVB) countries. The project builds on two previous GEF regional projects to support the management of Lake Victoria and e.g. supporting more sustainable fisheries and watershed management, and leading to the formation of the Lake Victoria fisheries Commission and - building on this - the Lake Victoria Basin Commission (LVBC) as an apex institution to the East African Community (EAC).

**The project.** Because of the shared nature of the resource, environmental problems in the lake Victoria Basin require coordinated regional and national action. Sediment and nutrient transport occurring extensively in all five countries, coupled with untreated wastewater, cause eutrophication throughout the Lake and provide a fertile environment for the nuisance invasive
Weeds, such as water hyacinth. The depletion of fish stocks is the joint outcome of poor water quality and overfishing/illegal fishing, driven by all riparian countries. The project components mirror the key challenges and focus support to (i) strengthening cooperative management of transboundary natural resources and climate change; (ii) sustainable land and water resource management in selected soil erosion hotspots; (iii) more effective monitoring, enforcement and prevention of pollution; and (iv) coordination and knowledge management.

**Sustainability, scale-up and innovation.** The project is aimed at scaling-up measurable impacts on erosion and sediment loads from the hotspots, scale-up action on containing pollution and effective, long term water hyacinth control. It will also enhance the technical capacity at LVBC to sustain the lake monitoring. Part of this will aim to employ novel, disruptive technologies for lake monitoring and erosion and sedimentation hotspots. Involvement of the private sector in hyacinth removal and commercialization of water hyacinth based products (e.g. for biofuel) and private sector roles in innovative efforts for agricultural and industrial pollution abatement and cleaner production will provide one base for sustainability and scale-up of related activities. GEF financing will e.g. help in capacity development of entrepreneurs/SMEs, providing them training and facilitate on-the-job capacity building at private companies. Community based activities will be designed such that they are working with locally relevant and appropriate institutional structures which will contribute to sustainability. Furthermore, the project design and use of disbursement linked indicators/DLIs will contribute to incentivize delivery of the project within agreed milestones.

**Review Dates**

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