

Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility
(Version 5)

STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: April 29, 2015

Screener: Virginia Gorsevski

Panel member validation by: Brian Child
Consultant(s):

I. PIF Information *(Copied from the PIF)*

FULL SIZE PROJECT GEF TRUST FUND

GEF PROJECT ID: 9073

PROJECT DURATION : 5

COUNTRIES : South Africa

PROJECT TITLE: Unlocking Biodiversity Benefits through Development Finance in Critical Catchments

GEF AGENCIES: DBSA

OTHER EXECUTING PARTNERS: SANBI, with support from Western Province Department of Agriculture(WCDA), Nelson Mandela Metro Municipality (NMBMM)

GEF FOCAL AREA: Biodiversity

II. STAP Advisory Response *(see table below for explanation)*

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies):
Major issues to be considered during project design

III. Further guidance from STAP

This concept is for a project intending to mainstream biodiversity conservation and ecosystem values in water catchments in South Africa, which in principle STAP welcomes.

The objective of this project is "To develop policy and capacity incentives for mainstreaming biodiversity and ecosystems values into national, regional and local development policy and finance: application demonstrated in two water catchments." This project has two components (national capacity to test capital accounting; water financing mechanisms tested in two catchments), four/five outcomes (institutions for natural capital accounting; skills; two river systems working; water pricing charges in two catchments) and 22 outputs.

The threats and impacts in this project concept note are well described, as are the major barriers. In addition, the basic idea behind this project is exciting. It contains some very interesting ideas about how to manage water tariffs to be reinvested in catchment management based on sound economic analysis of costs and benefits. However, the text is complex and difficult to follow. In addition, the mechanisms to deliver on these ideas are vague, complex and insufficiently developed, and made more so by the quality of the narrative. In short, this project appears to have great potential; however, the PIF needs to be put together much more succinctly for the reader to be able to understand and assess the project.

The most clearly written and operational Outcome is for the two river catchments (Outcome 4). A stronger approach might be for the project to replicate the South African Grasslands approach of involving communities of practice in solving real problems together to develop guidelines, analyses, etc. that are then adopted at higher levels. (See Ginsburg AE, Stephens A, Tau M, Botts EA, Holness S. Biodiversity mainstreaming in South Africa's production landscapes: Lessons and achievements. In: Michalk DL, Millar GD, Badgery WB, Broadfoot KM, editors. Revitalising our grasslands to sustain our communities: Proceedings of the 22nd International Grasslands Congress; 2013 September 15-19; Sydney, Australia. Orange, NSW: New South Wales Department of Primary Industry; 2013. p. 1672-1677. Available from: <http://www.internationalgrasslands.org/files/igc/publications/2013/proceedings-22nd-igc.pdf>.)

STAP recommends that this should be the operational focus of this project, with the development of valuation and training material (outputs 2.2, 2.3, 2.4) and economic valuations (outputs 5.1, 5.2) being part of this. It also seems that outputs 6.1 to 6.4 fit directly under these pilots, and it is hard to follow what is meant by outputs 5.2 - 5.5 and if these are intended to be applied in the two catchments or nationally.

The second output would then be the stakeholder process of building a 'community-of-practice' and incorporating these practices as guidelines, norms, and eventually new regulations and financing systems at national level.

The table of proposed stakeholders is extensive and well-described; however, it will be useful if the PIF could comment on whether SANBI, WCDA, NMMM and Department of Water are committed to the project as this will be a critical factor in determining overall likelihood of success.

The risks are well defined and elaborated; however, it will be helpful to indicate whether they are believed to be low, medium or high.

Overall, while STAP feels that the intention of this project is commendable and worthwhile, it is questionable if the intricacies of such an approach can or will be adopted, especially given the diversity, complexity and capacity of many agencies that will ultimately be involved if the program is to be scaled nationally; the conceptual lines of the project need to be clearer, with a succinct and compelling vision “paying for the catchments that give us clean water? Financing critical catchments?”

| <i>STAP advisory response</i> | <i>Brief explanation of advisory response and action proposed</i> |
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| 1. Concur | In cases where STAP is satisfied with the scientific and technical quality of the proposal, a simple “Concur” response will be provided; the STAP may flag specific issues that should be pursued rigorously as the proposal is developed into a full project document. At any time during the development of the project, the proponent is invited to approach STAP to consult on the design prior to submission for CEO endorsement. |
| 2. Minor issues to be considered during project design | <p>STAP has identified specific scientific /technical suggestions or opportunities that should be discussed with the project proponent as early as possible during development of the project brief. The proponent may wish to:</p> <p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised. (ii) Set a review point at an early stage during project development, and possibly agreeing to terms of reference for an independent expert to be appointed to conduct this review.</p> <p>The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p> |
| 3. Major issues to be considered during project design | <p>STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical methodological issues, barriers, or omissions in the project concept. If STAP provides this advisory response, a full explanation would also be provided. The proponent is strongly encouraged to:</p> <p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised; (ii) Set a review point at an early stage during project development including an independent expert as required.</p> <p>The GEF Secretariat may, based on this screening outcome, delay the proposal and refer the proposal back to the proponents with STAP’s concerns.</p> <p>The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p> |