



**United Nations Development Programme
Country: Barbados and the OECS
Project Document**

Project Title: Renewable energy development for St Vincent and the Grenadines
UNDAF Outcome(s): Environment, Energy, Climate Change and Disaster Risk Reduction
Expected CP Outcome(s): Enhanced capacity of national, sub-regional and regional institutions and stakeholders to build resilience to the adverse impacts of climate change and natural and anthropogenic hazards; improved energy efficiency and use of renewable energy; improved policy, legal, regulatory and institutional frameworks for environmental and energy governance
Expected Output(s): Completed ESIA of the Geothermal Development Project
Implementing Partner: Energy Unit of the Ministry of National Security, Air and Sea Port Development
Responsible Parties: UNDP

Brief Description

This project will conduct an Environmental and Social Impact Assessment (ESIA) of the proposed Geothermal Development Project in St. David's to evaluate the temporary and permanent impacts of the test drilling phase of the project on the natural and human environment. The ESIA shall support decision makers in:

- deciding whether to proceed with the project development
- selecting the best location of the development wells, fluid gathering system, power plant and associated facilities
- considering the impacts on the most valuable environmental resources of SVG (i.e. natural forest, freshwater, wild fauna, tourism attractiveness, etc.)
- considering the impacts on social dimensions, including poverty, gender and employment
- identifying any necessary mitigation actions that will be necessary due to environmental and social changes expected as a result of the project

<table style="width: 100%;"> <tr> <td style="width: 30%;">Programme Period:</td> <td>2012-2016</td> </tr> <tr> <td>Key Result Area (Strategic Plan):</td> <td>_____</td> </tr> <tr> <td>Atlas Award ID:</td> <td>00077372</td> </tr> <tr> <td>Start date:</td> <td>15 Nov 2013</td> </tr> <tr> <td>End Date:</td> <td>15 Mar 2014</td> </tr> <tr> <td>PAC Meeting Date:</td> <td>13 Nov 2013</td> </tr> <tr> <td>Management Arrangements:</td> <td>NIM</td> </tr> </table>	Programme Period:	2012-2016	Key Result Area (Strategic Plan):	_____	Atlas Award ID:	00077372	Start date:	15 Nov 2013	End Date:	15 Mar 2014	PAC Meeting Date:	13 Nov 2013	Management Arrangements:	NIM	<table style="width: 100%;"> <tr> <td style="width: 30%;">2013 AWP budget:</td> <td>\$40,000</td> </tr> <tr> <td>Total resources required:</td> <td>\$250,000</td> </tr> <tr> <td>Total allocated resources:</td> <td>\$40,000</td> </tr> <tr> <td>• Regular:</td> <td>\$40,000</td> </tr> <tr> <td>• Other:</td> <td>_____</td> </tr> <tr> <td> ○ Donor:</td> <td>_____</td> </tr> <tr> <td> ○ Government:</td> <td>_____</td> </tr> <tr> <td>Unfunded budget:</td> <td>\$210,000</td> </tr> <tr> <td>In-kind Contributions:</td> <td>_____</td> </tr> </table>	2013 AWP budget:	\$40,000	Total resources required:	\$250,000	Total allocated resources:	\$40,000	• Regular:	\$40,000	• Other:	_____	○ Donor:	_____	○ Government:	_____	Unfunded budget:	\$210,000	In-kind Contributions:	_____
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Agreed by Government of St Vincent and the Grenadines:

Agreed by UNDP:

I. SITUATION ANALYSIS

Access to sustainable energy not only improves national energy security, helps to mitigate climate change and reduces and unsustainable uses of natural resources; it also expands prospects for economic growth and education opportunities, through creation of jobs and improvement in livelihoods, and gender equality, with availability of more affordable electricity. It also helps to further the process of reducing unsustainability and risk of pursuing economic growth models based on the current high levels of energy intensity, in particular fossil fuels. This has positive implications for the operation of various key economic sectors such as agriculture and tourism, and bolsters fuel and food security of the country.

St. Vincent and the Grenadines is a net importer of primary energy as fossil fuels for the generation of electricity, with about 3% generation from hydroelectricity. Due to persistently high costs, this leads to high generation costs and consequently electricity tariffs. The high carbon content results in high per capita greenhouse gas (GHG) emissions. In 2007 households paid an average of approx. US\$0.89/kWh including fuel surcharge. In 2008 this increased to nearly US\$0.39/kWh and the average annual household bill rose to about US\$630. The average yearly electricity tariff rose from US\$0.03/kWh in 1998 to US\$0.19/kWh in 2008, an increase of more than 570%.

Despite these high baseline costs and the competitiveness of renewable energy, limited development of Renewables occurs due to a number of barriers.

However, the Government of St. Vincent and the Grenadines is currently intensifying its efforts to diversify its energy supply with Renewable. The National Energy Policy (2009) includes intentions to "Promote the increased use of appropriate renewable energy technologies, which are technically and commercially proven, financially and economically viable, and environmentally friendly" and "Analyse the potentials of renewable energy sources on all islands, make site-specific assessments and elaborate project proposals". The National Energy Action Plan (2010) notes that there is potential for geothermal energy to supply the entire base load for St Vincent and the Grenadines. Further, a Memorandum of Understanding (MoU) was signed in 2008 with a potential private developer to facilitate negotiation of a geothermal exploration and exploitation agreement (GEA). The Government completed its review of a proposed GEA in 2010 and signed an agreement granting the developer the exclusive right to investigate and develop the resources within a specified geothermal area and to operate the project.

UNDP has adopted a new approach in its Strategic Plan 2014-2017 which focuses on, inter alia:

- **inclusive and sustainable solutions to achieve universal modern energy access and greater energy efficiency**, in particular, through renewable energy solutions that use inclusive and sustainable market-based solutions that engage governments, the private sector and other partners, with a focus on expanding energy access for underserved communities/groups, women and the poor and reducing energy intensity in commercial and household settings
- **low emission and climate resilient development priorities** built into the design, implementation, and financing of poverty eradication and sectoral strategies and policies at national and sub-national level, to prioritise relevant actions and investments, help demonstrate scalable technologies and business models, build incentives for resilient livelihoods, and strengthen capacities to access, monitor, verify and report on climate finance
- **innovative options for social protection systems** to extend greater protection to the poor and at-risk groups from major natural, economic, and conflict-related shocks

Within this framework, UNDP Barbados and the OECS continue to support St Vincent and the Grenadines in its pursuit of sustainable human development and the realisation of its related National Energy Policy objectives. Moreover, this initiative holds potential to catalyse future cooperation on inclusive green growth strategies as a vehicle for the creation of employment, innovation and technology transfer.

II. STRATEGY

The Geothermal Development Project site is located in the parish of St. David. The total area of the project is identified based on a potential geothermal reservoir area of 15km², located between 13°17'58" and 13°19'11" North, and 61°09'36" and 61°12'36" West.

The project would provide basic electric power from a renewable source with very low greenhouse gas emissions to cover all the needs of SVG (15-20MW) at a stable, competitive cost compared with current means of power production. This would contribute directly to the agreed outcome of increasing the proportion of renewable energy in the national energy mix.

The project will require four phases:

- Phase 1.** Exploration to determine the geothermal potential of the reservoir in the Soufriere
- Phase 2.** Development, during which the various components of the installation will be set up (turbines, wells, pipes, 2-3 power stations), to use the geothermal resource and produce energy
- Phase 3.** Electric power production
- Phase 4.** Site dismantling and restoration of impacted sites

The Government has received funding from EMERA for the implementation of a geothermal drilling and testing programme for 1 well. The objective is to prove the existence of high enthalpy geothermal resource suitable for commercial generation of electric power.

A Feasibility Study of the project was completed in July 2013 by Light and Power Holding Ltd and Reykjavik Geothermal and is available at the Energy Unit's office. The adequacy of the data and information contained in this Study has been assessed by the Energy Unit in the framework of its Technical Assistance Contract and the relevant comments and conclusions included in the Inception Report: *Review of Previous Studies and Planning of Exploratory Drilling* available also at the Energy Unit's office.

The Government has requested the support of UNDP to conduct an Environmental and Social Impact Assessment (ESIA), which is a procedure for establishing which impacts a proposed project is likely to have on the environment and for recommending changes to the project to minimize any predicted negative impact. The ESIA will evaluate the temporary and permanent impacts of the test drilling phase of the project on the natural and human environment. The ESIA shall support decision makers in:

- deciding whether to proceed with the project development
- selecting the best location of the development wells, fluid gathering system, power plant and associated facilities
- considering the impacts on the most valuable environmental resources of SVG (i.e. natural forest, freshwater, wild fauna, tourism attractiveness, etc.)
- considering the impacts on social dimensions, including poverty, gender and employment

The ESIA procedure of the Project must be carried out in compliance with local EIA (or comparable) laws. The impact assessment shall cover all the relevant environmental issues that have impact due to the proposed project and must include (but not be limited to) the following:

- **Physical Environment:** risks related to natural hazards (seismic, volcanic, landslides, hurricanes, floods, etc); effects of induced seismicity; effects on air quality; ambient noise level; regime of the local streams due to water discharge; water quality (surface/ground); water temperature (surface/ground); ground water levels and recharge potential; effects of induced subsidence, land use/land cover and change in designated land-use; soil erosion;
- **Biological Environment (aquatic and terrestrial):** impact on forest area, parks, wildlife sanctuaries and other sensitive ecosystem; impact on biota and biodiversity loss particularly with special reference to the rare and threatened species, endemic species of both animals and plants; impact on habitat loss

with special reference to the rare and threatened species, endemic species of both animals and plants; impact due to habitat change having effect like corridor loss and loss of migratory path for wildlife including birds, impacts on the breeding grounds of species and on access of animals to food and shelter; impact on flora and fauna in the project sites; impact on aquatic ecology including fisheries and endangered species; impact on sensitive ecosystem.

- **Socioeconomic Environment:** public health risks due to exploration/construction/operation activities; impact due to transportation of heavy equipment to site, sensitive locations; change in occupational, pattern; effects on local economy, tourism, and human settlements.

The Geothermal Development Project complements current work being undertaken by the Government and UNDP in diversifying the energy resource base. With resources from the Global Environment Facility (GEF), the "Promoting access to clean energy services in St Vincent" project seeks to amplify the impact of current sustainable energy initiatives planned by the Government, including improvement of its regulatory framework, technical and institutional capacities, and implementation of mini-hydro, wind, waste heat recovery and solar PV projects.

III. ANNUAL WORK PLAN

Year: 2013

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description Amount	
Output 1: Completed Environmental and Social Impact Assessment of the Geothermal Development Project Baseline: Feasibility Study of the project was completed in July 2013. Review of Previous Studies and Planning of Exploratory Drilling was completed by the Energy Unit Indicators: Targets: Related CP outcome: Enhanced capacity of national, sub-regional and regional institutions and stakeholders to... improve energy efficiency and use of renewable energy; improve policy, legal, regulatory and institutional frameworks for environmental and energy governance	1. Conduct ESIA - Assessment of selected sites - Legal status of proposed project site - Collection of baseline environmental and socioeconomic data, disaggregated by age and gender - Development of an Environmental Management and Monitoring Plan - Development of a Public Consultation and Development Plan					Government of SVG	UNDP	Contractual services \$40,000	
TOTAL									\$40,000

IV. MANAGEMENT ARRANGEMENTS

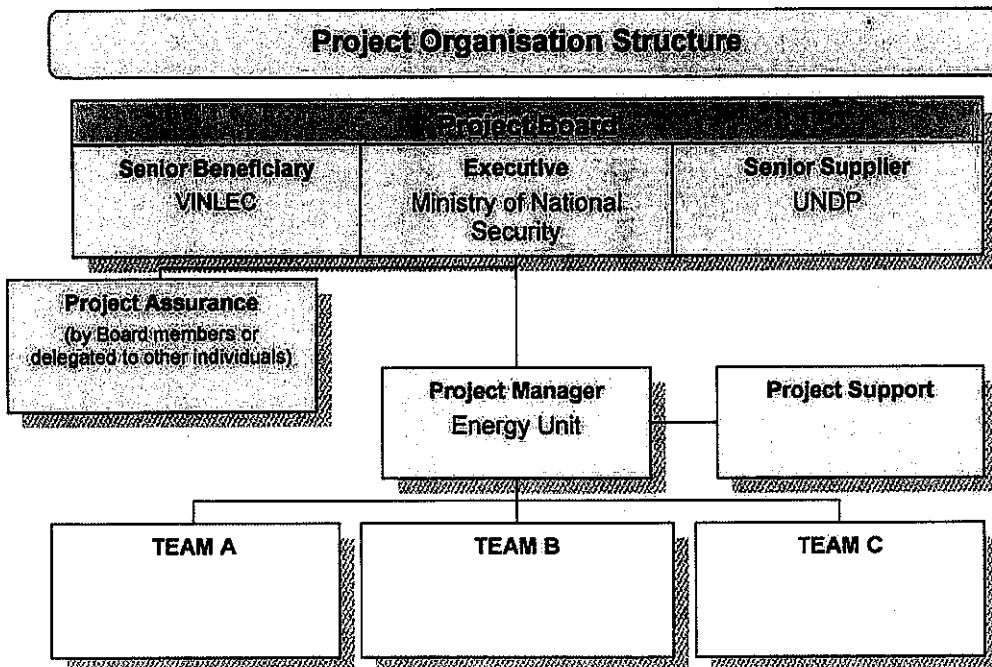
This project will be implemented by the Energy Unit using the UNDP national implementation modality (NIM).

The Project Board (PB) will oversee the implementation of the project. The PB is responsible for making, on a consensus basis, management decisions for the project when guidance is required by the implementing agency. Project reviews by this group are made at designated decision points during the running of the project, or as necessary when raised by the implementing agency. This group is consulted by the implementing agency for decisions when their tolerances (i.e. constraints normally in terms of time and budget) have been exceeded.

The PB plays a critical role in project monitoring and evaluations by quality assuring these processes and products, and using evaluations for performance improvement, accountability and learning. It ensures that required resources are committed and arbitrates on any conflicts within the projects or negotiates a solution to any problems with external bodies. In addition, it approves the appointment and responsibilities of the Project Coordinator and any delegation of its Project Assurance responsibilities. Based on the approved Annual WorkPlan, the PB can also consider and approve the quarterly plans (if applicable) and also approve any essential deviations from the original plans.

This group plays three roles:

- Executive representing the Project ownership to chair the group
- Senior Supplier representing the interests of the parties concerned which provide funding for specific cost sharing projects and/or guidance regarding the technical feasibility of the Project
- Senior Beneficiary representing the interests of those who will ultimately benefit from the project to ensure the realisation of Project benefits from the perspective of Project beneficiaries.



The *Executive* role will be held by the Ministry of National Security, Air and Sea Port Development.

The *Senior Supplier* role will be held by UNDP Barbados and the OECS SRO.

The *Senior Beneficiary* role will be held by VINLEC.

In order to ensure UNDP's ultimate accountability for the project results, PB decisions will be made in accordance to standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case consensus cannot be reached within the PSC, the final decision shall rest with the UNDP Project Coordinator.

Project Assurance

The Project Assurance role is the responsibility of each PB member, or may be delegated, and supports the PB function by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

Collaborative arrangements with related projects

UNDP continues to provide policy and technical support by working on and advocating for the multi-sectoral challenges of poverty reduction, democratic governance, crisis prevention and recovery, and environment and sustainable development.

In St Vincent and the Grenadines, UNDP has worked with the government to secure resources to address issues of energy security and climate change mitigation through the Global Environment Facility (GEF) under the project "Promoting access to clean energy services in St Vincent". As the implementation of these activities from 2014 leads to stronger awareness of the linkages between energy efficiency and security, climate change, resilience and economic development, it is intended that synergies will be built with this project to ensure a consistency of approach at the national level to address these issues which permeate all sectors of the society.

UNDP Support Services

Operational and administrative support services provided by UNDP Barbados and the OECS may include human resources services, procurement of project goods and services, and finance transactions performed on behalf of the Government. These are outlined in the Letter of Agreement signed 13 November 2013 in Annex II.

Audit Arrangements

The project will be audited according to UNDP Financial Regulations and Rules, as well as applicable Audit policies

V. MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

Within the annual cycle

- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see Annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- a project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- **Final Project Review.** Based on the above report, an annual project review shall be conducted at the end of the project, to assess the performance of the project. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.
- **Gender markers.**

Quality Management for Project Activity Results

OUTPUT 1: Completed Environmental and Social Impact Assessment of the Geothermal Development Project		
Activity Result 1 (Atlas Activity ID)	Conduct ESIA	Start Date: Nov 2013 End Date: Mar 2014
Purpose	To evaluate the temporary and permanent impacts of the test drilling phase of the project on the natural and human environment	
Description	<ul style="list-style-type: none"> - Assessment of selected sites - Legal status of proposed project site - Collection of baseline environmental and socioeconomic data - Development of Environmental Management and Monitoring Plan - Development of Public Consultation and Development Plan 	
Quality Criteria	Quality Method	Date of Assessment
No of environmental variables measured	Technical peer review	Bi-monthly
No of socioeconomic variables measured	Technical peer review	Bi-monthly

VI. LEGAL CONTEXT

This document together with the Multi-Country Programme and Action Plan (M-CPAP) 2012-2016 signed by the Government and UNDP, which is incorporated by reference, constitute together a Project Document as referred to in the Standard Basic Assistance Agreement signed on 29 April 1983 and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

VII. ANNEXES

ANNEX 1: Risk Analysis

Project Title: Renewable energy development in St Vincent and the Grenadines Award ID: 00077372 Date: Sept 2013

Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted updated by	Last Update	Status
1 Poor coordination between stakeholders	Sept 2013	Organisational	A high level of engagement is required between the contracted consultant and relevant stakeholders and government departments to ensure timely acquisition of data and completion of research P = 4 I = 3	High level of political engagement by the government to ensure broad buy in and cooperation from stakeholders and to support institutional learning		D Evanson	Sept 2013	No change
2 A natural disaster impacts the region and the project becomes impossible to be executed	Sept 2013	Environmental	P = 2 I = 4	Delay project start to Dec 2013 or Jan 2014		D Evanson		Reducing
3 Delays in the procurement process	Nov 2013	Operational	Funds are time-bound and therefore an efficient procurement process is needed to initiate activity P = 4 I = 2	Support for procurement would be provided to the government as necessary on request		L Blanco	Nov 2013	Increasing
4 Gaps in collected data	Nov 2013	Operational	Insufficient, inappropriate or invalidated data may			L Blanco	Nov 2013	No change

Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted / updated by	Last Update	Status
5 Lack of participation and engagement of key stakeholders	Nov 2013	Strategic	<p>contribute to failure to adequately identify impacts and propose effective mitigation measures P = 3 I = 4</p> <p>Lack of input by key stakeholders and informants may contribute to failure to adequately identify impacts and propose effective mitigation measures P = 2 I = 5</p>			L Blanco	Nov 2013	No change

STANDARD LETTER OF AGREEMENT BETWEEN UNDP AND THE GOVERNMENT OF ST VINCENT AND THE GRENADINES FOR THE PROVISION OF SUPPORT SERVICES

Dear Ms Anthony-Browne,


1. Reference is made to consultations between officials of the Government of St Vincent and the Grenadines (hereinafter referred to as "the Government") and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant project document, as described below.
2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.
3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the project:
 - (a) Identification and/or recruitment of project personnel;
 - (b) Identification and facilitation of training activities;
 - (c) Procurement of goods and services.
4. The procurement of goods and services and the recruitment of project personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a project, the annex to the project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.
5. The relevant provisions of the UNDP Standard Basic Assistance Agreement with the Government of St Vincent and the Grenadines signed 29 April 1983 (the "SBAA"), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed project through its designated institution. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the project document.
6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.
7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the project document.

8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

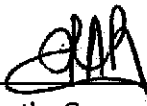
9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

10. If you are in agreement with the provisions set forth above, please sign and return to this office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between your Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

Yours sincerely,



Signed on behalf of UNDP
Stephen O'Malley
Resident Representative



For the Government
Ms Laura Anthony-Browne
Director of Planning
Central Planning Division
Ministry of Finance and Economic Planning
St Vincent and the Grenadines
13 November 2013

DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the Energy Unit of the Ministry of National Security, the institutions designated by the Government of St Vincent and the Grenadines and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project "Renewable energy development for St Vincent and the Grenadines" Project ID 00088190, "the Project".

2. In accordance with the provisions of the letter of agreement signed on 13 November 2013 and the project document, the UNDP country office shall provide support services for the Project as described below.

3. Support services to be provided:

Support services*	Schedule for the provision of the support services	Cost to UNDP of providing such support services (where appropriate)	Amount and method of reimbursement of UNDP (where appropriate)
1. Payments, disbursements and other financial transactions	During project implementation	Universal/Local Price List	Support Services
2. Procurement of services and equipment, and disposal/sale of equipment	During project implementation	Universal/Local Price List	Support Services
3. Organisation of training activities, conferences, and workshops	During project implementation	Universal/Local Price List	Support Services
4. Travel authorisations, ticketing, and travel arrangements	During project implementation	Universal/Local Price List	Support Services

* UNDP direct project support services will be defined yearly, and for those executed during the period, direct project costs will be charged at the end of each year based on the UNDP Universal Pricelist (UPL) or the actual corresponding service cost

4. Description of functions and responsibilities of the parties involved:

The project will be conducted using UNDP's national implementation modality (NIM). The Energy Unit will act as the National Implementing Partner¹, with the support of UNDP, responsible for directing and managing the project and monitoring compliance with project work plans as a basis for project execution.

¹National Execution partner under new harmonized definition.

UNDP will provide technical and operational support necessary for the implementation of activities and the results of this project. The UNDP office will ensure that all consultant contracts, purchase orders and contracts for company services are in compliance with UNDP standards and procedures. In those cases in which the UNDP Resident Representative has to sign the contracts mentioned above, UNDP will participate in the processes for selection and recruitment. UNDP will also provide advances payments to the project to make direct payments and maintain accounting and financial control of the project.

The project authorities will carry out the procurement and contracts for all purchases less than USD\$2,500. These minor operations shall comply with rules and procedures contained in the National Implementation Manual. According to the above, ownership of equipment, supplies and other property financed with project funds will be conferred to UNDP. Transfer of ownership rights shall be determined in accordance with the policies and procedures of UNDP. All goods will be considered UNDP property for the following five years since purchased.

UNDP will assist in the administration of funds. UNDP will be able to assist in the management of any other additional fund for co-financing this project which may be acquired. These arrangements will be included in the relevant Memorandum of Understanding. Contributions will be subject to internal and external audits established in UNDP rules and financial regulations.

ANNEX 3: Environmental and Social Screening Checklist

QUESTION 1:

Has a combined environmental and social assessment/review that covers the proposed project already been completed by implementing partners or donors?

Select answer below and follow instructions:

NO => Continue to Question 2 (do not fill out Table B)

YES => No initial environmental and social review was required. No existing documentation meets UNDP's quality assurance standards, and environmental and social management recommendations are limited to the project. Therefore, you should undertake the following steps to complete the screening process:

1. Use the table below to assess existing documentation. (It is recommended that this assessment be undertaken jointly by the Project Developer and other relevant focal points in the office or Bureau)
2. Ensure that the Project Document incorporates the recommendations made in the Implementing Partner's environmental and social review.
3. Summarize the relevant information contained in the implementing partner's environmental and social review in Annex A 2 of this Screening Template, select the Category 1.
4. Submit Annex A to the PAC along with other relevant documentation.

Note: Further guidance on the use of national systems for environmental and social assessment can be found in Annex B.

TABLE 1.1: CHECKLIST FOR APPRAISING QUALITY ASSURANCE OF EXISTING ENVIRONMENTAL AND SOCIAL ASSESSMENT	Yes/No
1. Does the assessment/review meet its terms of reference, both procedurally and substantively?	
2. Does the assessment/review provide a satisfactory assessment of the proposed project?	
3. Does the assessment/review contain the information required for decision-making?	
4. Does the assessment/review describe specific environmental and social management measures (e.g. mitigation, monitoring, advocacy, and capacity development measures)?	
5. Does the assessment/review identify capacity needs of the institutions responsible for implementing environmental and social management issues?	
6. Was the assessment/review developed through a consultative process with strong stakeholder engagement, including the view of men and women?	
7. Does the assessment/review assess the adequacy of the cost of and financing arrangements for environmental and social management issues?	
For any "no" answers, describe below how the issue has been or will be resolved (e.g. amendments made or supplemental review conducted).	

QUESTION 2:

Do all outputs and activities described in the Project Document fall within the following categories?

Procurement (in which case UNDP's Procurement Ethics and Environmental Procurement Guide need to be complied with)

Report preparation

Training

Even a workshop/meeting/conference (refer to Great Meeting Guide)

Communication and dissemination of results

Select answer below and follow instructions:

NO - Continue to Question 4

YES - No further environmental and social review required. Complete Annex A2, Section 6 (category 1) and submit the completed template (Annex A) to the PAC.

QUESTION 3:

Does the proposed project include any of the following sub-categories of *stream planning processes* that potentially pose environmental and social impacts or are ultimately for environmental and social climate change (include all that apply in the category stream planning processes - impacts at global, regional, national, local and sector level):

Select the appropriate answer and follow instructions:

NO - Continue to Question 4

YES - Accomplish the following steps to complete the screening process:

1. Assess the project design as described in the annexes (NDC's support to the country) to ensure that the environmental and social issues are appropriately considered during the stream planning process. Refer to Section 7 of this Guidance for the definition of environmental and social risks requiring review, risks, criteria and good practices that may be used.
2. Summarize environmental and social major concerns in Annex A2, Section 6 using the Screening Template and select "category 1".
3. If the environmental and social impacts are not alarming or serious then your analysis is complete and you should submit the completed Environmental and Social Screening Template (Annex A) to the PAC. If downstream implementation activities are also included in the project then continue to Question 4.

<p>1. Support for the elaboration or revision of global-level strategies, policies, plans, and programmes.</p> <p><i>For example, capacity development and support related to international negotiations and agreements. Other examples might include a global water governance project or a global MDG project.</i></p>	
<p>2. Support for the elaboration or revision of regional-level strategies, policies and plans, and programmes.</p> <p><i>For example, capacity development and support related to transboundary programmes and planning (river basin management, migration, international waters, energy development and access, climate change adaptation etc.).</i></p>	
<p>3. Support for the elaboration or revision of national-level strategies, policies, plans and programmes.</p> <p><i>For example, capacity development and support related to national development policies, plans, strategies and budgets, MDG-based plans and strategies (e.g. PRS/PRSPs, NAMAs), sector plans.</i></p>	✓

4. Support for the elaboration or revision of sub-national/local-level strategies, policies, plans and programmes.

For example, capacity development and support for district and local level development plans and regulatory frameworks, urban plans, land use development plans, sector plans, provincial development plans, provision of services, investment funds, technical guidelines and methods, stakeholder engagement.

QUESTION 4:

Does the proposed project include the implementation of a project or activities that potentially pose environmental and social impacts or are vulnerable to environmental and social impacts?

To answer this question, you should first complete Table 4.1 by selecting appropriate answers. If you answer "NO" or "Not Applicable" to all questions in Table 4.1 then the answer to Question 4 is "NO". If you answer "Yes" to any question in Table 4.1 (even one "Yes" can indicate a significant issue that needs to be addressed through further review and management) then the answer to Question 4 is "YES".

NO → No further environmental and social review and management required for downstream activities. Complete Annex A.2 by selecting "Category 1", and submit the Environmental and Social Screening Template to the PAC.

YES → Conduct the following steps to complete the screening process:

1. Consult Section B of the Guidelines to determine the extent of the impact to manual and social review and management that might be required for the project.
2. Revise the Project Document to incorporate environmental and social management measures. Where further environmental and social review and management activity cannot be undertaken prior to the PAC, a plan to undertake the social review and management activity within an acceptable period of time post-PAC approval (e.g. as the first phase of the project) should be outlined in Annex A.2.
3. Select "Category 2" in Annex A.2, and submit the completed Environmental and Social Screening Template (Annex A) and relevant documentation to the PAC.

1. Biodiversity and Natural Resources	Answer (Yes/No/NA)
1.1 Would the proposed project result in the conversion or degradation of <u>modified habitat, natural habitat or critical habitat</u> ?	
1.2 Are any development activities proposed within a legally protected area (e.g. natural reserve, national park) for the protection or conservation of biodiversity?	
1.3 Would the proposed project pose a risk of introducing invasive alien species?	
1.4 Does the project involve natural forest harvesting or plantation development without an independent forest certification system for sustainable forest?	

	management (e.g. PEFC, the Forest Stewardship Council certification systems, or processes established or accepted by the relevant National Environmental Authority)?	
1.5	Does the project involve the production and harvesting of fish populations or other aquatic species without an accepted system of independent certification to ensure sustainability (e.g. the Marine Stewardship Council certification system, or certifications, standards, or processes established or accepted by the relevant National Environmental Authority)?	
1.6	Does the project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction.</i>	
1.7	Does the project pose a risk of degrading soils?	
2. Pollution		Answer Yes/No/NAI
2.1	Would the proposed project result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and transboundary impacts?	
2.2	Would the proposed project result in the generation of waste that cannot be recovered, reused, or disposed of in an environmentally and socially sound manner?	
2.3	Will the proposed project involve the manufacture, trade, release, and/or use of chemicals and hazardous materials subject to international action bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants, or the Montreal Protocol.</i>	
2.4	Is there a potential for the release, in the environment, of hazardous materials resulting from their production, transportation, handling, storage and use for project activities?	
2.5	Will the proposed project involve the application of pesticides that have a known negative effect on the environment or human health?	
3. Climate Change		
3.1	Will the proposed project result in significant ² greenhouse gas emissions? <i>Annex E provides additional guidance for answering this question.</i>	
3.2	Is the proposed project likely to directly or indirectly increase environmental and social vulnerability to climate change now or in the future (also known as maladaptive practices)? You can refer to the additional guidance in Annex C to help you answer this question. <i>For example, a project that would involve indirectly removing mangroves from coastal zones or encouraging land use plans that would suggest building</i>	

² Significant corresponds to CO₂ emissions greater than 100,000 tons per year (from both direct and indirect sources). Annex E provides additional guidance on calculating potential amounts of CO₂ emissions.

	<i>houses on floodplains could increase the surrounding population's vulnerability to climate change, specifically flooding.</i>	
4	Social Empowering Equality	
4.1	Would the proposed project have environmental and social impacts that could affect indigenous people or other vulnerable groups?	
4.2	Is the project likely to significantly impact gender equality and women's empowerment ³ ?	
4.3	Is the proposed project likely to directly or indirectly increase social inequalities now or in the future?	
4.4	Will the proposed project have variable impacts on women and men, different ethnic groups, social classes?	
4.5	Have there been challenges in engaging women and other certain key groups of stakeholders in the project design process?	
4.6	Will the project have specific human rights implications for vulnerable groups?	
5	Demographics	
5.1	Is the project likely to result in a substantial influx of people into the affected community(ies)?	
5.2	Would the proposed project result in substantial voluntary or involuntary resettlement of populations? <i>For example, projects with environmental and social benefits (e.g. protected areas, climate change adaptation) that impact human settlements, and certain disadvantaged groups within these settlements in particular.</i>	
5.3	Would the proposed project lead to significant population density increase which could affect the environmental and social sustainability of the project? <i>For example, a project aiming at financing tourism infrastructure in a specific area (e.g. coastal zone, mountain) could lead to significant population density increase which could have serious environmental and social impacts (e.g. destruction of the area's ecology, noise pollution, waste management problems, greater work burden on women).</i>	
6	Culture	
6.1	Is the project likely to significantly affect the cultural traditions of affected communities, including gender-based roles?	
6.2	Will the proposed project result in physical interventions (during construction or implementation) that would affect areas that have known physical or cultural significance to indigenous groups and other communities with settled recognized cultural claims?	
6.3	Would the proposed project produce a physical "splintering" of a community?	

³ Women are often more vulnerable than men to environmental degradation and resource scarcity. They typically have weaker and insecure rights to the resources they manage (especially land), and spend longer hours on collection of water, firewood, etc. (OECD, 2006). Women are also more often excluded from other social, economic, and political development processes.

<i>For example, through the construction of a road, powerline, or dam that divides a community.</i>		
7. Health and Safety		
7.1	<p>Would the proposed project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?</p> <p><i>For example, development projects located within a floodplain or landslide prone area.</i></p>	
7.2	<p>Will the project result in increased health risks as a result of a change in living and working conditions? In particular, will it have the potential to lead to an increase in HIV/AIDS infection?</p>	
7.3	<p>Will the proposed project require additional health services including testing?</p>	
8. Socio-Economics		
8.1	<p>Is the proposed project likely to have impacts that could affect women's and men's ability to use, develop and protect natural resources and other natural capital assets?</p> <p><i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their development, livelihoods, and well-being?</i></p>	
8.2	<p>Is the proposed project likely to significantly affect land tenure arrangements and/or traditional cultural ownership patterns?</p>	
8.3	<p>Is the proposed project likely to negatively affect the income levels or employment opportunities of vulnerable groups?</p>	
9. Cumulative and/or Secondary Impacts		Answer (Yes/No/NA)
9.1	<p>Is the proposed project location subject to currently approved land use plans (e.g. roads, settlements) which could affect the environmental and social sustainability of the project?</p> <p><i>For example, future plans for urban growth, industrial development, transportation infrastructure, etc.</i></p>	
9.2	<p>Would the proposed project result in secondary or consequential development which could lead to environmental and social effects, or would it have potential to generate cumulative impacts with other known existing or planned activities in the area?</p> <p><i>For example, a new road through forested land will generate direct environmental and social impacts through the cutting of forest and earthworks associated with construction and potential relocation of inhabitants. These are direct impacts. In addition, however, the new road would likely also bring new commercial and domestic development (houses, shops, businesses). In turn, these will generate indirect impacts. (Sometimes these are termed "secondary" or "consequential" impacts). Or if there are similar developments planned in the same forested area then cumulative impacts need to be considered.</i></p>	

ANNEX A.2: ENVIRONMENTAL AND SOCIAL SCREENING SUMMARY
(to be filled in after Annex A.1 has been completed)

Name of Proposed Project: Renewable Energy Development in St Vincent and the Grenadines

A. Environmental and Social Screening Outcome

Select from the following:

Category 1. No further action is needed

Category 2. Further review and management is needed. There are possible environmental and social benefits, impacts, and/or risks associated with the project (or specific project component), but these are predominantly indirect or very long-term and so extremely difficult or impossible to directly identify and assess.

Category 3. Further review and management is needed, and it is possible to identify these with a reasonable degree of certainty. If Category 3, select one or more of the following sub-categories:

Category 3a: Impacts and risks are limited in scale and can be identified with a reasonable degree of certainty and can often be handled through application of standard best practice, but require some minimal or targeted further review and assessment to identify and evaluate whether there is a need for a full environmental and social assessment (in which case the project would move to Category 3b).

Category 3b: Impacts and risks may well be significant, and so full environmental and social assessment is required. In these cases, a scoping exercise will need to be conducted to identify the level and approach of assessment that is most appropriate.

B. Environmental and Social Issues(for projects requiring further environmental and social review and management)

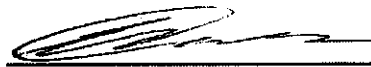
In this section, you should list the key potential environmental and social issues raised by this project. This might include both environmental and social opportunities that could be seized on to strengthen the project, as well as risks that need to be managed. You should use the answers you provided in Table 4.1 as the basis for this summary, as well as any further review and management that is conducted.

C. Next Steps(for projects requiring further environmental and social review and management):

In this section, you should summarize actions that will be taken to deal with the above-listed issues. If your project has Category 2 or 3 components, then appropriate next steps will likely involve further environmental and social review and management, and the outcomes of this work should also be summarized here. Relevant guidance should be obtained from Section 7 for Category 2, and Section 8 for Category 3.


D. Sign Off

Project Manager



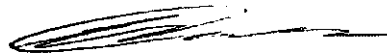
Date 31 Oct 2013

PAC



Date 13 Nov 2013

Programme Manager



Date 13 Nov 2013