



UNITED NATIONS DEVELOPMENT PROGRAMME  
SECRETARIAT OF STATE FOR TRADE AND INDUSTRY  
PROJECT DOCUMENT  
Sao Tome and Principe



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**Project Title:** Catalyzing women's participation in agribusiness and post-COVID-19 recovery in Sao Tome and Principe

**Project Number:** Award 00133968 / Output 00125689

**Implementing Partner:** State Secretary for Trade and Industry, through the Directorate for Trade

**Start Date:** 15-02-2021

**End Date:** 15-06-2022

**PAC Meeting date:** 11-02-2021



Brief Description
<p>The project aspires to empower women through COVID-19 response efforts promoting inclusive growth and economic diversification by supporting value chain development in agribusiness high value niche crops, promoting exports and strengthening the enabling business environment.</p> <p>Taking into consideration that the majority of the agribusiness are MSE (Micro and Small Enterprises) owned by women, the project incorporates gender equality as a principle objective. This will be done through two interlinked actions, expanding the potential of bringing to export markets some of the unique indigenous high-value crops produced in STP and also creating more favorable commercial conditions. Business Environment Reforms include reduction in the 'red tape', improving digital services provided by public administration, establishing a "one-stop-one" for exporters, and introducing an Arbitration Centre as an alternative process for resolving commercial disputes. Ultimately, this improvement in the enabling environment is expected to attract foreign and domestic investment by improving STP position in the World Bank's Doing Business Report (in 2020, STP ranked 185<sup>th</sup> out of 190).</p> <p>The approach chosen is that the development of value chains will be demand driven rather than supply driven and will be strongly based on establishing partnerships with leading buyers and distribution networks that are active in highly segmented markets for bio and eco labeled agricultural products on European markets and new export markets, including in the new African Continental Free Trade Area.</p> <p>The proposal cuts across different areas of UNDP 2.0 offer namely (1) the Governance area through an out of courts arbitration mechanism and a red-tape reduction; (2) the Green economy area through the adoption of crops and technology towards greening objectives; (3) the digital disruption area through the creation of an online platform for investors and digitalization of customs administration and (4) the social protection area as spillover of an improvement of higher income levels.</p> <p>In this context, the project is expected to generate significant employment and income opportunities, especially among women during this post COVID-19 recovery phase. The project will also contribute indirectly to a number of desirable social protection and cohesion issues, such as the employability and gender sensitivity, as well as the promotion of efficient management tools and access to finance, which are also central to UNDP's work in STP.</p>

<p><b>Contributing Outcome (UNDAF, CPD):</b></p> <p>Employment and competitiveness are ensured through economic diversification, developing resilience to climate change, improving the quality of life of the poor and vulnerable in rural and urban environments, as well as access to finance and the market for young people and women</p> <p><b>Indicative Output(s) with gender marker:</b></p> <p><i>Policies and programmes are adopted to stimulate competitiveness and employment, promote sustainable protection of the natural resources of neighbouring populations and green growth</i></p> <p><b>GEN 2</b></p>
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<b>Total resources required:</b>	1.500.000	
<b>Total resources allocated:</b>	<b>UNDP TRAC:</b>	
	<b>Donor:</b>	
	<b>Government:</b>	0,00
	<b>In-Kind:</b>	0,00
<b>Unfunded:</b>	0,00	



Agreed by (signatures):

Government	UNDP
 Eugénio António Sacramento da Graça State Secretary for Trade and Industry	 Katarzyna Wawiernia Resident Representative
Date: 10/08/2021	Date: 10/08/2021

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## I. DEVELOPMENT CHALLENGE

1. The Democratic Republic of São Tomé and Príncipe (STP) is a Small Island Developing State located (SIDS), located in the Gulf of Guinea some 350 km off the coast of West Central Africa. Albeit being LDC (Least Developed Countries), STP has achieved some progress in terms of human development, especially driven by public investments in health and education. However, its economy shows the typical criticalities and dependencies of a small developing island state that underpin its limited capacity to generate business opportunities and create enough productive and decent jobs. As a result, **STP economic growth has not been inclusive**. The arrival of Covid-19 has been further exacerbating this context of poverty and inequality.
2. STP is heavily **dependent on imports** for most of its consumer, capital and petroleum products. Consumer goods alone account for more than half of total imports, and within this category foodstuffs represents 45.84% reflecting the limited domestic food production capacity and food import dependency of the country. Total import of goods valued 150 USD million in 2021 with food alone valued \$30 million<sup>1</sup>.
3. **Sao Tome and Principe export is very limited and highly concentrated** in few products, namely, cocoa seeds, palm oil, coconut oil, chocolate, pepper, and coffee, that in 2021 had a combined value of just around 10 USD million<sup>2</sup>. As result, the current account of STP remains greatly unbalanced, as the lack of economic diversification in STP and limited export translates into imports whose value is fifteen times that of the country exports. Not surprisingly, through its unbalanced import and export profile, Sao Tome and Principe is **highly sensitive to changes in global prices**.
4. The formal sector employs less than a third (31.7%)<sup>3</sup> of the working population, meaning that **most of STP's population works in the informal sector**. Private sector in STP is mainly composed of semi-formal micro and small enterprises that struggle to find their position in the market since they lack managerial capacities, industrial capacities and finance.
5. Largely unexploited, **agriculture is one of most promising sectors to generate business** (especially for SMEs) and job opportunities (especially for women) for a more balanced and inclusive growth path. However, limited investments in business know-how and capital, and the need to further accelerate governance reforms to decrease the cost of doing business are all necessary conditions to unlock this potential. Particularly in the agribusiness sector, the business owners are mostly women.
6. The government is mindful that a root cause for market exclusion is its small size, considering the country has 200.000 citizens and 60%<sup>4</sup> of them are below the poverty line. To promote market inclusion and develop STP to its economic potential, the country has no choice but to reach out to foreign markets and investors - both regional and overseas - to expand its markets, while effectively strengthening the country current limited competitiveness. It is also within this context that STP recently ratified and started the implementation of the African Continental Free Trade Area, with a view to accelerating its integration process with the African continent. The support of the SECI to this project has been noticeable from design stage.

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## II. STRATEGY

7. The project will promote inclusive growth and diversification by supporting the development of selected agribusiness value chains in high value niche crops, focusing especially on European markets and new export

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1 Central Bank, 2022

2 Central Bank, 2022

3 Voluntary National Review on the Implementation of the Sustainable Development Goals in Sao Tome and Principe, 2022

4 Household survey, 2010

markets, including in the new African Continental Free Trade Area. The focus of this project will be to empower women and MSEs to develop products that respond to the markets and buyer's needs.

8. The project operates in two layers. **At the institutional/policy level it aims to strengthen the business environment** on agribusiness sectors, supports the operationalization of a National Arbitration Center to resolve commercial disputes with a strong focus on process digitalization. Additionally, it aims to provide support to overcome the country's bureaucratic barriers to export and trade through the establishment of a dedicated digital portal for exporters hosted by the country's Committee for Trade Facilitation, at the Customs department, created in 2021.
9. **At the level of the value chain** the project aims to work directly with micro and small-scale agribusiness on high-value crops, increasing their business management capacity, access to finance, quality production, certification of products, technology transfer, market knowledge, communication & marketing skills. All business support services provided will be mostly focused on increasing the MSE export capabilities to attain export readiness.
10. There are three main focus areas:
  - **Leading the Green Economy:** Strategically, support for agribusiness (including processing) is seen as an important catalyst for expanding STP's footprint in the emerging global Green Economy. The limited size and purchasing power of the domestic market has been a brake on making this shift. The government is conscious of the role that MSE might have in the country's economic growth and it is ready to bestow support to MSE through the resources of this project. With support through the proposed RFF project, the SME that produce the best quality products with added value will be prepared to embrace the European and other attractive markets. The project will provide significant opportunities for growth, investment, and livelihoods to help bring about this change. Particularly in STP where agriculture contributes significantly to GDP (about 10%) and leads the way in poverty reduction and employment opportunities, especially for women.
  - **Reduce bureaucracy:** Another key objective of the project is to help reduce export red tape. In particular, the project aims to alleviate the burden and lack of clarity of institutional and cumbersome export procedures by establishing a web portal for exporters that will connect investors and local producers. This initiative builds on the existing one-stop shop for establishing new companies that works successfully under the Ministry of Finance, Planning and Blue Economy and allows for the establishment of a company in 5 days at a cost of around US\$200. On the other hand, expanding the use of ICT services focused on e-commerce, for example, will enable the collection, processing and sharing of data, as well as the standardization of procedures that will streamline digital certification on export/customs permits required in trade. Over time, these changes will be instrumental in adding new electronic activities and products (i.e. business creation, payment of duties and taxes). At an outcome level, it is hoped that streamlining trade regulations can create confidence and attract new financial flows.
  - **Create greater legal certainty:** Agribusiness requires a conducive, stable and enabling business climate, just like any other business venture. To help foster these conditions in STP, this project will support the Government to operationalise the Arbitration Center, established by law since 2006 under the institutional guardianship of the Chamber of Commerce, to help build investor confidence, but still not functioning. Resolving commercial disputes and legal conflicts are identified by the World Bank as the number one bottleneck to investment in the country. Using arbitration as an alternative mechanism to resolve commercial disputes and legal conflicts - notably export-related issues - while avoiding overburdening the court system will hopefully create efficiency, confidence and reduce risk for investors and traders. The establishment of the Arbitration Center (AC) is expected to improve formal economic activity among micro, small and medium-sized enterprises (MSMEs).
11. Through its global networks and expertise, the project will build on **on-going UNDP initiatives** to promote the incipient private sector and the entrepreneurial ecosystem. UNDP will provide targeted technical assistance

to institutions working in key agribusiness sectors by capitalizing on the network of business incubators and accelerators created by an on-going UNDP project promoting youth entrepreneurship that over the past two-years has mobilized more than 1000 young entrepreneurs and has become a flagship initiative for the GoSTP and also for UNDP.

12. The project will help identify value chains in export markets and tailor them to local potential to meet international market requirements. It will also help identify potential importers and support in establishing business partnerships with local producers. It is hoped that this will orient the focus of the agribusiness sector in STP, directing it to meet the export market.
13. The Theory of Change (presented in figure 1) assumes a sequential intervention order to create a dual impact of linking producers to markets and investors to producers, all in the context of increasing women's participation in the sector. The project aims to identify markets (and especially export markets) and networks potentially interested in the agricultural products of STP, subject to the achievement of certain level of quality standards required by the final markets. In parallel, it will contribute to tackle some of most pressing impediments to trade in the terms of governance, helping create a more predictable business operating environment, with more robust legal and regulatory frameworks, a reduction in "red tape" to improve the ease of doing business, and will encourage foreign and domestic investors.

Figure 1: Theory of Change

Key results:	Contributes to:	National Development Goal:
Connecting local businesses with external markets and specialized business partners to identify specific demands for high value-added chains	Improving productivity and expanding the potential of bringing to market (and especially exportation markets) many of the high-value crops produced in STP especially by women and smallholder farmers	Promote more inclusive economic growth and diversification
Increasing the quality and standards of local agri-business productions		
Reviewing legal frameworks on trade and agribusiness sectors and creating a Dispute Arbitration Centre.	Improving World Bank Ease of Doing Business Ranking, creating more favourable conditions for investment and expanding exportation potential.	
Streamlining red-tape, inefficiency and lack of transparency in public administration including through digitalization to support local production and exports development along the identified value chains		

14. Based on STP's COVID-19 livelihood and recovery priorities and the project's Theory of Change (Figure 1), the main objective is to boost active participation in the embryonic agribusiness sector in Sao Tome and Principe and address the competitiveness in the countries business operating climate. The project will achieve this objective by delivering outputs in four key areas, as explained in next section.

### III. RESULTS AND PARTNERSHIPS

#### *Expected Results*

15. **Output 1 - Increasing the quality of local agribusiness production (including processing) by women and small-scale farmers**

**1.1** Build technical, technological, and managerial capacity of business owners, with a strong focus on women-led enterprises, using the existing business incubator network supported by the Ministry of Youth/UNDP. As the rehabilitation of the São Tomé incubator structure is still under way, the project will co-finance its completion.

**1.2** Elaborate and support the implementation of business tailor-made packages for each MSE, including marketing strategies for each MSE

- Carry out a thorough diagnostic of the micro and small agribusinesses
- Assess the challenges, opportunities, identify the specific technical, technological and organizational capabilities that need to be strengthened, as well as gaps along the value chain in order to develop their products and sell them internationally.
- Prepare the support packages and validate by IP
- Facilitate agreements between MSE and Government for the implementation of the support packages
- Train agribusiness owners in export procedures and licensing;

To achieve this result, an international consultancy will be hired and the resources from other UNDP projects such as the REINA | Business Development Services/incubator will be utilised.

**16. Output 2 - Increased production of high-value crops, especially those produced by women and small-scale farmers, and promoted through access to new international markets**

**2.1** Support the certification process among farmers and SME processors (e.g., Organic and/or Fair Trade).

**2.2** Produce market intelligence that identifies value chains, markets and partners (distribution network and buyers) with the greatest potential, with business vision and marketing models based on principles of bio, eco, fair, responsible trade, etc.

**2.3** Promote association/partnerships between processors to achieve synergies in the export process (Groupage of products for export)

To achieve this result, an international consultancy will be contracted to carry out the training and subsequent certification along the value chain.

**17. Output 3 - Targeted technical support to overcome bureaucratic barriers to export and trade in the country**

**3.1** Support for the operationalisation of the "one-stop-shop" for exporters, an export helpdesk to guide MSE on regulations and procedures for placing products on the international market, established a few years back but not operational at the onset of this project

**3.2.** Development of a roadmap for exporters, streamlining export procedures specifically for agro-processing businesses, mostly operated by women. To achieve this objective, a Foreign Trade Digital Portal will be created where it will be possible to carry out simulations on export costs, consult prices, etc..

**3.3** Create a consultative mechanism between the exporting MSE and the representatives of the institutions involved in exporting to share information, discuss opportunities and concerns, and address any eventual issue.

A consultancy will be contracted to design and build the Foreign Trade Portal.

#### **18. Output 4 - Lowering domestic barriers to agricultural exports by adopting dispute settlement mechanisms and expanding e-governance services**

**4.1** Support the operationalisation of the National Arbitration Centre (AC) to resolve legal and commercial disputes, mitigate contract enforcement risks and improve the country's business environment.

**4.2** Providing access to legal information and legal advice services to supported agribusiness MSEs.

This will be achieved through the rehabilitation of the AC infrastructure, the identification and training of arbitrators, the identification of pending commercial cases in the courts and transfer to the AC, and the dinamization of the AC through the establishment of new international partnerships. Additionally, it is foreseen to hire national legal advisors (on retainer) to counsel exporting MSE on international trade or other kind of issues on a needs basis.

#### **Partnerships**

19. The Secretary of State for Trade and Industry through the Directorate for Trade will be the Implementation Partner of this NIM project. Technical partnerships will be established with key government institutions, namely: Ministry of Justice, Public Administration and Human Rights, supporting the establishment of the arbitration Centre and digitalization; Ministry of Youth, Sports and Entrepreneurship, supporting the training activities through the network of incubators and mentoring facilities; Ministry of Agriculture, supporting the identification of farmers and areas of production to enhance processors' supply sources and also assuring alignment and coordination with on-going projects; Ministry of Finance, Planning and Blue Economy, assuring the overall alignment with national strategies and policies; Directorate of Customs, allowing the coordination with the Committee for Trade Facilitation, under its responsibility.

20. Other relevant partnerships: AfDB, that through the Zuntamon Lusophone compact is preparing a support package to stimulate the national private sector and improve the business environment; FAO, that supports the improvement of agricultural production and quality standards; IFAD, that through project COMPRAN is encouraging the internal commercialization of agricultural high value products; European Union that is financing a project that supports farmers and high value agricultural products, eventually with the purpose of raising the quality of produce for accessing export markets.

21. Civil Society Organisations such as OIKOS and Instituto Marquês Valle Flor, both implementing projects that intend to reinforce local stakeholders to improve the quality of export crops.

22. Under the lead of the Chamber of Commerce, Industry, Agriculture and Services(CCIAS), UNDP will support the operationalisation of the Arbitration Center to be based on the Law governing arbitration, through a consultative process with local women's groups, government focal points, the agribusiness private sector, CSOs, and international partners. UNDP, in collaboration with key stakeholders, will provide training and information sessions to agribusiness's institutions on legal and commercial information related to the export agribusiness. This has become even more important as the new African Continental Free Trade Area came into effect in January 2021, providing both risks and opportunities for the small island state among large neighbouring countries.

#### **Risks and Assumptions**

23. The full risk matrix is attached to this PRODOC. However, the main risks that may affect the project are indicated in the following table along with the likelihood of their occurrence and the proposed mitigation measure:

RISK	PROBABILITY	MITIGATION MEASURE
<p><b><u>Operational</u></b></p> <p>The project duration might be too short to achieve the expected results, especially when COVID might have unexpected turnarounds</p>	Moderate	<ul style="list-style-type: none"> <li>• Close monitoring of results by project management team.</li> <li>• Fast implementation of project activities whenever possible</li> </ul>
<p><b><u>Political</u></b></p> <p>Low political ownership, lack of support and high level commitment</p> <p>Low Government involvement in the improvement of Sao Tome and Principe's foreign trade</p>	Moderate	<ul style="list-style-type: none"> <li>• Permanent involvement in project implementation of authorities and decision makers</li> <li>• Consultative mechanisms with the government at project design</li> </ul>
<p><b><u>Social</u></b></p> <p>Little or no interest of micro and small business to participate in learning sessions;</p> <p>Abandonment of MSE that are not strategically prepared to reach the export market;</p>	Low	<ul style="list-style-type: none"> <li>• Define a strong engagement strategy that includes offering attractive and innovative services to entrepreneurs, adapted to different levels of knowledge.</li> <li>• Developing tailor made support packages in order to account for the specific situation of each MSE.</li> <li>• With the purpose of leaving no one behind, include the possibility of supporting MSE in improving quality of products for local market</li> </ul>
<p>Lack of experience/knowledge, at country level, in Alternative Dispute Resolution (ADR) that might lead to lack of interest and/or mistrust on this kind of mechanisms;</p>	Moderate	<ul style="list-style-type: none"> <li>• Information and communication campaign in place</li> </ul>
<p><b><u>Technical</u></b></p> <p>Reduced capacity and management knowledge to benefit from the support received and integrate new knowledge in the structure of the MSE</p>	Moderate	<ul style="list-style-type: none"> <li>• Capacity building sessions adapted, refreshed and monitored;</li> <li>• Business Support Services are continuously offered as a public service in STP;</li> </ul>

#### IV. PROJECT MANAGEMENT

24. The project will be implemented through the National Implementation Modality (NIM) by the Secretary of State for Trade and Industry (SECI) through the Directorate of Trade as Implementing Partner (IP). Due to the nature of the project and the short implementation period, no additional structures disconnected from the implementing entities will be created.

The UNDP office will provide specific support services for proper implementation as required through its Administrative, Programme and Financial Units.



25. The UNDP office in São Tomé and Príncipe will provide implementation support services, which include the following:

- Communications: to convey project results through UNDP's communication means, such as social media and website.
- Human Resources: support with the recruitment, selection, hiring and contract administration of project staff.
- Procurement: assistance with the purchase of goods or services on behalf of the project, covering the full procurement cycle.
- Finance: requests for direct payments;
- Advice and technical support: for the correct implementation of the project according to rules and procedures, including contract management.
- Follow-up reporting and documentation of lessons learned: evidence-based reports on results achieved compared to baseline and evaluation; compliance with substantive reporting requirements
- Advocacy: effective advocacy, media interaction, public information, and communication of Project activities as part of the broader communication and advocacy activities of UNDP and partners.

26. The institutional arrangements in relation to these services are reflected in the "Memorandum of Understanding" and the "Description of services provided by the Country Office" both signed together with this Project Document.

27. Audits will be carried out in line with UNDP audit policy to manage financial risks. Knowledge, good practices and lessons will be captured regularly as well as actively sourced from other projects and partners and integrated into the project.

28. The release and allocation of funds will be in accordance with the tasks outlined in the annual work plans (AWP).

29. During the implementation period, UNDP will conduct the HACT micro assessment of the IP. This procedure is intended to learn about the internal project management capacities of the Directorate of Trade structure and serves to prepare an objective project capacity building plan.

30. The project will be subject to a final external and independent audit, carried out by an international audit company. The reports and documents requested by the audit firm will be made available to it by both UNDP and the Partner. The costs of the audit will be borne by the Project.

### **Monitoring**

31. UNDP will play a role in the overall technical and financial supervision and quality assurance of the project. This will involve UNDP staff from the country office, the Regional Bureau and specific units at Headquarters. Project quality assurance is independent of the project management function.

32. UNDP will prepare and communicate explanatory and financial reports in accordance with its reports on policies and procedures and operational guidelines. In addition, UNDP, in its project quality assurance function, will feed data from monitoring reports into the Atlas system, including:

- updating the risks and related issues found in the Atlas at the end of each quarter;
- based on the information entered in the Atlas, a quarterly Atlas report will be submitted to the IA;
- the monitoring plan will be regularly updated in the Atlas to record key monitoring actions.

33. Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums. The project will identify, analyse, and share lessons learned that might be beneficial in the design and implementation of similar future projects





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V. RESULTS FRAMEWORK

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGET		DATA COLLECTION METHODS & RISKS
			Value	Year	Value	Year	
<b>Output 1</b> <i>Increasing the quality of local agribusiness production (including processing) by women and small-scale farmers</i>	<b>1.1</b> Number of MSE strengthened and well positioned in the market (Internal and External)	Project Reports	0	2021	20	2022	Activities records
	<b>1.2</b> Number of MSE with a well established/organised growth plan	Project Reports	0	2021	20	2022	Activities records
	<b>1.3</b> Number of MSE with modern equipment in the respective transformation chains	Project Reports	0	2022	10	2022	Activities records
<b>Output 2</b> <i>Increased production of high-value crops, especially those produced by women and small-scale farmers, and promoted through access to new international markets</i>	<b>2.1</b> Number of MSE Certified or ready to be certified on Organic, HACCP, Gluten Free, or other internationally recognised standard	Project Reports	0	2022	10	2022	Activities records
	<b>2.2</b> Number of Trading Partners interested in Sao Tome and Principe products	Project Reports	0	2022	20	2022	Memorandum of Understanding between IP and MSE Company reports
	<b>2.3</b> % of MSE among the project target group that increase their exports and/or productivity	Project Reports	0	2022	75%	2022	Memorandum of Understanding between IP and MSE / Company reports
<b>Output 3</b> <i>Targeted technical support to overcome bureaucratic barriers to export and trade in the country</i>	<b>3.1</b> Digital External Trade Portal operational	Project Reports	0	2022	1	2002	Guiché Único reports
	<b>3.2</b> Export Roadmap with Procedures, Developed and disseminated among Exporters	Project Reports	0	2022	1	2022	Project reports
<b>Output 4</b> <i>Lowering domestic barriers to agricultural exports by adopting dispute settlement mechanisms and expanding e-governance services</i>	<b>4.1</b> Arbitration Centre operational	Project Reports	0	2022	1	2022	Activities records
	<b>4.2</b> Legal information and advisory services to agribusiness MSEs available	Project Reports	0	2022	1	2022	Activities records
	<b>4.3</b> Number of MSE that receive computer literacy and ICT support	Project Reports	0	2022	20	2022	Activities records





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**VI. MONITORING AND EVALUATION**

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan	Frequency	Expected Action	Resp
Monitoring Activity	Quarterly	Collect information from the various project management reports and documents	UNDP/SSTI
Monitoring progress		Raise the MSE awareness of the Project's Objectives	UNDP/SSTI
Monitoring and Managing Risk	Quarterly	Encouraging social dialogue on national entrepreneurship issues	
Learn	At least annually	Demonstration of successful agribusiness models, with community involvement for the credibility of the sector	UNDP/SSTI
Lessons Learned	In the 2nd half of 2022	Raise awareness among partners to learn lessons that can inform decision making.	UNDP/SSTI
Quality Assurance Assessment	Design, implementation and closure	Areas of strength and weakness will be analysed by the Project Manager and used to inform decisions to improve project performance.	UNDP

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VII. EXECUTION TIMETABLE AND BUDGET

EXPECTED OUTPUTS	PLANNED ACTIVITIES	RESPONSIBLE PARTY	PLANNED BUDGET	
			Funding Source	Amount (USD)
<b>Output 1:</b> Increased the quality of local agribusiness (including processing) production for by women and smallholder farmers by:	1.1. Strengthen technical, technological and management capacities of business owners, with a strong focus on enterprises run by women, making use of the existing network of incubators  1.2. Elaborate and support the implementation of business tailor-made packages for each MSE, including marketing strategies for each MSE	UNDP/SSTI	Activity 1  To achieve this result, an international consultancy will be hired to survey the needs of each of these MSE to assess the challenges, opportunities, identify the specific technical, technological and organizational capabilities that need to be strengthened, as well as gaps along the value chain in order to develop their products and sell them internationally. The services of this consultancy will extend to the other results.	536.573,00
		UNDP/SSTI		372.000,00
		UNDP/SSTI		
		UNDP/SSTI		
<b>Sub-Total for Output 1</b>				<b>908.573,00</b>
<b>Output 2:</b> Increased production of high-value crops, especially those produced by women and smallholder farmers, and promoted through access to new international markets by:	2.1 Support the certification process among farmers and SME processors (e.g., Organic and/or Fair Trade).  2.2 Producing market intelligence that identifies value chains, markets and partners (distribution network and buyers) with the greatest potential, with business vision and marketing models based on principles of bio, eco, fair, responsible trade, etc.	UNDP/SSTI	Activity 2  To achieve this result, an international consultancy will be contracted to carry out the training and subsequent certification along the value chain.	54.500,00
		UNDP/SSTI		13.000,00
<b>Sub-Total for Output 2</b>				<b>67.500,00</b>

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<b>Output 3:</b> Targeted technical support for overcoming the country's bureaucratic barriers to export and trade established	Activity 3				
	3.1 Support for the operationalisation of the "one-stop-oneshop" for exporters, an export helpdesk to guide MSE on regulations and procedures for placing products on the international market	UNDP/SSTI		To achieve this result, the Sydonia system of the Guichet Unico will be updated, associated to a portal where it will be possible to carry out simulations at the level of export costs, consult prices, etc. A consultancy will be contracted to draw up the "exporter's guide or roadmap".	98.000,00
	3.2 Development of a roadmap for exporters, streamlining export procedures specifically for the mostly women-operated agro-processing business.	UNDP/SSTI			49.800,00
<b>Sub-Total for Output 3</b>					<b>147.800,00</b>
<b>Output 4:</b> Domestic barriers to Agri-exports decreased through adoption of modern dispute resolution mechanisms and expansion of e-governance services	Activity 4				
	4.1 Support the operationalisation of the National Arbitration Centre (AC) to resolve legal and commercial disputes, mitigate contract enforcement risks and improve the country's business environment.	UNDP/SSTI		To achieve this result, the infrastructure of the AC will be rehabilitated, training will be implemented. Additionally, it is foreseen to hire national legal advisors (on retainer) to advise exporting MSE on international trade issues	132.000,00
	4.2 Providing access to legal information and legal advice services to supported agribusiness MSEs.	UNDP/SSTI			108.427,00
<b>Sub-Total for Output 4</b>					<b>135.700,00</b>
General Management Support & Monitoring					240.427,00
<b>TOTAL (USD)</b>					<b>1,500,000</b>



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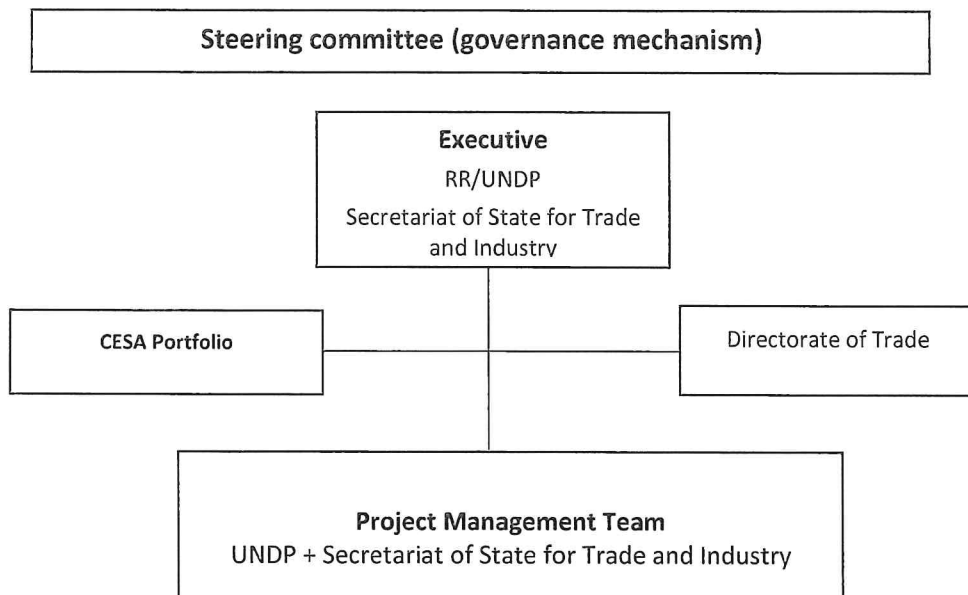


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VIII. GOVERNANCE ARRANGEMENTS

UNDP will carry out project implementation supervision (quality assurance) and will be responsible for submitting progress, financial and completion reports to the Steering Committee. UNDP will submit the necessary reports on the implementation of the Project in terms of funds used, activities implemented, results obtained and results achieved. The aim is to support the Steering Committee to ensure objective achievement and independent supervision and monitoring of project results, thereby ensuring compliance of project targets and management indicators from start-up to completion of activities.

The following organisation chart illustrates the management structure:



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**IX. LEGAL CONTEXT**

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Sao Tome and Principe and UNDP, signed on 26th March 1976 (date). All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by **Secretary of State for Trade and Industry through the Directorate of Trade** ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

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**X. RISK MANAGEMENT**

1. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, 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. To this end, 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.
2. 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 the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no 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/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml).
4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.
  - (a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").
  - (b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment.
5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:
  - i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;





- ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;
- iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;
- iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and
- v. Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
10. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at [www.undp.org](http://www.undp.org).
11. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
12. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

13. Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.
14. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail the Implementing Partner's obligations under this Project Document.
15. Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

16. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
17. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
18. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

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## XI. ANNEXES

1. **Social and Environmental Screening Template** [\[English\]](#) [\[French\]](#) [\[Spanish\]](#), including additional Social and Environmental Assessments or Management Plans as relevant. *(NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities).*
2. **Risk Analysis.** Use the standard [Risk Register template](#). Please refer to the [Deliverable Description of the Risk Register](#) for instructions
3. **Capacity Assessment:** Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)
4. **Project Board Terms of Reference and TORs of key management positions**

## ANNEXE 1 Social and Environmental Screening Template

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document at the design stage. Please refer to the Social and Environmental Screening Procedure and Toolkit for guidance on how to answer the 6 questions.

### Project Information

Project Information	
1. Project Title	Catalyzing women's participation in agribusiness and post-COVID-19 recovery in Sao Tome and Principe
2. Project Number	00133968/00125689
3. Location (Global/Region/Country)	RBA/Sao Tome and Principe

### Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

#### QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?

##### **Briefly describe in the space below how the project mainstreams the human rights-based approach**

Unlocking bottlenecks in the agribusiness sector is a key policy option to make the country's socio-economic development more sustainable and resilient to future shocks. Following the successful focus on increasing and improving agricultural production of quality products: cocoa, coffee, pepper, vanilla, coconut, palm, the next step should focus on transformation and value added.

A vibrant private sector needs to be promoted. The sector is small, largely informal and lacks the skills and capital needed to seize opportunities and keep pace with population growth. It is also constrained by an overly bureaucratic business environment that often stifles commercial activity.

Contract enforcement and inefficient commercial dispute resolution remain among the weakest business indicators, which combined with other bureaucratic processes such as those for import and export activities, severely undermine STP's business climate and ability to attract foreign direct investment (FDI).

##### **Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment**

Gender will be at the core of this project, offering equal opportunities to both male and female processors/processors.

Largely untapped, agriculture is one of the most promising sectors to generate business (especially for SMEs) and employment opportunities (especially for women) for a more balanced and inclusive growth path. However, limited investments in know-how and business capital, and the need to further accelerate governance reforms to ease the cost of doing business are all necessary conditions to unlock this potential.

This project aims to help reap some of this potential and address some of the most pressing bottlenecks.

The project will promote inclusive growth and diversification by supporting the development of selected agribusiness value chains in high-value niche crops, focusing especially on European markets and new export markets, including in the new African Continental Free Trade Area.

The focus of this project will be on building the capacity of women and SMEs to develop products that respond to markets and buyers' needs. This will be facilitated through two interlinked activities.

##### **Briefly describe in the space below how the project mainstreams sustainability and resilience**

Based on STP's COVID-19, livelihood and recovery priorities and the projects' Theory of Change, the main objective is to drive active participation in the embryonic agribusiness sector in São Tomé and Príncipe and address competitiveness in

First, the proposed project aims to identify markets (and especially export markets) and networks potentially interested in agricultural products produced in STP, subject to the achievement of a certain level of quality and standards required by end markets. In parallel, it will help address some of the most pressing governance impediments to trade by helping to create a more predictable business operating environment with more robust legal and regulatory frameworks, a reduction in "red tape" to improve the ease of doing business, and encourage investors to choose STP

### Part B. Identifying and Managing Social and Environmental Risks

<b>QUESTION 2: What are the Potential Social and Environmental Risks?</b> <i>Note: Briefly describe the potential social and environmental risks identified in Annex 1- Risk Checklist (based on any "Yes" answers). If no risks have been identified, skip Question 4 and select 'Low Risk'. Questions 5 and 6 are not required for low risk projects.</i>	<b>QUESTION 3: What is the level of significance of the potential social and environmental risks?</b> <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>	<b>QUESTION 6: What Social and environmental assessment have been conducted and/or are required to address potential risks (for risk with Moderate and High Significance)</b>		
<b>Risk Description</b>	<b>Impact and Likelihood (1-5)</b>	<b>Significance (Low, Moderate, High)</b>	<b>Comments</b>	<b>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impact and risk</b>
<b>Risk 1: Operational</b> Project duration may be too short to achieve the expected results, especially when COVID may take unexpected turns	I = 2 L = 5	Moderate	<ul style="list-style-type: none"> <li>Close monitoring of results by the project management team.</li> <li>Fast implementation of project activities</li> </ul>	All stakeholders are involved and there is great ownership of the project by the lead partner

<p><b>Risk 2: Political</b></p> <p>Low political ownership, lack of high-level support and commitment</p> <p>Low government involvement in improving São Tomé and Príncipe's foreign trade</p>	<p>I = 1 L = 5</p>	<p>Low</p>	<ul style="list-style-type: none"> <li>• Permanent involvement of authorities and decision-makers in project implementation</li> <li>• Consultative mechanisms with the government in project design</li> </ul>	<p>All stakeholders are involved and there is great ownership of the project by the lead partner</p>
<p><b>Risk 3: Social</b></p> <p>Little or no interest from micro and small enterprises to participate in learning sessions; Drop-out of MSEs that are not strategically prepared to reach the export market</p>	<p>I = 2 L = 3</p>	<p>Moderate</p>	<p>Define a strong engagement strategy that includes offering attractive and innovative services to entrepreneurs, adapted to different levels of knowledge.</p> <p>- Develop tailor-made support packages to take into account the specific situation of each individual MSE.</p>	<p>The verification will be possible when the training sessions start by the consultancies with the applicant companies that are partners in the project.</p>

<p><b>Risk 4:Technician</b> Reduction in management capacity and knowledge to benefit from the support received and integrate new knowledge into the MSE structure</p>		<p>I = 2 L = 3</p>	<p>Moderate</p>	<p>In order not to leave anyone behind, include the possibility to support the MSE in improving the quality of products for the local market</p> <p>Tailored, updated and monitored capacity building sessions; Business support services are continuously offered as a public service in STP;</p> <p>With regard to this challenge, monitoring is carried out in loco, together with the consultants hired and also the MSE benefiting from the project</p>
<p><b>QUESTION 4: What is the overall project risk categorization?</b></p>				
<p>Select one (see SESP for Guidance)</p>			<p>Comments</p>	
<p><b>Medium Risk</b></p>	<p>X</p>	<p>The risk will be minimised with the application of mitigation measures during the project.</p>		
<p><b>Moderate Risk</b></p>	<p><input type="checkbox"/></p>			
<p><b>High Risk</b></p>	<p><input type="checkbox"/></p>			
<p><b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b></p>				
<p>Check all that apply</p>			<p>Comments</p>	
<p><b>Principle 1: Human Rights</b></p>			<p>X</p>	<p>The project addresses the improvement of Human Rights, through the investment of all involved in the agribusiness/processing sector</p>
<p><b>Principle 2: Gender Equality and Women's Empowerment</b></p>			<p>X</p>	<p>The project will provide better business practices to women-led SMEs through capacity building</p>
<p><b>1. Biodiversity Conservation and Sustainable Natural Resource Management</b></p>			<p><input type="checkbox"/></p>	<p>The project has no impact on Biodiversity Conservation and Natural Resources Management</p>
<p><b>2. Climate Change and Disaster Risks</b></p>			<p><input type="checkbox"/></p>	<p>The project has no impact on Mitigation and Adaptation</p>

			to Climate Change
			The project impacts on community health through the challenge of responding to the Covid-19 pandemic.
		X	
			The project has no impact on cultural heritage, because its implementation consists in supporting small home-based units processing local products to reach the export market.
		<input type="checkbox"/>	
			The project has no impact on displacement and resettlement
			The project has no impact on displacement and resettlement. No new facilities will be built for beneficiary MSE; the project will support the modernisation of equipment used along the value chain.
		<input type="checkbox"/>	
			The project has no impact on indigenous peacocks
			The project has no impact on Pollution Prevention and Resource Efficiency
		<input type="checkbox"/>	

### Final Sign Off

Final Screening at the design-stage is not complete until the following signatures are included

Signature	Date	Description
QA Assessor		UNDP staff member responsible for the project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.



## SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks		Answer (Yes/No)
<b>Principle 1: Human Rights</b>		
P.1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
P.2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	No
P.3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	No
P.4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
P.5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities? <sup>1</sup>	No
P.6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	No
P.7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No
<b>Principle 2: Gender Equality and Women's Empowerment</b>		
P.1	Have women's groups/leaders raised gender equality concerns regarding the project, (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
P.2	adverse impacts on gender equality and/or the situation of women and girls?	No
P.3	reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
P.4	limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
P.5	exacerbation of risks of gender-based violence? <i>For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.</i>	No
<b>Principle 3: Environmental Sustainability and Resilience:</b> Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below		
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>		
1.1	adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No

<sup>1</sup> Prohibited grounds of discrimination include race, ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender and transsexual people.

1.2	activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	risks to endangered species (e.g. reduction, encroachment on habitat)?	No
1.5	exacerbation of illegal wildlife trade?	No
1.6	introduction of invasive alien species?	No
1.7	adverse impacts on soils?	No
1.8	harvesting of natural forests, plantation development, or reforestation?	No
1.9	significant agricultural production?	No
1.10	animal husbandry or harvesting of fish populations or other aquatic species?	No
1.11	significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.12	handling or utilization of genetically modified organisms/living modified organisms? <sup>2</sup>	No
1.13	utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) <sup>3</sup>	No
1.14	adverse transboundary or global environmental concerns?	No
<b>Standard 2: Climate Change Mitigation and Adaptation</b>		
2.1	areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	No
2.2	outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters? <i>For example, through increased precipitation, drought, temperature, salinity, extreme events, earthquakes</i>	No
2.3	increases in vulnerability to climate change impacts or disaster risks now or in the future (also known as maladaptive or negative coping practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
2.4	increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No
<b>Standard 3: Community Health, Safety and Working Conditions</b>		
3.1	construction and/or infrastructure development (e.g. roads, buildings, dams)? (Note: the GEF does not finance projects that would involve the construction or rehabilitation of large or complex dams)	No
3.2	air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	No
3.3	harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No
3.4	risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	No

<sup>2</sup> See the [Convention on Biological Diversity](#) and its [Cartagena Protocol on Biosafety](#).

<sup>3</sup> See the [Convention on Biological Diversity](#) and its [Nagoya Protocol](#) on access and benefit sharing from use of genetic resources.

3.5	transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.6	adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No
3.7	influx of project workers to project areas?	No
3.8	engagement of security personnel to protect facilities and property or to support project activities?	No
<b>Standard 4: Cultural Heritage</b>		
4.1	activities adjacent to or within a Cultural Heritage site?	No
4.2	significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3	adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4	alterations to landscapes and natural features with cultural significance?	No
4.5	utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
<b>Standard 5: Displacement and Resettlement</b>		
5.1	temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2	economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	risk of forced evictions? <sup>4</sup>	No
5.4	impacts on or changes to land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
<b>Standard 6: Indigenous Peoples</b>		
6.1	areas where indigenous peoples are present (including project area of influence)?	No
6.2	activities located on lands and territories claimed by indigenous peoples?	No
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to screening question 6.3 is "yes", then the potential risk impacts are considered significant and the project would be categorized as either Substantial Risk or High Risk</i>	No
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No

<sup>4</sup> Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

<i>Consider, and where appropriate ensure, consistency with the answers under Standard 5 above</i>		
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8	risks to the physical and cultural survival of indigenous peoples?	No
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? <i>Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.</i>	No
<b>Standard 7: Pollution Prevention and Resource Efficiency</b>		
7.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	the generation of waste (both hazardous and non-hazardous)?	No
7.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	No
7.4	the use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the <a href="#">Montreal Protocol</a>, <a href="#">Minamata Convention</a>, <a href="#">Basel Convention</a>, <a href="#">Rotterdam Convention</a>, <a href="#">Stockholm Convention</a></i>	No
7.5	the application of pesticides that may have a negative effect on the environment or human health?	No
7.6	significant consumption of raw materials, energy, and/or water?	No

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<sup>10</sup> Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

**ANNEXE 2: OFFLINE RISK LOG**

Project Title: Catalyzing women's participation in agribusiness and post-COVID-19 recovery in Sao Tome and Principe		Award ID: 00133968		Date: 15/02/2021					
#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	The project duration might be too short to achieve the expected results, especially when COVID might have unexpected turnarounds	February 2021	Operational	Enter probability on a scale from 1 (low) to 5 (high) P = 2  Enter impact on a scale from 1 (low) to 5 (high) I = 4	<ul style="list-style-type: none"> <li>Close monitoring of results by project management team.</li> <li>Fast implementation of project activities</li> </ul>	UNDP/SS/STI	Project Manager		
2	Low political ownership, lack of support and high level commitment	February 2021	Political	Enter probability on a scale from 1 (low) to 5 (high) P = 2  Enter impact on a scale from 1 (low) to 5 (high) I = 5	<ul style="list-style-type: none"> <li>Permanent involvement in project implementation of authorities and decision makers (Secretary of State and Director of Trade)</li> <li>Consultative mechanisms with the government embedded in the project design</li> </ul>	UNDP/SS/STI	Project Manager		

3	<p>Little or no interest of micro and small business to participate in learning sessions;</p> <p>Abandonment of MSE that are not strategically prepared to reach the export market;</p>	February 2021	Social	<p>Enter probability on a scale from 1 (low) to 5 (high) P = 1</p> <p>Enter impact on a scale from 1 (low) to 5 (high) I =5</p>	<ul style="list-style-type: none"> <li>Define a strong engagement strategy that includes offering attractive and innovative services to entrepreneurs, adapted to different levels of knowledge.</li> <li>Developing tailor made support packages in order to account for the specific situation of each MSME.</li> </ul>	UNDP/SSTI	Project Manager		
4	<p>Reduced capacity and management knowledge to benefit from the support received and integrate new knowledge in the structure of the MSME</p>	February 2021	Technical	<p>Enter probability on a scale from 1 (low) to 5 (high) P = 2</p> <p>Enter impact on a scale from 1 (low) to 5 (high) I =3</p>	<ul style="list-style-type: none"> <li>Capacity building sessions adapted, refreshed and monitored;</li> <li>Business Support Services are continuously offered as a public service in STP;</li> </ul>	UNDP/SSTI	Project Manager		