

# Promoting Climate-Resilient Livelihoods in Rice-Based Communities in the Tonle Sap Region

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10177

**Countries**

Cambodia

**Project Name**

Promoting Climate-Resilient Livelihoods in Rice-Based Communities in the Tonle Sap Region

**Agencies**

FAO

**Date received by PM**

12/11/2020

**Review completed by PM**

5/5/2021

**Program Manager**

Fareeha Iqbal

**Focal Area**

Climate Change

**Project Type**

FSP

**PIF**   
**CEO Endorsement**

**Part I ? Project Information**

**Focal area elements**

**1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?**

Secretariat Comment at CEO Endorsement Request

3/25/2021:

Yes.

Agency Response

**Project description summary**

**2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?**

Secretariat Comment at CEO Endorsement Request 5/5/2021:

Cleared.

5/4/2021:

Not yet. The proportion of cofinance assigned to PMC still shows as 1.7% (\$1,139,280 out of \$65,256,000). Please match the ratio (5%) of the LDCF grant.

4/21/2021:

Adjustment is requested. The proportion of LDCF grant and co-finance assigned to

PMC needs to be the same. At present Table B shows that 4.9% of the LDCF grant is assigned to PMC. However, only 1.7% of co-finance is assigned to PMC. Please ensure the ratios match.

#### Agency Response

Please note that PMC is 5% and not 4.9% as suggested above. We have increased the co-finance amount assigned to PMC, as requested.

Response to 5/4/2021: The cofinance for PMC has been increased to 3,161,680, which is 5% of the cofinance totals for project components ( 63,233,600).

**3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?**

Secretariat Comment at CEO Endorsement Request n/a

#### Agency Response

##### Co-financing

**4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?**

Secretariat Comment at CEO Endorsement Request

5/24/2021:

Cleared.

Updated comment, 5/11/2021:

Adjustments are requested:

- i. Co-financing from WCS should be labeled as ?CSO? (not ?other?).
- ii. Co-financing from ADB, IFAD and UNDP should be labeled as ?donor Agency? since they are not the GEF Agencies for this project.

Previous comment:

Yes. Cofinance is estimated at \$66.4 million.

#### Agency Response

Response to 5/11/2021

The cofinance table has been amended as requested.

## GEF Resource Availability

**5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?**

Secretariat Comment at CEO Endorsement Request

5/24/2021:

Cleared.

Update, 5/11/2021:

- 1) The following should be charged to PMC instead of M&E: (a) Office supplies and consumables; (b) Computer, printer, projector, electronics, etc?; (c) Furniture, common equipment, and renovation.
- 2) There is a miscellaneous item charged to PMC of \$15,170. GEF does not fund Miscellaneous . Please charge this to the co-financing portion of PMC.
- 3) There is a pick up car charged to component 4. Please remove this expense.

Yes.

Agency Response

Response to comments made on 5/11/2021

1) the items noted are now charged to PMC

2) Miscellaneous item line has been removed

3) Pick up car has been removed

Project Preparation Grant

**6. Is the status and utilization of the PPG reported in Annex C in the document?**

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

**Core indicators**

**7. Are there changes/adjustments made in the core indicator targets indicated in Table E?  
Do they remain realistic?**

Secretariat Comment at CEO Endorsement Request

5/4/2021:

Cleared.

4/22/2021:

Adjustment requested. Thank you for submitting the CCA indicators framework. I see the CEO Endorsement stage indicators entered in the top section, but it seems the PIF stage ones that should have been in the orange cells to the left of the filled column are missing. Can you please enter the values that were provided at PIF approval stage?

Agency Response

The CCA Indicator Framework has been revised accordingly and uploaded in the Roadmap section.

**Part II ? Project Justification**

**1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?**

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

**4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?**

Secretariat Comment at CEO Endorsement Request

Yes, the adaptation benefits are clearly elaborated.

Agency Response

**7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**Project Map and Coordinates**

**Is there an accurate and confirmed geo-referenced information where the project intervention will take place?**

Secretariat Comment at CEO Endorsement Request

5/4/2021:

Cleared.

3/25/2021:

Would it be possible to include in the online Portal entry a high-res map of the project sites with legible geographic (lat/long) coordinates?

Agency Response **A high resolution map, indicating geographic coordinates has been uploaded ? please refer to Section 1b in the Prodoc.**

**Child Project**

**If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?**

Secretariat Comment at CEO Endorsement Request

n/a

Agency Response

**Stakeholders**

**Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

Yes. A detailed analysis of vulnerable groups and indigenous peoples of the project regions has been provided, as well as a matrix outlining engagement with various stakeholders.

Agency Response

**Gender Equality and Women's Empowerment**

**Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?**

Secretariat Comment at CEO Endorsement Request

Yes. The agency will report on sex-disaggregated indicators, and a Gender Action Plan has been submitted.

Agency Response

**Private Sector Engagement**

**If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?**

Secretariat Comment at CEO Endorsement Request

Yes. The project will enhance the adaptive capacities and livelihoods of the targeted communities through agribusiness and SME development, including through direct support to agricultural cooperatives (ACs) and producers?/ farmers? associations (P/FAs). Additionally, agency consultations with Mars Food Group indicate growing support for sustainability standards such as SRP, which help to improve local sustainability, increase climate resilience for producers and upstream production, increase product quality and marketability, and contribute to corporate sustainability targets.

Agency Response

**Risks to Achieving Project Objectives**

**Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?**

Secretariat Comment at CEO Endorsement Request

Yes. Major potential risks and measures to mitigate them have been summarized. A climate risk assessment has been uploaded. Risks to implementation from COVID-19 have been discussed.

Agency Response

**Coordination**



**Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?**

Secretariat Comment at CEO Endorsement Request

5/24/2021:

Cleared.

Update, 5/11/2021:

Please remove all aspects of direct execution by FAO for this project, and please confirm that this has been done and there will be no direct agency execution. At the moment, the budget table indicates that FAO will provide some execution support and there is a government request letter signed by the OFP for FAO to provide such execution support in the Portal. We cannot accept this request for Cambodia; it is only considered in rare and very extreme circumstances.

Previous comment:

Yes, the project will make a concerted effort to complement and closely coordinate with the ADB-GCF project in Cambodia also focused on agribusiness value chains. FAO has stated that coordination is on-going with ADB to ensure continued complementarity and synergies among the projects. Further, the MoE and MAFF are the executing agencies for both projects. The proposed project will also coordinate with the PPCR project in Pursat Province, as well as with other related initiatives in the country.

Agency Response

Response to comments made on 5/11/2021

Any reference to FAO playing any direct role in execution has been removed from the budget and the project document.

**Consistency with National Priorities**

**Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?**

Secretariat Comment at CEO Endorsement Request

Yes, the project is aligned with Cambodia's NAPA, NC, INDCs and NAPs process. Also, it will contribute to implementation of Cambodia's Climate Change Strategic Plan

2014-2023, as it directly aligns with five out of eight of its strategic objectives, including: ?Promote climate resilience through improving food, water, and energy security,? and ?Ensure climate resilience of critical ecosystems (including Tonle Sap)?.

Agency Response  
**Knowledge Management**

**Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?**

Secretariat Comment at CEO Endorsement Request  
Yes.

Agency Response  
**Environmental and Social Safeguard (ESS)**

**Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?**

Secretariat Comment at CEO Endorsement Request  
Yes, an Environmental and Social Risk Management Plan has been submitted.

Agency Response  
**Monitoring and Evaluation**

**Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?**

Secretariat Comment at CEO Endorsement Request  
Yes.

Agency Response  
**Benefits**

**Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?**

Secretariat Comment at CEO Endorsement Request

Yes. In addition to enhancing the resilience of communities through livelihood and income diversification, the project will support rural employment, women's empowerment, and social protection.

Agency Response

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**Project Results Framework**

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

**Council comments**

Secretariat Comment at CEO Endorsement Request 5/4/2021:

Cleared.

4/21/2021:

No. We are unable to locate responses to Council comments.

Agency Response Responses to Council comments have now been added to Annex

**B in the Prodoc.**

**STAP comments**

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request Yes, this has been provided.

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request 5/4/2021:  
Cleared.

3/25/2021:

Would it be possible to include in the online Portal entry a high-res map of the project sites with legible geographic (lat/long) coordinates?

Agency Response

**A high-res map has been included.**

**Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)**

Secretariat Comment at CEO Endorsement Request

n/a

Agency Response

**Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)**

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

**Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)**

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

**Is CEO endorsement recommended? (applies only to projects and child projects)**

Secretariat Comment at CEO Endorsement Request

5/24/2021:

Cleared.

5/11/2021:

Not yet. Please address comments for items 4 and 5 of Part I of the review sheet, and comments in Coordination section of Part II of the review sheet.

5/4/2021:

Not yet - please address comment for item 2 of Part I of the review sheet.

4/22/2021:

Not yet. The agency is requested to please address the comments for items 2 and 7 of Part I of the review sheet, and regarding maps and Council comments in Part II of the review sheet.

**Review Dates**

**Secretariat Comment at  
CEO Endorsement****Response to  
Secretariat  
comments**

<b>First Review</b>	<b>4/22/2021</b>
<b>Additional Review (as necessary)</b>	<b>5/4/2021</b>
<b>Additional Review (as necessary)</b>	<b>5/5/2021</b>
<b>Additional Review (as necessary)</b>	<b>5/11/2021</b>
<b>Additional Review (as necessary)</b>	<b>5/24/2021</b>

**CEO Recommendation****Brief reasoning for CEO Recommendations****CONTEXT**

Cambodia is an LDC located in southeast Asia. It has low-lying plains including the heavily populated Mekong River floodplains and Tonle Sap basin (Tonle Sap is a tributary of the Mekong), which are highly vulnerable to adverse impacts of climate change, such as increased incidence/severity of droughts and floods. The rural population living within the Tonle Sap countryside are primarily subsistence farmers heavily reliant on the agricultural sector for their livelihoods, with rice being the principal crop. This LDCF project targets five highly climate-vulnerable agro-ecological zones (AEZs) of the Tonle Sap Region that have a combined population of nearly 4 million: Pursat, Battambang, Banteay Meanchey, Siem Reap and Kampong Thom. The project will apply an ecosystem-based market driven approach to increase their resilience to climate change.

**COMPONENTS AND RESULTS**

The project will directly benefit 170,200 people, enhance the climate resilience of 67,309 ha of land, mainstream climate resilience in two policies/plans, and train 68,080 people in identification, management and monitoring of climate risks and adaptation options. It will ensure that women and other marginalized groups actively participate and are part of the decision making process, and provide gender-sensitized financial literacy training to women and men, whilst ensuring that women benefit equally from the measures proposed. A Gender Action Plan has been submitted.

The project will support four components:

Component 1 will integrate and mainstream climate change resilience into disaster risk management policies and build technical capacity on adaptation of relevant national and local level institutions (MAFF) in the rice and related priority sectors. On-the-ground adaptation measures such as improved water management techniques, efficient irrigation systems and climate-proof agriculture systems for changes in water variability will be utilized for increased crop yields and the development of crop varieties resilient to climate change.

Component 2 will improve impoverished livelihoods in the five target rice-based provinces by supporting resilient production systems and improved, adaptation-friendly, nature-based solutions. The LDCF funds will be used to develop community-based agroforestry; finance alternative crop cultivation and diversification, and encourage alternative livelihoods such as fishing, alongside rice production. It will also provide an increased supply of climate resilient seed varieties.

Component 3 will support climate resilience, efficiency and profitability of rice and other target value chains within the five provinces ? to include harvesting, storage, processing, and export. This component will build on other partners? long-term experience in strengthening rice value chains in Cambodia and will encompass different partnerships such as agricultural cooperatives, rice processors and exporters.

Component 4 will strengthen effective M&E and knowledge management systems for the project and will communicate dissemination of successful approaches and lessons learned within the region.

#### INNOVATION/ PRIVATE SECTOR /COORDINATION/COVID-19

The project is innovative because of its dual ecosystem-based and market-driven approach to build resilience in production systems and value chains to enhance the adaptive capacities of vulnerable, rice-based communities. It will deliver innovative climate-resilient agricultural practices and technologies to farmers, designed to adapt to increasing heat and drought conditions and consequent reduced availability of water. It will also enhance the adaptive capacities and livelihoods of the targeted communities through agribusiness, supporting producers and agricultural SME development to include private sector organizations as well as agricultural cooperatives (ACs).

#### Complementarity with GCF and PPCR:

The project will complement the GCF-supported ?Climate-Friendly Agribusiness Value Chains Sector Project? (MAFF and MOE are executing agencies for both the LDCF and GCF projects) and the PPCR project in Pursat Province, to ensure synergies. It will also coordinate with the Green Climate Fund ?Climate Information Services for Resilient Development Project?, as well as with other related initiatives.

#### COVID:

Risks and potential mitigation measures posed by COVID-19 to operational delivery over the course of the project have been assessed.

The project will support many of the recommendations of a recent rapid assessment of COVID-19's potential effects on agriculture and food security in Cambodia. These include support to smallholders via assets for production and technical assistance, guidance on selecting production activities, increased sustainable production of rice, agricultural diversification, improved access to diversified financial resources, gender-mainstreaming in the response, ensured continuity and function in food value chains (especially rice), improved agricultural market networks, continued efforts to broaden access of Cambodian farmers to international markets (e.g., via broader adoption of internationally recognized standards). Overall, this project's central aim of strengthening climate-change adaptation and resilience builds generalized resilience against a range shocks, including pandemics.