

Building the Capacity of the Lao PDR Government to Advance the National Adaptation Planning Process

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

8022

Countries

Lao PDR

Project Name

Building the Capacity of the Lao PDR Government to Advance the National Adaptation Planning Process

Agencies

UNEP

Date received by PM

7/25/2019

Review completed by PM

11/16/2020

Program Manager

Fareeha Iqbal

Focal Area

Climate Change

Project Type

FSP

PIF

CEO Endorsement

Project Design and Financing

1. If there are any changes from that presented in the PIF, have justifications been provided?

Secretariat comment at CEO Endorsement Request

8/14/2020:

Cleared.

6/25/2020:

In order to review and ensure that adaptation measures are adequately implemented and as a consequent, appropriate adaptation benefits are achieved through the proposed project, please provide results framework for climate adaptation projects.

<https://www.thegef.org/documents/gef-climate-change-adaptation-results-framework-gef-7>

FI, 10/2/2019:

Adjustment or explanation is requested.

At the Joint GEF-GCF National Dialogue in 2019 in Lao PDR, a key outcome was that in view of NAP Readiness support being accessed from the GCF, the country would focus its use of LDCF resources more heavily towards implementation of adaptation measures, rather than institutional measures towards NAP processes. We would encourage the agency to consider reflecting these country priorities for LDCF resources more strongly in this proposal. Instead of focusing solely on soft, TA measures including support for workshops, trainings, institutional coordination, platforms, etc., please include significant elements of on-the-ground adaptation measures to reduce vulnerability.

Response to Secretariat comments

22 May 2020: Response to Secretariat comments:

The approved LDCF PIF focuses on NAP elaboration and implementation, and hence the PPG funds were applied toward the design of a NAP focused project during the period September 2018 to June 2019. During this period the PPG lead consultant undertook three in-country missions (24/9/2018 – 5/10/2019; 9 – 30/11/2018 and 25-28/2/2019); an inception workshop was held on 1st October 2018; two provincial consultation workshops were held on 6th and 18th Dec 2018; and a final validation workshop on 27 February 2019 (**after the GEF-GCF National Dialogue**).

Statements by the senior Government representatives at Validation Workshop held on 27 February 2019, after the GF-GCF National Dialogue, did not indicate a change in priorities for this LDCF project. Government of Laos fully supported the LDCF funds for the NAP process, which is reflected in the Validation Workshop report. The GEF National Focal Point issued a letter of support dated 13 February 2020 for LDCF support to the Lao PDR NAP project proposal. The letter is attached in Appendix 13 of the PRODOC.

Furthermore, MoNRE and UNEP expanded on co-financing baseline projects to strengthen linkages with “on-the-ground” adaptation strategies and measures. The existing link with the FAO, the Department of Meteorology and Hydrology and the Ministry of Agriculture and Forests Department on strengthening integration of adaptation strategies and measures has been complement with other co-financing baseline projects supported by Asian Development Bank, Global Green Growth

Institute/Korea International Cooperation Agency (KOICA), UN-Habitat, and the World Health Organisation (WHO). This includes a thematic focus on urban adaptation planning, health, and private sector engagement in adaptation at Provincial and Municipal levels.

7/16/2020 Response to Secretariat Comments:

The completed GEF Climate Change Adaptation Results Framework (GEF-7) is embedded in Appendix 15 of the PRODOC and upload in the Portal. The targets have been clarified in the PRODOC and CEO documents as per yellow highlights. Associated revision has been made to the Focal Area Strategy Framework to reflect the project contribution to the GEF 7 Results Framework.

2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?

Secretariat comment at CEO Endorsement Request

FI, 8/11/20:

Cleared.

6/25/2020:

a) See comment for item 1, above.

b) Cleared. Earlier comment(s) are appropriately addressed

FI, 8/21/2019:

Adjustment and/or further explanation is requested.

a) See comment for item 1, above.

b) As this CER is being submitted for the first time in GEF-7, it will need to align with the strategic objectives of the GEF-7 Adaptation Strategy. Once proposed project activities have been finalized, please enter relevant GEF-7 FA objectives/outcomes in Table A.

Response to Secretariat comments

22 May 2020: Response to Secretariat comments:

The relevant GEF-7 FA objectives and outcomes have been entered in Table A of the CEO ER.

7/16/2020 Response to the Secretariat

The completed GEF Climate Change Adaptation Results Framework (GEF-7) is embedded in Appendix 15 of the PRODOC and upload in the Portal. The targets have been clarified in the PRODOC and CEO documents as per yellow highlights. Associated revision has been made to the Focal Area Strategy Framework to reflect the project contribution to the GEF 7 Results Framework

3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?

Secretariat comment at CEO Endorsement Request

11/30/2020:

Yes.

11/19/2020:

Adjustment is requested:

We note that in the resubmission the external audit has been correctly placed under PMC in the standalone "detailed budget" submission. However, the external audit is still visible in the M&E budget, both in the Portal CEO Endorsement Request (item C) and in the agency Project Document (on p.168, Appendix 7). Please delete it from the M&E budget at both places. Thank you.

11/12/2020:

Adjustment is requested:

Budget table: the external audit should be under PMC, not the M&E budget. Please amend, thank you.

10/23/2020:

Cleared. An overall travel budget has been included for staff and consultants (\$18.7k per year), and the agency has provided a breakdown of the activities that will require that travel. This project will cover all 18 provinces and prefectures of the country.

FI, 10/15/2020:

Not yet. We appreciate the explanation for why a vehicle has been requested, but we do not feel it is sufficient for an exception to be made. We request UNDP to please remove the vehicle-related expenses from the budget.

FI, 9/30/2020:

Adjustment is requested. We appreciate the request made, but wish to clarify that vehicle-related costs (whether lease or purchase) are generally not permissible with GEF funding. In the exceptional case where they have been considered, it has been for very few (not all) of the cases where on-the-ground implementation will occur in remote, hard-to-reach rural locations. This project has no such aspects and thus use of GEF funds to support any kind of vehicle costs is very difficult to justify. We suggest considering co-finance to cover vehicle-related costs.

FI, 8/14/2020:

Please remove all costs associated with vehicles from the LDCF budget (vehicle purchase, driver, vehicle operating costs).

FI, 10/2/2019:

Comments on the budget will be provided once item 1, above, has been addressed/responded to.

Response to Secretariat comments

UNEP Response 11/25/2020

Audit and PSC meeting costs have been removed from the M&E Costed Plan in the CEO ER document (Section C; pages 63 and 64; purple highlight), Portal M&E Plan and in Appendix 1, Appendix 7 (Pages 167 & 168; Purple highlight) of the Agency Project Document. The corresponding changes are in the excel budget (Agency Project Document – Appendix 1) where changes to M&E and PMC components are highlighted in orange.

UNEP 11/16/2020

The Audit cost (US\$ 4,000/yr = US\$ 16,000/total) has been moved to PMC costs. To keep PMC costs within allowable limits, we have decreased costs of Office Supplies, Office Furnishing, and Inception and PSC mtg costs.

We have also inserted a budget of US\$ 16,000 for an assessment of attainment of targets related to Core Indicators and other project results at mid-term (US\$ 8,000) and end of project (US\$ 8,000), aligned to requirements for reporting in the GEF portal. Corresponding amendments made to the M&E Costed Plan in the CEO ER (Section C), PRODOC (Appendix 7) and the GEF Portal.

UNEP 9/21/2020

The Department of Climate Change (DCC) of the Ministry of Natural Resources and Environment (MONRE) and UNEP requests that the LEASING of a project vehicle is included in the project proposal and budget. The request is made for the following reasons:

- A vehicle is required for the project management unit to transport staff, consultants and project materials to Provincial and District Offices, and six sites for climate risk assessments.
- Most vehicles currently available within the DCC are assigned to other ongoing projects and will therefore not be available to this LDCF project. In addition, the donor agreements for ongoing baseline projects do not allow for vehicles purchased under respective projects to be used for other purposes or operated outside of their geographical areas if they are area specific.
- Pool vehicles available within the DCC are assigned to senior Ministry staff and others are old and require frequent repair and maintenance for which there is no budget provision.
- The option of vehicle leasing eliminates the need to hire a driver and transfers the costs of operation and maintenance to the vehicle lessor rather than to the project or the DCC.

The DCC and UNEP have obtained cost estimates for vehicle leasing which are broken down as follows:

Proposed Leasing	Unit Cost/Month	No. of Months/Year	Number of Years	Total
Vehicle including driver and maintenance (USD 1,600/month)	1600	10	4	64000
Fuel: USD 0.90 /Liter (Petrol); Full tank 60 liters; 5 tanks/month	270	10	4	10800
TOTAL				74800

Whereas:

- Vehicle lease will be for 10 months/year for transport of staff and consultants to Provincial and District Offices and back to Vientiane. No travel to Provinces and District Offices will be required for up to 2 months per year owing to a combination of project workplan schedule, public holidays and staff leave

- Cost estimate are for lease at USD 1,600 /month inclusive of driver and maintenance and 5 full tanks at 60 litres/tank at USD 0.90 cents per litre. Total for 10 months per year is USD 18,700.

The total cost for vehicle lease of USD 74,800 over four years is a reduction to the original budget of USD 81,000 for vehicle purchase, operating costs and driver.

The total cost for vehicle lease of USD 74,800 has been distributed to activity budget lines and replaced vehicle purchase, driver and vehicle operating costs. The proportion of driver costs in the PMC has been removed and the funds redistributed to increase PMU equipment for procurement of 1 virtual conference room kits (camera, console, speakers/mics) and PMU communications (ISP costs and data bundles for increase virtual meetings)

The PRODOC, the budget and the CEO ER (Page 55) have been amended to reflect our request for vehicle lease.

UNEP 10/6/2020:

We recognise the GEF position regarding vehicle lease / purchase and have reviewed the project's local travel requirements and available options. The proposal and budget have been amended to reflect the following:

The NAP Coordinator, staff of the Climate Change Adaptation Division of MONRE and NAP consultants will work in 130 out of 148 districts and 18 Provinces covering the length and breadth of the country (approximately 1,000 km from North to South and 500km West to East at it widest) during the four-year project. It is foreseen that the NAP staff and consultants will undertake on average at least two field missions per quarter to 2 Provinces and districts located within the two Provinces. These missions will be to undertake activities linked to:

Output 1.3: Climate change adaptation ToT (65 staff) and technical staff training programmes for 2,762 staff (50% men 50% women) in 130 Districts and 18 Provinces, and toolkits developed and delivered for elaborating, implementing, monitoring and coordinating the NAP Process.

Output 1.4: One central and three regional awareness raising events conducted annually for the public – including government, CSOs, local communities and the private sector (1,200 participants) – on the need for and the process towards medium and long-term adaptation.

Output 2.1: Output 2.1: A standardised framework for climate risk & vulnerability assessments, and adaptation strategies developed and applied in 6 Districts; scaled up to 124 additional Districts and aggregated to 18 Provincial level adaptation strategies. This will include transporting multi-disciplinary experts to a total of 36 remote locations to undertake water catchment focused climate risk and vulnerability assessments in at least six Districts spread across 18 Provinces. These locations represent Lao PDR's six agro-ecological zones which spread across the whole country.

Output 3.1: Revisions to national, sectoral and provincial strategies and development plans to integrate adaptation priorities

Output 3.3: Training materials developed and workshops, held centrally and in three regions targeting 160 planning and decision-making staff, conducted in years 1 and 3 to integrate climate change adaptation into social and economic development

Output 4.1: Output 4.2: Technical training provided and awareness events conducted targeting 100 national and local government staff across 18 provinces, to implement the NAP monitoring and review system.

The project management team and consultants will use the Government's transport scheme and protocols, at cost, for domestic travel by road and air to undertake project activities in 130 District and 18 Provinces under each of the Project's Outcomes. (*PRODOC Para. 597; CEO ER Section A.6, Page 53, 2nd para*)

The travel costs are covered under the proposed activity budget line "Project staff and consultant internal travel" under Outcome 1 (US\$ 18,700 over 4 years), Outcome 2 (US\$ 18,700 over 4 years), Outcome 3 (US\$ 18,700 over four years) and Outcome 4 (US\$ 18,700 over four years). Total US\$ 74,800 over four years. (*Excel Budget File*)

UNEP Response 10/16/2010

UNEP confirms that, as explained in our response of 10/06/2020, vehicle-related expenses have been removed from the budget.

4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)

Secretariat comment at CEO Endorsement Request

FI, 9/30/2020:

Cleared, thank you.

FI, 8/11/2020:

In the context of the Covid-19 pandemic, please also discuss:

(a) potential risks to project implementation and expected outcomes posed by Covid-19, and

(b) how the project can deliver benefits in the context of Covid-19.

FI, 10/2/2019:

Yes; however, will depend on response to review item 1, above.

Response to Secretariat comments

UNEP, 9/24/2020:

Context of COVID-19 Pandemic in Lao PDR:

Lao PDR has demonstrated its ability to mobilise in-country resources to effectively put in place measures to contain the impact of COVID-19 pandemic as reflected by its officially low incidence of cases. As at 15 September 2020, there has been no casualties to date, there are only 22 active COVID-19 cases, and only 1 patient hospitalized. Since March 2020, there was strict measures enforced to prevent the spread of COVID-19. Since August 2020, the Government has relaxed its measures by lifting all travel restrictions and allowing people to attend public meetings with no restrictions on number of people while ensuring social distancing and hygiene practices. Lao PDR has been affected by the global economic downturn induced by COVID-19 including tourism, trade and investment, commodity prices, and reduced remittances. The Government remains vigilant in assessing the progression of COVID-19 and will reinstate restrictions on movements within the country and congregations of people if needed. Currently Government and in particular the Department of Climate Change is working from its offices at Headquarters and in Provincial and District Offices. Therefore, the NAP project can engage in consultative processes (meetings, workshops) with key stakeholders at national, provincial and district levels.

a) Potential risks to project implementation and expected outcomes posed by COVID-19:

With the current context and future risks, the project risk matrix (PRODOC) has been amended with COVID-19 related risks and associated mitigation actions added as follows:

Identified Risks	Risk rating	Mitigation Measures
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Identified Risks	Risk rating	Mitigation Measures
<p>COVID-19 Pandemic resurgences during the project period result in restrictions on international and national travel, congregation of people in open and/or closed spaces, and closure of hospitality venues (e.g. hotels). This will affect NAP process stakeholder consultations and capacity building of national and sub-national stakeholders.</p>	<p>Medium</p>	<p>The project will adhere to Government regulations related to COVID-19 at all times. The project will always ensure that social distancing and personal hygiene measures are applied.</p> <p>In cases of restrictions on congregation of people and travel, the project will:</p> <ul style="list-style-type: none"> • Meetings and Workshops: Physical meeting will also complementary by virtual web connections, and fully virtual if required. If necessary, the project will data bundle recharge cards (post mtg) to support stakeholder participation, in particular those in Provincial and District locations. • Production of Podcasts, videos and webinars will be more reliable upon to share information and seek contributions to the NAP process. The website will be central in facilitating information exchange. • International and National Consultants: Where travel is restricted, home based inputs to activities and deliverables will be applied. Greater use of virtual workshops, webinars and training sessions.

b) How the project can deliver benefits in the context of COVID-19:

DCC/MONRE and UNEP are convinced that the project can deliver the NAP process and its associated benefits in the context of COVID-19 for the following reasons:

- i) As Lao PDR engages in a COVID-19 recovery pathway, it retains high ambitions to achieve its climate change targets stated in its national determined contributions (NDC), the mainstreaming of climate change adaptation into its 9th and future National Socio-economic Development Plans and its National Green Growth Strategy.
- ii) The NAP process will contribute to raising understanding on the linkages between nature and virus epidemics, and the contribution of climate change adaptation planning, in particular ecosystem-based adaptation, can contribute to increase resilience through sustainable land use management and ecosystem restoration (e.g. forest and water resources) as well as sustaining water resources for improved water sanitation for hygiene benefits in rural and urban settlements.
- iii) The NAP process will strengthen the integration of climate change and health linkages and considerations in climate change scenario and risks assessment methodologies and presentation of assessment results. Similarly, the prioritisation of climate change adaptation measures for inclusion in

the NAP will factor in variables of cost and benefits for strengthening water resource management and provision of water supply for enabling improved sanitation and hygiene to contribute to improved control of COVID-19.

The above information has been inserted in the Risks and Benefits sections of the CEO ER, and the Risk section of the PRODOC

5. Is co-financing confirmed and evidence provided?

Secretariat comment at CEO Endorsement Request

11/16/2020:

Cleared.

11/12/2020:

Not yet.

Table C: For Agencies that are not implementing this project, please label as “Donor Agency” rather than “GEF Agency” (e.g., Asian Development Bank, FAO).

FI, 8/6/2020:

Cleared.

6/25/2020:

Please provide supporting document for MONRE (in-kind). Evidence is not provided in Table C.

FI, 8/21/2019:

There has been a very significant decline in proposed co-finance since PIF stage, from \$40 million (PIF) to \$5 million (CER). Further, all proposed co-finance is "in-kind". While the GEF does not apply a co-finance ratio to the LDCF portfolio, the proposed co-finance of \$5 million, all in-kind, is not considered adequate for a \$4 million LDCF grant. We request the agency to please revise.

Response to Secretariat comments

11/16/2020 UNEP Response

Table C of the CEO ER and in the Portal has been amended to indicate co-financing Agencies that are not implementing the project are now labelled as “Donor Agency” rather than “GEF Agency”.

22 May 2020: Response to Secretariat comments:

The PIF co-financing of US\$ 40 million was based on the planned GoL PDR financing of Outcome 3 of the Socio-Economic Development Plan (NSED) for the period 2016 – 2020 on the basis that the NAP project would mainstream adaptation planning and budgeting into the national development plan implementation. During the PPG phase the Ministry of Investment and Planning (MPI), responsible for the NSEDs, advised that they could not submit a letter of co-financing as the budget for the next NSED 2021-2025 was not yet prepared and the extent of climate change adaptation programmes and projects being integrated in sectoral plans was not yet known. On reflection allocation of public funds to support implementation of adaptation strategies and plans that are then integrated in the NSED will be a measure of success of the NAP process rather than a source of co-financing of the NAP project.

Alternative project-level co-financing totalling US\$ 22,409,174 has now been secured and confirmed from the following programmes:

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (US\$)
Recipient Government	Ministry of Natural Resources and Environment (MONRE)	In-kind	5,128,100
Donor Agency	MoNRE/GCF: Building Resilience of Urban Population with EbA solutions in Lao PDR	Grant	6,565,887
GEF Agency	Asian Development Bank/GoLao PDR: Liveable Cities Investment Program	Grant	4,000,000
Donor Agency	Global Green Growth Institute / Korea International Cooperation Agency (KOICA) Wastewater and Solid Waste Treatment Capacity Building Project for City Environment Improvements in Lao PDR	Grant	2,600,000
Donor Agency	UN-Habitat : Encouraging Climate Adaptation and Mitigation Investment through Private Sector Engagement in Decentralised Wastewater Treatment Systems and Small-scale Water Supply Infrastructure in Laos (NORDIC Funds) and "Rehabilitation and Reconstruction of Shelter in Lao PDR (Govt of Japan).	Grant	3,312,340
GEF Agency	UNDP and UNEP: Poverty Environment Action for Sustainable Development (PEAS) – Laos PDR programme	Grant	592,847
Donor Agency	World Health Organisation (WHO) Lao Country Office	Grant	60,000
GEF Agency	Food and Agriculture Organisation (FAO) – Lao PDR Country Office	Grant	50,000
GEF Agency	UN Environment (UNEP) – Global Adaptation Network (GAN)	Grant	100,000
Total Co-financing			22,409,174

Revised letters of co-financing are found in Appendix 12 of the PRODOC. Corresponding sections in the CEO ER and PRODOC have been revised.

7/16/2020: Response to Secretariat Comments

The supporting document from MONRE for in-kind co-financing is found in Appendix 12, Page 187, of the Agency Project Document. It has also been uploaded in the Portal.

6. Are relevant tracking tools completed?

Secretariat comment at CEO Endorsement Request

9/30/2020:

Cleared, thank you.

FI, 8/11/2020:

We note that this project targets institutional measures for adaptation and thus a number has not been provided for direct beneficiaries. Can you please provide us with the number of expected indirect beneficiaries, and some information on where (which adaptation measures) these will be accruing from?

6/25/2020:

Table A is updated; however, GEF-7 CCA results framework is not clear yet.

FI, 10/2/2019:

No. Please submit the CEO Endorsement stage indicators and Metadata, aligned with the revised Table A and with any change to project components/activities as requested in review item 1, above. The GEF-7 CCA results indicators are available at:

<https://www.thegef.org/documents/gef-climate-change-adaptation-results-framework-gef-7>

Response to Secretariat comments

22 May 2020: Response to Secretariat comments:

Resubmitted with changes to revised Table A and amendments highlighted in yellow highlights.

7/16/2020: Response to Secretariat Comments:

The completed GEF Climate Change Adaptation Results Framework (GEF-7) is embedded in Appendix 15 of the PRODOC and uploaded in the Portal. Associated revision has been made to the Focal Area Strategy Framework to reflect the project contribution to the GEF 7 Results Framework.

9/24/2020

Can you please provide us with the number of expected indirect beneficiaries, and some information on where (which adaptation measures) these will be accruing from?

Following consultation with DCC/MONRE and review of the project proposal and background notes, we have amended the GEF Climate Change Adaptation Results Framework (GEF-7) in PRODOC Appendix 15 to:

- 1) Core Indicator no. 4 – number of people trained has increased to 3,472 as revision to number of Provincial (PONRE) and District Staff (DONRE) that will be trained under CCA GEF-7 Output 3.3.1 Number of people training regarding climate change impacts and appropriate adaptation responses.

Corresponding update has been applied in the project's results framework in the PRODOC and CEO ER.

- 2) Indirect Beneficiaries: We estimate that 33% (2,310,000 people) of the total population of Lao PDR, in particular rural population will benefit from the implementation of adaptation priorities contained in the National Adaptation Plan. We have added the figure to the GEF Climate change Adaptation Results Framework (GEF-7) Output 3.3.2 indicator Number of People made aware of CC impacts and appropriate adaptation responses. Benefits will be accrued during year 3 and post NAP project from the implementation of NAP priority measures in 18 Provinces such as from EbA-flood control measures, EbA centred smart agriculture initiatives and water resource / catchment activities.

7. Only for Non-Grant Instrument: Has a reflow calendar been presented?

Secretariat comment at CEO Endorsement Request

n/a

Response to Secretariat comments

8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?

Secretariat comment at CEO Endorsement Request

FI, 8/11/2020:

Yes.

FI, 10/2/2019:

Pending agency response to review comment for item 1.

Response to Secretariat comments

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

Secretariat comment at CEO Endorsement Request

FI, 10/2/2019:

Yes.

Response to Secretariat comments

10. Does the project have descriptions of a knowledge management plan?

Secretariat comment at CEO Endorsement Request

FI, 8/11/2020:

Yes.

FI, 10/2/2019:

Comment pending response to review item 1, above.

Response to Secretariat comments

Agency Responses

11. Has the Agency adequately responded to comments at the PIF stage from:

GEFSEC

Secretariat comment at CEO Endorsement Request

n/a

Response to Secretariat comments

STAP

Secretariat comment at CEO Endorsement Request N/A

Response to Secretariat comments

GEF Council

Secretariat comment at CEO Endorsement Request

N/A

Response to Secretariat comments

Convention Secretariat

Secretariat comment at CEO Endorsement Request

Response to Secretariat comments

Recommendation

12. Is CEO endorsement recommended?

Secretariat comment at CEO Endorsement Request

11/30/2020:

Cleared.

11/19/2020:

Not yet. Please address GEF Sec comment of 11/19/2020 for item 3, relating to deletion of the external audit from the M&E budget.

11/12/2020:

Not yet. The agency is requested to address comments for item 3 (regarding external audit in the budget table) and item 5 (regarding Table C of the CER) of the review sheet.

FI, 10/23/2020:

Cleared.

FI, 10/15/2020:

Not yet. Agency is requested to address comment for review item 3.

FI, 9/30/2020:

Not yet. Agency is requested to address comment for review item 3.

FI, 8/20/2020:

Not yet. Please address review comments for items 3, 4 and 6.

FI, 6/25/2020, 10/4/2019:

Not yet. The agency is requested to please respond to comments for items 1, 2, 5 and 6. The comments for additional sections will be depend on how item 1 is addressed/responded to.

Response to Secretariat comments

Review Dates

Secretariat comment at CEO Endorsement Request

Response to Secretariat comments

	Secretariat comment at CEO Endorsement Request	Response to Secretariat comments
First Review	10/4/2019	5/26/2020
Additional Review (as necessary)	6/25/2020	7/16/2020
Additional Review (as necessary)	8/20/2020	9/28/2020
Additional Review (as necessary)	9/30/2020	10/7/2020
Additional Review (as necessary)	10/15/2020	10/16/2020

CEO Recommendation

Brief Reasoning for CEO Recommendations

CONTEXT

Lao PDR is an LDC that faces constraints of being land-locked and is highly vulnerable to adverse impacts of current and expected future change in climate, which is expected to increase the frequency and intensity of rainfall, increase maximum temperature, and other extreme weather events. This will threaten human safety and the livelihoods of families as well as socio-economic productivity of the nation (crops, livestock, fisheries, water resources & forestry). More than half the population lives in the lowland plains along the Mekong River and the rest live in mountainous rural areas where access to services is difficult, particularly in the rainy season. Climate change is expected to have serious negative impacts on LAO PDR's agricultural sector, especially for rural communities with limited adaptive capacities and heavy reliance on natural resources.

Thus, vulnerability to climate change is cross-cutting. Yet climate change tends to be treated as an isolated issue in Lao PDR, and has not yet been actively mainstreamed into sectoral and provincial strategies and action plans. The proposed project seeks to strengthen the adaptation planning process at the national level, and also across 18 provinces (130 districts) of Lao PDR.

COMPONENTS AND RESULTS

The project aims to mainstream the coordination and integration of climate change adaptation into national, sectoral and provincial development policy and strategies by strengthening the capacities of relevant ministries, especially for planning, finance and environment, in Lao PDR. The project will support the inclusion of medium- and long-term climate change risks and adaptation options into existing plans and budgeting processes. To achieve these objectives the project is structured around 4 key components:

Component 1: improve capacity by raising national awareness of climate change and of the NAP. By building skills and mainstreaming knowledge, tools and research to address climate change adaptation.

Component 2: undertake climate change risk and vulnerability assessments. The project will enhance technical capacity to interpret long-term climate projections and use them for informing adaptation planning at government institutions.

Component 3: enhance the collection, analysis, dissemination and application of integrated socio-economic and climate change information to guide policymaking and long-term planning across climate-sensitive sectors. A NAP Finance Strategy will also be developed.

Component 4: Lao PDR lacks an effective national strategy for monitoring and evaluation (M&E) for adaptation; current M&E systems tend to be project-based. This project will strengthen these processes and enable the Department of Climate Change to effectively communicate and engage with government counterparts, civil society and private sector partners on putting in place the foundations for advancing NAP priorities.

The proposed project will mainstream climate change adaptation in 24 policies and/or development plans and provide technical training programs for 1,430 staff (50% female). Toolkits will be developed and delivered for elaborating, implementing, monitoring and coordinating the NAP Process. It will also provide indirect adaptation benefits to communities in all 18 provinces/prefectures (130 districts).

INNOVATION, GENDER, COORDINATION and COVID

Policy innovation: The project brings highly innovative policy strengthening to Lao PDR in terms of mainstreaming climate change adaptation. This is expected to yield valuable benefits that will set the course for medium- and long-term future adaptation directions.

Gender: It has been designed with a strong focus on gender equality and women's empowerment, including a gender analysis and submitted Gender Action Plan. The analysis found that the proposed project holds the potential to strategically contribute to gender equality in Lao PDR by promoting gender-responsive climate-resilient development and adaptive actions; establishing a gender-aware approach towards dialogue, cooperation and decentralised climate interventions; delivering gender-sensitive policy inputs for climate change adaptation actions and information systems; and by providing a gender mainstreaming framework for improving the capacities of climate-vulnerable sectors. Feedback received during project preparation consultations informed the gender-considerate design of relevant project Outputs, including 1.3 and 1.4, 2.1 and 2.2, 3.1 and 3.3 and Output 4.1.

KM and scale-up: The project will support development of a platform for sharing information for medium and long-term adaptation to climate change. Lessons learned will be shared to support upscaling of the NAP process among other LDCs.

GCF: A Joint GEF-GCF National Dialogue was held in Lao PDR in February 2019, as a result of which institutional changes were made to support complementary activities across the two funds. The proposed project was deemed a priority for the country.

COVID: Information has been provided on potential COVID risks and how these will be mitigated. The project also offers benefits in the COVID context as the NAP process will contribute to raising understanding of how climate change adaptation planning, in particular ecosystem-based adaptation, can contribute to increased resilience through sustainable land use management and ecosystem restoration. The NAP process will also strengthen the integration of climate change and health linkages in climate change scenario and risk assessment methodologies.

It will be supported by \$22.4 M of cofinance, of which \$17.3 is investment mobilized.