

Strengthen institutional and technical capacities in the agricultural and forestry sectors of Nicaragua to respond to the requirements of the enhanced transparency framework under the Paris Agreement

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10118

Countries

Nicaragua

Project Name

Strengthen institutional and technical capacities in the agricultural and forestry sectors of Nicaragua to respond to the requirements of the enhanced transparency framework under the Paris Agreement

Agencies

FAO

Date received by PM

10/30/2019

Review completed by PM

6/19/2020

Program Manager

Pascal Martinez

Focal Area

Climate Change

Project Type

MSP

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

December 28, 2019

Yes cleared.

Agency Response

Jan 2020

No response required

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

December 28, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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 N/A

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

December 28, 2019

1. The REDD+ readiness support from the Forest Carbon Partnership Facility is mentioned as in-kind and Investment Mobilized. The Investment Mobilized means co-financing that excludes recurrent expenditures. Please clarify and adjust accordingly.
2. The co-financing letter from FAO is missing. Please upload the supporting evidence from FAO.
3. Please note that as per GEF Guidelines on the project and program cycle policy, "Execution functions are financed through Project Management Costs (PMC), which are funded partly by the GEF funding and partly by the counterpart funding of the beneficiary government or other co-financing resources". We note in Table B that the Project Management Cost only includes GEF resources. Please complete the Project Management Cost with co-financing.

February 13, 2020

1. Thank you for the clarification. Cleared.
2. Thank you for uploading the FAO co-financing letter. Cleared.
3. Thank you for the complement. Cleared.

Agency Response

Feb 2020

No response required

Jan 2020

1- The REDD+ readiness support from the FCPF has been adjusted in Table C--it is now included as "grant" co-financing. It is still considered Investment Mobilized, and therefore it is not recurrent expenses.

2- FAO co-financing letter is attached.

3- The following adjustments were made in the PRODOC: The cost of project management with cofinancing of MARENA and FAO has been completed in Table B: Offices and meeting rooms for project staff. US \$ 500 per month, for 3 years: US \$ 18,000.

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

December 28, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 28, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 28, 2019

There are no changes made in the core indicator targets. Cleared.

Agency Response

Jan 2020

No response required

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

December 28, 2019

Yes. Nevertheless, the barriers are described under the baseline scenario instead of the first section "The global environmental and/or adaptation problems, root causes and barriers that need to be addressed". Please adjust accordingly.

February 13, 2020

Thank you for the adjustment. Cleared.

Agency Response

Feb 2020

No response required

Jan 2020

The PRODOC was adjusted by moving the section on "Analysis of barriers" to the first section "Environmental problems and / or global adaptation, the root causes and the barriers to be addressed".

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

Secretariat Comment at CEO Endorsement Request

December 28, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 28, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

Secretariat Comment at CEO Endorsement Request

December 28, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

Secretariat Comment at CEO Endorsement Request

December 29, 2019

The incremental cost reasoning is unclear for the component 1. While this component focuses on institutional coordination and capacity building, the description of the baseline is vague in paragraph 119, mentioning "the technical team has been trained and the ETF Table has begun to function in the ENDE REDD+ framework". Please clarify here what is lacking and how GEF investment will fill the gap.

February 13, 2020

Thank you for the clarification. Cleared.

Agency Response

Feb 2020

No response required

Jan 2020

Baseline and cofinancing: The FCPF/BM provided grant resources to train the inter-institutional team of MARENA-INAFOR-INETER on tools and methods to calculate greenhouse gas emissions inventories, as well as techniques and methods to quantify and evaluate the rate of deforestation and forest degradation. The ETF Bureau began operating under the ENDE REDD + framework, and developed the first Reference Level (NREF) for the 2005-2015 period and established a capacity building process regarding the Reference Level (NREF) issues with the inter-institutional technical tables, with a mobilized investment of up to US \$ 122,045 for the period 2015-2019. Under this context, MARENA-INTA-INAFOR-INETER-MEFCCA will provide in-kind co-financing for an amount equal to \$120,000 to support the project activities under the CBIT. This includes the cost of technical personnel and facilities to implement activities throughout the life of the proposed project.

While the ENDE-REDD+ work process has focused on the forestry sector, the proposed GEF funded project will strengthen the institutional ETF coordination mechanism. The proposed project will, first, support the consolidation of the National Monitoring, Reporting and Verification System, and second, expand inter-institutional collaboration by (i) integrating the agricultural sector (i.e., INTA and MEFCCA) into the framework of the National Climate Change Response System (SNRCC) and (ii) articulating actions with the National System of Production, Consumption and Commerce (SNPCC).

In order to build national capacity to implement the ETF, the project will (i) provide training on the development of specific emission factors for the agricultural and forestry sector and the construction of allometric equations to estimate carbon in forests by climate zone in order to improve the quality of the national greenhouse gas inventory; (ii) provide training on data collection and management in the forestry and agricultural sector to report their progress in the country's NDC; and (iii)

provide training on data collection and management tools to monitor the implementation of climate change adaptation actions. The GEF investment will also support the implementation of an experience exchange program using platforms and research centers for greenhouse gas MRVs in the agricultural and forestry sectors. The GEF funding to support these activities is US \$ 264,604.

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

December 29, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 29, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 29, 2019

The project spans the whole country. Cleared.

Agency Response

Jan 2020

No response required

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 N/A

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

December 29, 2019

1. The description says that "Annex I2 contains a description of the consultation mechanisms, recommendations and dates of the process implemented during Project formulation". Nevertheless there is no such Annex I2 in the project description and the Annex I in the Prodoc is about "Analysis of gaps in the implementation of the enhanced transparency framework and capacities development plan at INTA, MARENA, INAFOR, INETER and MEFCCA". Please explain clearly in the project description how the identified stakeholders were engaged during the design phase of the project and where the mentioned document Annex I2 can be found.

2. It is unclear how the CSOs has been consulted and what will be the incentive to ensure they will play the expected active role in outputs 1.1.4, 2.1.4 y 3.1.2, and they will have leading roles in the validation and dissemination of the M&E methodology on adaptation measures and the identification of good practices. Please explain.

February 13, 2020

1. Thank you for the clarification and complement. Cleared.

2. Thank you for the clarification and complement. Cleared.

Agency Response

Feb 2020

No response required

Jan 2020

1- During the development of this project, several stakeholders were consulted, including government institutions such as MARENA, INTA, INETER, INAFOR, MEFCCA and SPPN that are members of both the National Climate Change Response System and the National Production System, Consumption and Commerce. These stakeholders were involved during the project design phase through 30 work sessions; 3 thematic workshops related to emission factors in the agricultural, gender and mapping sectors and detection of land use changes through remote sensing techniques using the SEPAL platform; 20 work sessions through 4 consultancies specialized in gap analysis for the implementation of the reinforced transparency framework and development of the capacity development plan, INTA capacity diagnosis to determine emission factors in the agricultural sector, INAFOR capacity diagnosis in the use of tools for forest monitoring, construction of allometric equations for the forestry sector and capacity development plan and a gender analysis. Also, there was participation during 7 International Missions with FAO Technical Officers in Forest Monitoring and Evaluation, Forest Officer (REDD + LAC Coordinator), REDD and GHG Inventory Specialists and Specialists in the SEPAL platform.

The PRODOC has been adjusted to indicate that Annex G contains the Stakeholder Participation Plan which complements information presented in Table 4 on how the stakeholders identified during the project design phase were involved.

2- During the project design phase, CSOs participated in project design via consultations carried out by INTA and MEFCCA in the context of projects implemented to address “Adaptation to climate change and its effects on markets” (NICADAPTA) and the “Sustainable Development of the Livelihoods of Rural Families in the Dry Corridor of Nicaragua” program (NICAVIDA).

Participating CSOs are expected to play an active role in products 1.1.4, 2.1.4 and 3.1.2. The project will (i) generate information that can be disseminated through INTA’s Centers for Technological Development (CDT); (ii) conducting training and practical demonstrations with the Technology Transfer Directorate and in coordination with the Cooperatives, Companies and Universities; (iii) generate and disseminate information through MEFCCA’s “Experiences and Knowledge Exchange” events that include training, trade fairs, and field visits. The latter events include the participation of rural families that produce activities selected in the North and Central Region in the Dry Corridor of the country and in the Autonomous Regions of the North and South Caribbean Coast.

Regarding Indigenous Peoples, representatives of the Indigenous Peoples of the Caribbean, Pacific, Central and North Coast of the country they will be consulted on the Practices of the Native Peoples of Nicaragua that contribute to Climate Change Adaptation. These assessments will support the design of the training program that will be implemented by MARENA through ENDE REDD + mechanism.

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

December 29, 2019

It is unclear if a gender analysis has been completed. The description says that during the project preparation process, a gender workshop was held and the results obtained were included in the INTA, MARENA, INAFOR, INETER and MEFCCA capacities diagnosis. Please indicate where these results can be found and explain how the project will take into account the gender analysis?

February 13, 2020

Thank you for the clarification and complement. Nevertheless, there seems to be a technical issue with the Annex J which can not be opened using the link provided. Please ensure to make accessible this information in the portal either in the word Prodoc document or uploaded separately.

March 18, 2020

Thank you for uploading the gender analysis. Cleared.

Agency Response

April 2020

No response required

Feb 2020

The gender assessment has been uploaded into the portal as a stand-alone document.

Jan 2020

The PRODOC has been adjusted to indicate that Annex J contains the Diagnosis of capacities in INTA, MARENA, INAFOR, INETER and MEFCCA regarding the incorporation of gender equity to the ETF implementation and Annex H, the Plan of Gender Action prepared during the design phase of the project.

The Project will take into account gender assessments by including a module on methodologies to incorporate gender equality in the preparation of national reports (National Communications, Adaptation Plan in the Agricultural Sector and Monitoring the implementation of the NDC) within the design and implementation of the training program for project stakeholders.

During project formulation, the project team identified different methodologies that will serve as reference for designing the training program to incorporate gender equality in the preparation of national communications from (i) work developed by UNDP in the country, (ii) a study on adaptation metrics developed by UN Environment and the Center for Climate Transparency, and (iii) the case studies and methodologies published in the adaptation platform developed between UNDP and FAO.

In the development of the case studies to be implemented by INTA and MEFCCA, a module on methodologies to incorporate gender equality in the Monitoring and Evaluation (M&E) of adaptation actions in the agricultural sector will also be included. The objective is to observe the feasibility of data collection, frequency and quality to specify cost estimates and the socioeconomic impact of adaptation from a gender perspective, greater precision on gender gaps and to know about factors (social, economic, productive environmental) that generate greater vulnerability of men and women.

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

December 29, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 29, 2019

The risk of "Sustainability of Project results over time" isn't explicitly addressed by the project but only relies on the institutions that "must ensure the continuity of the activities". Please clarify the proposed measures that address this risk at the time of project implementation.

February 13, 2020

Thank you for the clarification. Cleared.

Agency Response

Feb 2020

No response required

Jan 2020

The following adjustments were made in the PRODOC:

FAO will apply the Capacity Development approach (<http://www.fao.org/capacity-development/resources/fao-learning-material/learning-modules/en/>) to guarantee the sustainability of Project results over time. This approach recognizes three dimensions of action and will work to strengthen the existing structure within the government of Nicaragua mandated to respond to the UNFCCC commitments, in particular the ETF under the Paris Agreement:

1. Individual dimension that refers to a wide range of actors as policy makers, researchers and staff of organizations.
2. The organizational dimension that includes public organizations, civil society and networks of organizations.
3. The enabling environment that is the context in which individuals and organizations work and includes a country's institutional set-up, power structures and policy and legal frameworks.

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

December 30, 2019

1. The figure representing the Project's organizational structure isn't visible. Please reload it.
2. A note uploaded in the Portal says that MARENA is explicitly requesting FAO through an official letter from the GEF OFP to provide direct support services to the project. It may be a Portal issue but such a letter doesn't appear in the Portal. Please ensure this document is uploaded in the Portal, detailing which executing activities are entrusted to FAO by the Government, why, and confirming no other entity than FAO can undertake these activities.

February 13, 2020

1. Thank you for uploading the figure representing the Project's organizational structure. Cleared.

2. We take note of the official letter from the GEF OFP agreeing with the 'management arrangements'...'as specified in the project document'. We also note that these arrangements include a significant list of executing activities to be undertaken by FAO. In order to better assess such exception to GEF policies, please indicate the estimated budget of each of the executing activities to be undertaken by FAO and the share of this budget that will finance FAO activities and its staff.

March 18, 2020

Thank you for clarification. Nevertheless, we would like you to ask the Government to consider alternative options to include another entity to take on the EA roles.

May 15, 2020

Thank you for the explanation. Nevertheless, the GEF Secretariat remind that as its policy, such a request of executing functions to be carried out by the implementing agency cannot be construed as a general acceptance. The GEF Secretariat kindly ask the Agency and the Government to consider alternative options fulfilling the GEF policy.

June 1, 2020

Thank you for the efforts made to align with GEF policy on the clear separation between the implementing and the executing functions. Cleared.

Agency Response

May 2020

At the direction of GEFSEC, we have agreed with the government of Nicaragua that MARENA will execute the funds related to activities in the direct area of expertise of FAO for which the waiver was requested (i.e. SEPAL, Forest Inventories and AFOLU emissions), including any associated capacity building.

FAO will provide general backstopping in line with its role as an implementing agency. The text under implementation arrangements has been amended to reflect these changes.

April 27:

We would like GEFSEC to please reconsider providing a waiver to allow FAO to provide very narrow targeted execution support.

We have consulted with the government of Nicaragua and they confirmed that they would like FAO support to hire specialized international consultants based on FAO's technical networks and to organize a few technical workshops linked to these international experts.

- For your information, during the project preparation (PPG) phase, the project facilitated a national dialogue with AFOLU-related institutions that are involved and will be directly implementing the Enhanced Transparency Framework (ETF) in Nicaragua. A series of workshops and consultations led by MARENA-INAFOR-INTER helped define the best path for Nicaragua to address the challenge of the new ETF requirements, building on the existing MRV framework. As

result, the government asked for FAO support (i) to adapt FAO tools to national needs, (ii) to provide training of these adapted tools, and (iii) to provide technical support to enhance the methodology of the NFI for the second cycle and the GHG inventory for agriculture sector. All these actions will support the needs for better reporting in the next CN/BUR and the NREF.

The government letter requesting support was approved by the cabinet of the President (as per usual process related to foreign grants) and consulted with the heads of the inter-institutional technical team that participated in the formulation of the project (INTA, INETER, INAFOR, MEFCCA and MARENA). It will not be possible to request a new letter from the government as this is what the government wants.

The project will be executed by MARENA and MARENA's capacity will be built in this regard as a result. All national consultants and some international consultants will be hired by MARENA and MARENA will be in charge of organizing workshops and travel of national and international consultants.

In recent months, GEF-Sec has approved projects where FAO supports the country by contracting specialized international consultants from their network of experts. This includes:

- Nicaragua 4NC/BUR (GEFID 10450, approved Feb 2020) where the project is executed by the Ministry of Natural Resources (MARENA). FAO will manage, at the request of the government, \$81,600 (9.5% of the total budget) to support with the hiring of specialized international experts (REDD+, alignment to Korinivia, AFOLU expert).
- Georgia LDN (GEFID 10151, approved Feb 2019) where REC-Caucasus (NGO) will execute the project and FAO will administer \$164,000 (8.8% of the budget) to hire international expertise related to land planning, collect earth and pasture management (in line with GASL and PRAGA).
- Moldova LDN (GEFID 10222, approved Nov 2019) where at the request of the government, FAO is executing the project as it will be aligned to national and regional efforts supported by the Global Soil Partnership (housed within FAO)

In this context, please kindly reconsider a waiver for FAO to support the government of Nicaragua with the activities below. These represent a total of \$83,500 (approx. 10.5% of the project budget):

Consultants	Cost
SEPAL Tool Development Specialist	17,575
Specialist on Inventory of Greenhouse Gases on agriculture.	6,300
Specialist to prepare the 2nd NFI measurement cycle	14,625
Silva Metricus Adaptation Specialist	22,000
Training	

<i>SEPAL tool workshops</i>	9,000
<i>Course on basic principles for the construction of allometric models</i>	14,000

Thank you for considering the Government's request in this case. We are on the right track as discussed with GEF Sec colleagues on this issue in the past. FAO is moving to NEX overall and in this project, we are at 90%, with the 10% exception coming as a firm request from Government.

Feb 2020

1- No response required.

2- The government of Nicaragua has asked for FAO support to contract consultants for highly technical methodologies or tools developed by FAO. These are typically consultants available in FAO's network, but not necessarily employed by FAO. For instance, during project design, the Government and FAO agreed to use of SEPAL (<http://www.fao.org/3/ca1085en/CA1085EN.pdf>), which is an FAO-developed tool that requires significant expertise on forestry and GIS. Given that FAO has trained people in the region, it is more efficient to have FAO contract an expert directly than to risk hiring someone who may be good on paper via a government call for CVs. The same applies for forest inventories and other training routinely provided by FAO. In this context, the government of Nicaragua requested FAO support to hire the following experts and to organize the following trainings:

Consultants	Cost
SEPAL Tool Development Specialist	17,575
Specialist on Inventory of Greenhouse Gases on agriculture.	6,300
Specialist to prepare the 2nd NFI measurement cycle	14,625
Silva Metricus Adaptation Specialist	22,000
Training	
<i>SEPAL tool workshops</i>	9,000
<i>Course on basic principles for the construction of allometric models</i>	14,000

Evaluations	
Final Evaluation (Organized by FAO's Independent Office of Evaluation)	40,000
TOTAL	123,500

In this context, FAO will manage \$123,500, equivalent to 14% of the total budget. FAO will not charge any fee for managing these resources. In addition, FAO not use these resources to finance FAO staff. FAO will hire consultants from it's network to carry out activities that will have specific TORs.

Jan 2020

The following adjustments were made in the PRODOC:

1. The organizational structure of the project has been reloaded.
2. The letter of the Nicaragua Operational Focal Point referring to a request for FAO to provide direct support services on the following topics has been uploaded in the portal. This letter requests FAO to:
 - Manage GEF funds in accordance with the rules and procedures of FAO and the GEF;
 - Supervise the implementation of the project in accordance with the project document, the work plan, the results-based budget, the co-financing plan and the rules and procedures of FAO and the GEF;
 - Provide technical guidance, quality assurance of the project, timely delivery of supplies and products, and the achievement of project results;
 - Perform at least one supervision mission per year; Y
 - Report the progress of the project to the Secretariat and the GEF Evaluation Office, through the Annual Project Implementation Review (s), and submit financial reports to the GEF Trustee.
 - Identification and / or recruitment of personnel to be assigned to the project and management contracts specifically Specialist Development Tools SEPAL, Specialist Course Inventory of Greenhouse Gases in agriculture, specialist preparation for the second cycle INF measurement and Silva Metricus Adaptation Specialist;
 - Definition and facilitation of training activities such as the Course on basic principles for the construction of allometric models, the Course on climate change and Inventory of greenhouse gases and SEPAL tool workshops.

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

December 29, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 30, 2019

Beyond the declaration of the need to communicate the "lessons learnt" as one of the Project's central contributions "on with a frequency not inferior to every 12 months", the description remains vague. Please elaborate further with a timeline and a set of deliverables.

February 13, 2020

Thank you for the clarification. Cleared.

Agency Response

Feb 2020

No response required

Jan 2020

The following adjustments were made in the PRODOC:

Good practices will be identified and analyzed, to be integrated and documented within the communication material for broad dissemination in existing global platforms. Further, taking advantage of the FAO “Global project to strengthen the institutional and technical capacities of developing countries to collect, analyze and disseminate forest-related data”, the good practices will be shared in the regional workshop to be held in LAC countries during 2020 and 2021.

See in annex K the Knowledge Management and Communication Plan.

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

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

December 30, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

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

December 30, 2019

As it is a CBIT project, socioeconomic and environmental benefits are expected to be indirect, particularly through the validation and dissemination of climate change adaptation measures. Cleared.

Agency Response

Jan 2020

No response required

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

December 29, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

Project Results Framework

Secretariat Comment at CEO Endorsement Request

December 30, 2019

Yes, cleared.

Agency Response

Jan 2020

No response required

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Council comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

STAP comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

December 30, 2019

All the \$50,000 of PPG resources have been spent (73%) or committed. Cleared.

Agency Response

Jan 2020

No response required

Calendar of expected reflows (if NGI is used)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

December 29, 2019

The project spans the whole country. A map of the country is provided. Cleared.

Agency Response

Jan 2020

No response required

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

N/A

June 4, 2020

Point taken. We have corrected the co-financing table in accordance with co-financing letter.

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

December 30, 2019

Not yet, please address the comments made, including the following ones:

1. Check the CBIT box in "Type of Trust Fund" of the of the CEO approval request.
2. It may be a problem with the format or the Portal: the following figures are not visible in the project description: Figure 1: Basic ETF provisions; Figure 3: Basic ETF provisions projected to the year 2030; The Project's organizational structure under 6. Institutional Arrangement and Coordination. Please upload these figures.
3. When referring to an annex, please ensure the annex is attached in the project description or clearly indicate where it can be found (such as in the prodoc for instance).
4. Addressing the comments, please highlight in yellow all the changes made in the project description.

February 13, 2020

Not yet. Please address the last comments.

March 18, 2020

Not yet. Please address the last comment.

May 15, 2020

Not yet. Thank you for the clarification. Nevertheless, the GEF Secretariat reminds that as per GEF policy, such a request of executing functions to be carried out by the implementing agency cannot be construed as a general acceptance. As a consequence, the GEF Secretariat kindly ask the Agency and the Government to consider alternative options fulfilling the GEF policy.

June 2, 2020

Not yet. Please address the following comments:

- The co-financing coming from the REDD+ program is indicated as “grant” in table C while the letter from the Minister says it is “en especie”. This information must be consistent.
- Also, if the co-financing is “in-kind” then it has most likely to be referred as “Recurrent expenditure” (it is very exceptional to have at the same time “in-kind” associated with “Investment mobilized”).
- Finally, in the column “name of co-financier”, we can’t have the name of a project such as “REDD+ readiness support from the Forest Carbon Partnership Facility – FCPF grant no. TF099264” but only the name of the co-financier (World Bank? Ministry of Environment?).

June 10, 2020:

Not yet. Please address the comments below:

- As regard to the previous comments, the point 3 is not addressed (name of the co-financier instead of project in table C).
- We can read in the Prodoc “At the request of the Government of Nicaragua, FAO will procure the equipment and services foreseen in the budget (Annex A2)”, while the annex A2 is only listing executing activities. FAO is not expected to undertake executing functions.
- In the para 158 of the Prodoc there is this sentence: “In addition, the PMU will include (please add other components/staff)”. This sentence needs to be completed.

- The Annex M of the Prodoc also indicates that “See Annex A2— a total of \$200,675 will be managed by FAO to deliver specialized technical trainings and capacity building”. This amount is part of the project budget in Annex A2 which, again, only list executing functions. In addition the amount indicated doesn’t appear in this Annex. Please make clear FAO will not expected to undertake executing functions.
- What “AWP/B” stands for? It seems to be an important document to understand the institutional arrangement.
- Please make clear throughout all the information provided (including the CEO ER and Prodoc) that FAO will not undertake any executing functions and will not be responsible of any part of the project budget.

June 29, 2020:

Not yet. Please address the following comments:

1. Both Rio markers have been defined as 0. It should not be the case as this is a project using funds from the Climate Change Focal Area. Please amend accordingly.

GEF Focal Area Climate Change		Taxonomy Paris Agreement, United Nations Framework Convention on Climate Change, Climate Change, Focal Areas, Strengthen institutional capacity and decision-making, Influencing models, Beneficiaries, Stakeholders, Gender Mainstreaming, Gender Equality, Capacity Development, Capacity, Knowledge and Research, Knowledge Generation	
		Rio Markers Climate Change Mitigation Climate Change Mitigation 0	Climate Change Adaptation Climate Change Adaptation 0
Submission Date 10/2/2018	Expected Implementation Start 3/1/2020	Expected Completion Date 2/28/2023	
Duration 36 In Months	Agency Fee(\$) 82,008		

2. The co-financing letters are in Spanish. A translation in English needs to be uploaded in the Portal (no need for new signed co-financing letters).

3. The co-financing letter from the government indicates US 5 million from donor Agency (WB/REDD+), but in the table C it has been reported under “government” co-financing. There are 3 possibilities to correct this: 1- Revise the entry to indicate that this is “donor Agency” co-financing and provide a letter of co-financing from the donor agency; 2- Indicate in the letter that this co-financing comes from the Ministry; or 3- Simply remove this co-financing and adjust the financing tables in the portal (In the last 2 cases, it means to update the co-financing letter from the Ministry).

July 6, 2002:

1. Thank you for the amendment. Cleared.
2. Thank you for providing the English translation of the co-financing letters. Cleared.
3. Thank you for the clarification. Cleared.

The last comments have been addressed. The CEO approval is now recommended.

Review Dates

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations

Context

Nicaragua made recent and significant progresses to meet the requirements of the UNFCCC: the country submitted its NDC in 2018 and its National Reference Levels under the REDD+ framework in 2019. The country also approved a National Climate Change Mitigation and Adaptation Policy and created a National Climate Change Response System in 2019. The third NC presented in 2018 confirmed the importance of the AFOLU sector which was responsible for 68% of the country’s GHG emissions in 2010.

To implement the Transparency Framework as set forth in the UNFCCC and the Paris Agreement, Nicaragua faces the challenge of strengthening its capacity to generate quality and timely information to be used in decision-making and the strengthening of its low emission development strategies and climate resilience. An analysis of the existing gaps revealed in particular the lack of data to improve the national inventory of GHG for the agricultural and forest sectors, the under-development of the process of monitoring the implementation of the NDC, the lack of methodologies and studies to monitor and evaluate the implementation of

actions related to adaptation, and the need to strengthen the National Environmental Information System as a platform for the dissemination of technical-scientific information on climate change.

Components and expected results

The overall objective of the project is to strengthen technical and institutional capacities in the agricultural and forestry sectors in order to meet the requirements of the ETF reached under the Paris Agreement. Specifically, the project will improve Nicaragua's institutional arrangements which will help foster the design, implementation, monitoring and reporting on enhanced emissions factors, in addition to improving adaptation and mitigation plans with higher-tier data. Newly designed methodologies and tools will help to consolidate the country's national technical capacity thereby enabling it to generate reliable, accessible and timely information for the MRV of mitigation and adaptation actions as defined in the NDC of Nicaragua.

This project is structured with 3 components, all of which are intended to tackle the identified gaps: 1- Strengthening of institutional capacities (INTA, INAFOR, MARENA, INETER, MEFCCA) as regards requirements for modalities, procedures and guidelines (MPGs); 2- Research and generation of information, leading to the strengthening of the reports and follow-up on progress achieved through adaptation and mitigation activities; and 3- Dissemination of good practices and lessons learnt at both national and international levels.

The project will benefit to 200 beneficiaries including 50% female.

Co-financing:

The co-financing of \$309,600 is provided by several national institutions as in-kind resources.