

Restoring the degraded watershed and livelihoods of Lakhandei river basin through Sustainable Land Management

Review PIF and Make a recommendation

Basic project information

GEF ID

10469

Countries

Nepal

Project Name

Restoring the degraded watershed and livelihoods of Lakhandei river basin through Sustainable Land Management

Agencies

IUCN

Date received by PM

1/14/2020

Review completed by PM

2/21/2020

Program Manager

Ulrich Apel

Focal Area

Land Degradation

Project Type

MSP

PIF

Part I – Project Information

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

While the project has a focus on LD-2-5 (Enabling environments) , there appears to be also an alignment potentially with LD-1-3 (forest and landscape restoration).

Please also correct small typo in the project title.

02/19/2020 UA:

The typo in the project title still remains. In fact, it would be better to completely remove ". in Nepal" to be in line with the title provided in the OFP endorsement letter. Can the title be corrected on your end?

02/20/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

Done. The table has been updated.

02/20/20 IUCN

The typo has been fixed as suggested

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

The indicative co-financing amount is deemed insufficient and entirely in kind. Please make efforts to increase co-finance by tapping inot other sources, especially from the private sector (cooperation mentioned in component 3).

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

Y

Additional co-financing has been proposed from Minsitry of Forests and Environment, considering their ongoing work on LRB for building resilient Chure.

We have added IUCN Nepal's in-kind contribution.

Contribution from Agro=Enterprise Centre/Federation of Nepalese Chambers of Commerce and Industries (FNCCI) as a private sector.

These added contributions are reflected in Part 1, Section B and C which are presented in track change for easy review.

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

It appears that the requested agency fee is 9% while the policy would allow for 9.5% for a MSP. Please clarify if indeed the agency is requesting a lower amount.

02/19/2020 UA: Yes.

Has been clarified.

Cleared

Agency Response

IUCN – 02/17/2020

We have checked with PPO and since IUCN is a partner agency accredited under the pilot programme for accreditation extension, it is eligible to 9% fee independent from the type of project.

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

n/a

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Note above comment on agency fee.

02/19/2020 UA: Yes.

Has been clarified.

Cleared

Agency Response

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

However, please consider an estimate for core indicator 6 if the carbon benefits from restoration are significant.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

This has been duly considered and added in the text in Part 1, Section F as follows.

Estimated Annual carbon stored: 31,590 t CO₂ e

(Ref: *Winrock International, FLR CARBON STORAGE CALCULATOR*) <https://www.winrock.org/flr-calculator/>

Project/Program taxonomy

7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

Rio Marker for CCM: Please consider setting the CCM Marker to 1 if the carbon benefits from restoration are generating carbon benefits. This would then also require an estimate for core indicator 6.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

Done

Part II – Project Justification

1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

The alignment section claims an alignment with the CC focal area through AFOLU type interventions, which is not covered by the CCM strategy in GEF-7 outside the impact programs. Please remove and stick to alignment with the LD focal area only.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

We gratefully acknowledge this comment. We have changed the content sticking to alignment with the LD focal area only. We have presented it in more detail in Part II, Section 4. We framed a new text as follows.

The proposed initiative directly addresses the strategic areas of the GEF in land degradation neutrality, more specifically; it addresses the proposed GEF-7 Land Degradation Focal Area that seeks to achieve the following objectives no. 1 and 2 of the Land Degradation Focal Area (Support on the ground implementation of SLM to achieve LDN), and (Creating an enabling environment to support voluntary LDN target implementation). The focus will be to sustain and rebuild productive areas, mitigate the effects of drought, increase resilience and prevent migration. The project has emphasized on specific contexts in drought prone and/or fragile areas to address drivers of fragility and land and water insecurity, to reverse resource pressures, enhance or restore governance and rebuild natural resource based livelihoods and jobs. The project has tried to address the challenge of increasing evidence of the complex interactions between climate change, food and water insecurity, extreme events – such as e.g. prolonged and repeated droughts, torrential rainfall during rainy seasons resulting in soil erosion, landslides, sedimentation and flooding –, and their link to fragility, armed conflict and migration.

The project intervention will directly contribute in Nepal's land degradation neutrality target set by GON by addressing drivers of land degradation and focusing on building of existing knowledge and integrating them with innovative practices and approaches in the proposed area (identified as priority site). The focus will be on increasing investment through innovative mechanisms, promoting cross sectoral enabling mechanisms and enhanced role of communities on landscape management addressing challenges of land degradation.

5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

However, please consider estimate for carbon benefits.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

We have duly acknowledged this comment and have already addressed in comment 6 of Part II.

This has been inserted in the Indicator 6 of Core Indicator Worksheet of Annex B.

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: The map doesn't show in the portal, however, it is uploaded in the documents folder. Please try again to upload the map to the portal in the next submission.

02/19/2020 UA:

Noted.

Cleared

Agency Response

IUCN – 02/17/2020

We are very sorry but this cannot be done. It is a recurrent issue with the portal. This is why we are uploading it for all our submission as a separate document. We will be grateful for some technical support should this be an issue to clear the project.

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

The PIF doesn't specify on whether and what type of engagement has taken place already? And if not yet, then when will it take place?

Please also consider roles for local and indigenous community groups beyond project steering committee participation, so that a participatory design, implementation, and monitoring can be facilitated.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

We have duly considered it and elaborated as follows in Part II, Section 2 Stakeholders.
The stakeholders are identified on the basis of consultation conducted in the process of development of PIF.

We have also further elaborated on the consultation at various levels as follows:

Key local stakeholders such as District Divisional Forest Office, District Agriculture Learning Centre, Soil Conservation Office, Livestock Service Office, Municipality and Rural Municipality, climate change specialist from different Non-Government Organizations (RELIF Nepal) and International Non-Government Organization (INGOs), Community Based Organizations (CBOs), local teachers were consulted to gather information about Lakhandei River Basin areas, Information to be gathered was land degradation, its consequences and land prevention and rehabilitation measures, climate change, rainfall pattern, trend of livestock holding, and agriculture and forestry situation and problem faced on agriculture and forest sector and climate change adaptation and mitigation measures used by local peoples and possible measures to be applicable in future for watershed areas improvement to improve livelihoods of local peoples.

The Mayor, Vice Mayor and ward chairpersons and members of the Municipality and Chairperson and Vice Chairperson and ward chairpersons and members and women members and staff working in the Municipality and Rural Municipality were consulted to gather information about biophysical and socio-economic information of the Lakhandei watershed areas, land degradation and climate change, its impacts and adaptation and mitigation measures, rainfall patterns, trends of livestock holding, agriculture, forestry and biodiversity and problems faced in the agriculture and forest sector, as well as watershed management and climate change mitigation measures used by local people and possible measures to be applied in the future for improving watershed condition and livelihood of farmers.

The required information was collected through direct interaction and focus group discussions at the district level as well as site levels. In this prefeasibility study, there were more than 50 stakeholders including 14 participants from Sindhuli and Sarlahi districts; 13 participants from Lalbandi Municipality, Marin Municipality; 27 participants from four wards; and 15 key informants from Sindhuli and Sarlahi districts consulted.

The representative institutions of the indigenous communities as well as resource custodian role will be ensured through their representation, participation and collaboration during design, planning, execution and monitoring of the project.

During the project development phase, an in-depth stakeholder analysis will be carried out by conducting a stakeholder workshop. The workshop is expected to identify stakeholders (primary, secondary and tertiary) on the basis of their potential roles and responsibilities and the impact the project will have on them.

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes. However, while the approach is consistent, please explore co-finance opportunities with the private sector entities mentioned.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

We have considered it and have made tentative estimates. There will be two types of private sector contributions. One is in-kind contribution from Agro-Enterprise Centre of FNCCI (\$25,000) as mentioned in Part 1, Section C.

The other type of contribution will be indirectly from the participating communities in the form of their foregone wages. There will be at least 4000 families participating in the plantation in their private lands. By assuming two days of work per month for four years of project period, this gives a total of 384300 labour days' contribution. At the rate of ongoing rural market wage rate of US\$ 6 per day (NRs 660/day), it amounts to US\$ 2.3 million.

Risks

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not fully.

The risk assessment is almost exclusively about governance and capacity and funding.

Risks caused by environmental factors, especially climate change need to be better elaborated. The points about climate change adaptation are unclear in the context of this project.

Please also include a risk assessment rating, which is usually best provided in form of a table.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

We have further elaborated it in Part II, Section 5 as suggested We have added risk assessment rating, included it in the matrix and also included climate change risk.

Coordination

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA:

There is no entry in the portal part I: under "Other Executing Partner(s)". The field cannot be left blank.

Clarification requested:

The section on coordination mentions that: "As per request of the MOFE IUCN Nepal will act as the project's technical assistance provider".

Please clarify if that would include IUCN taking on execution functions in project implementation.

Further, no request has been made to the GEF Secretariat by the OFP, which would be required to assess its justification.

As the agency is well aware of, the implementation and execution roles on GEF projects are meant to be separate as per GEF policy and guidelines. The GEFSEC will analyze any requests for dual role playing by an agency at the time of CEO endorsement and only approve those cases that it deems warranted on an “exceptional” basis, based on country requests. We strongly encourage the project proponents to look at third party options as a preferred way forward.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

Y

The entry has been done in the portal.

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Not comprehensively.

As this is a Land degradation focal area project funded by LD STAR please elaborate on how the project addresses the implementation of the UNCCD agenda and national plans and strategies under the UNCCD. This should be the focus of this section.

02/19/2020 UA:

Addressed.

Cleared

Agency Response

IUCN – 02/17/2020

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This is duly acknowledged. We have further elaborated as how the project addresses the implementation of the UNCCD agenda as follows.

Land Degradation Neutrality Target Setting Programme (2018): The proposed project is consistent with Government of Nepal (GoN) national voluntary LDN targets. The GoN, as a party to the UNCCD, launched LDN TSP at the workshop held in Kathmandu on 30th January 2017 which set the LDN target as well as priority sites. Based on the land degradation data and degraded watershed area of Nepal, the LDN hotspots of Nepal were identified representing seven river basins, the project intervention site is one of the seven basin.

Knowledge Management

Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

Part III – Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: Yes.

Agency Response

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 PIF/Work Program Inclusion

n/a

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

01/23/2020 UA: No. Please address comments made in this review.

02/19/2020 UA: No. One clarification request remaining on the project title (see box 1).

02/20/2020 UA: Yes. Program Manager recommends the MSP PIF for CEO approval.

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

Review Dates

	PIF Review	Agency Response
First Review		
Additional Review (as necessary)		

	PIF Review	Agency Response
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

undefined