

Building the Resilience of Local Communities in Zambia through the Introduction of Ecosystem-based Adaptation (EbA) into Priority Ecosystems, including Wetlands and Forests

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

8034

Countries

Zambia

Project Name

Building the Resilience of Local Communities in Zambia through the Introduction of Ecosystem-based Adaptation (EbA) into Priority Ecosystems, including Wetlands and Forests

Agencies

UNEP

Date received by PM

4/18/2019

Review completed by PM

3/18/2020

Program Manager

Katya Kuang-Idba

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

DS, June 20, 2019:

Changes have been justified for the most part, however, please explain why "removal of alien invasive plants" is now included in Output 2.4 and how this is related to adaptation, as it seems more like a biodiversity topic. Also, how is removal of alien invasive plant species sustainable in the long run?

As for Output 3.1, please include a gender focus in the community association groups.

GEFSEC, 7/17/2019 - Partially cleared. The agency has provided clarifications on how the removal of alien invasive species is related to the adaptation activities generated by this project but has not indicated how this is sustainable in the long run. Additionally, the previous comment requested the a gender focus be added to output 3.1. While the word "gender-focus" has been added to output 3.1, this seems like a change in syntax only - there does not appear to be any gender focus added to the description of the project.

Recommended action: Please briefly expound on how the removal of alien invasive plant species will be sustained over the long-term and please consider adding a short description of how the gender focus will be implemented for output 3.1.

GEFSEC, 9/27/2019 - Cleared. The agency has inserted additional text justifying the sustainability of the removal of invasive plant species.

Response to Secretariat comments

June 20:

1. The project objective is to strengthen adaptive capacity to communities living in wetland areas through ecosystem-based adaptation. The climate change-related problem we will address are the ecosystem impacts from climate change which are being compounded by costly risk-coping mechanisms – such as resorting to environmentally unsustainable livelihood options such as charcoal production and wetland cultivation – are commonly adopted by Zambian rural farmers in response to climate change shocks such as droughts. Observed and predicted effects of climate change will also continue to increase pressure on wetlands and forests as other livelihood assets collapse, and rural communities increasingly turn to charcoal, fuel wood and agricultural expansion as coping strategies.

Figure 25 on pg 98 of the project document shows how the pathways through which climate change is driving vulnerability including higher temperatures and late season fires increasing the spread of alien invasive species as well as reduced rainfall and drought lowering water tables also impacting negatively on the spread of alien invasive species. We have inserted this problem analysis into the CEO ER. The project document contains the problem and solution trees and the theory of change for the project.

Restoration of the wetland areas is a key part of the theory of change for this adaptation project, along with planning component and livelihood diversification components. Climate change vulnerability of rural communities living around wetlands and forests in Zambia will be reduced through the improved and continued provision of services from wetland ecosystems. This solution of ecosystem-based adaptation (EbA) would see a reduction in existing sources of degradation coupled

with the specifically tailored climate-resilient restoration of degraded wetland and forest ecosystems and increasing the capacity of local communities living around the project intervention sites to adopt additional livelihoods and climate-resilient agriculture techniques.

5% of the budget of Component 2 (\$135,000) will be dedicated to addressing the alien invasive species problem within the overall context of restoring ecosystems services for adaptation benefits for the communities living in and around the wetland system.

Output 3.1 has included “Gender focused” and is now changed to “Gender Focused community associations and groups at interventions sites established/strengthened.

Response to GEFSEC 7/17/2019

Alien Species: New para. 283 in section 3.8 Sustainability in the PRODOC (Page 123 & 124) describes several factors that will contribute to the sustainability of the biological control of Kariba Weed. This includes partnering with BirdWatch Zambia, together with the Fisheries Department, who will oversee the continuation of the biological control including the use and maintenance of six weevil (biocontrol agent) rearing ponds. Furthermore, the project will have trained at least 50 community members (including 50% women) at the three ward-level intervention sites in the Lukanga wetland system which will contribute to sustained local capacity for biological weevil. In addition, the rearing of the biocontrol agent at the sites will include selecting for strains which are more tolerant to temperature increases, thus sustaining their effectiveness under future climate change scenarios. Lastly, as the biocontrol agent is host-specific and poses no threat to non-target species or biodiversity and will continue to feed on Kariba Weed as long as it is present in the intervention area.

The same para. has been inserted in the CEO document on Page 50.

Gender focus of Output 3.1: Output 3.1 in the PRODOC (para. 195, 196 and associated activities) on Page 88 and 89 have been amended to elaborate on the gender focus of the Output and project, in accordance with the gender analysis and action plan. Similar amendments have been applied in CEO document Table 1, Page 38.

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

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

- (1) Please provide an estimated number of people trained for Output 2.2;
- (2) Please explain why removal of alien invasive species is contribution to climate change adaptation, for Output 2.4;
- (3) Please consider expanding the awareness raising campaign under Output 4.3 to beyond/outside the project sites, to benefit other vulnerable portions of the population and facilitate replication of project interventions at scale.

GEFSEC, 7/17/2019 - Partially cleared.

Recommended action: Please refer to item 1.

GEFSEC, 9/27/2019 - Cleared. An appropriate basis for sustainability has been added in response to the first review item.

Response to Secretariat comments

1. Estimated number of people trained under output 2.2. is 6,500. Changes have been made in Pro. Doc and CEO ER to reflect the number.

2. Please refer to the response to review comment 1.

1. Output 4.3 has been changed to incorporate the suggestion. The revised output is “Awareness raising campaign implemented at national level campaign on the i) value of ecosystem services provided by wetlands and forests; and ii) benefits of EbA for increasing the resilience of ecosystems and livelihoods to climate change.”

Response to GEFSEC 7/17/2019

Addressed under Item 1

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

Secretariat Comment at CEO Endorsement DS, June 20, 2019: Yes.

Response to Secretariat comments

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

DS, June 20, 2019:

Yes.

Response to Secretariat comments

5. Is co-financing confirmed and evidence provided?

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

Partly unclear. Co-financing is confirmed, however, over \$15 million in co-financing has been categorized as "in-kind". Please clarify whether this is actually the case or if it is an error. Also, the co-financing letter for \$1.5 million from Zambia Mining and Environmental Remediation improvement project is missing.

GEFSEC, 7/17/2019 - Partially cleared. The type of co-financing has been changed and the co-financing letter has been added to Appendix 10, but it does not indicate the amount.

Recommended action: Please ensure that the co-financing letter includes the amount of co-financing.

GEFSEC, 9/27/2019 - Cleared,

Response to Secretariat comments

Response to Secretariat comments

June 20: The co-finance has been changed to grant. Please refer to page 4 -5 of CEO ER.

The co-financing letter from Zambia Mining and Environment Remediation improvement project has been added. Please refer to Page 187 of Pro. Doc.

July 17:

The co-financing letter from the Ministry of Mines and Minerals Development has been revised and resubmitted with specific reference to USD 1.5 million in-kind co-financing from the Zambia Mining and Environment Remediation Improvement Project (ZMERIP). Please refer to Pages 186 and 187 of the PRODOC.

6. Are relevant tracking tools completed?

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

Unclear. Core indicator 2, hectares of land brought under more climate-resilient management, is stated at 3.25 in the tracking tool, though in the CEO endorsement request it says 1,600 hectares in Output 2.3.

GEFSEC, 7/17/2019 - Cleared. The agency has clarified the comment flagged above.

Response to Secretariat comments

June 20: The total land bought under more climate-resilient management is stated as 14,850 in the tracking tool. The tracking tool is added in Appendix 13.

The detail as below:

1,600 ha of forest in the Bangweulu wetland system and Lukanga wetland system (Output 2.3)

10,000 ha of wetland in the Bangweulu wetland system and Lukanga wetland system (Output 2.4)

3,250 ha of agricultural land in the Bangweulu wetland system and Lukanga wetland system (Output 3.4)

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

Secretariat Comment at CEO Endorsement 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

DS, June 20, 2019:

Yes.

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

DS, June 20, 2019:

Yes.

Response to Secretariat comments

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

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

Yes.

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

Response to Secretariat comments

STAP

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

Yes.

Response to Secretariat comments

GEF Council

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

Please respond to comments from Canada.

GEFSEC, 7/17/2019 - It does not seem that the responses to Canada are included on the Portal, nor in the Prodoc.

Recommended action: Please ensure the responses to comments from Canada are included in the portal submission.

GEFSEC, 9/27/2019 - Cleared. Comments from Canada have been uploaded and are in Appendix 22 of the Prodoc.

Response to Secretariat comments

June 20: Response to the comments from Canada has been added in CEO ER. Please refer to page 85 of CEO ER.

July 17

The responses to comments from Canada have been added in the Portal as well as in the PRODOC (Please refer to Appendix 22)

Convention Secretariat

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

Recommendation

12. Is CEO endorsement recommended?

Secretariat Comment at CEO Endorsement

DS, June 20, 2019:

Not yet. Please address comments above. Also, the executing partner type listed in GEF Portal reads "GEF Agency" - please change this to the national government, and ensure coherence across documentation to reflect national government executing type.

GEFSEC, 7/18/2019 - Not cleared, will follow up internally

Not yet. Please refer to flagged items and resubmit for consideration.

GEFSEC, 9/27/2019 - Yes. The agency has sufficiently addressed the Secretariat's comments and this project is being recommended for CEO endorsement.

GEFSEC, 10/21/2019 - GEF PPO has flagged the following issues, please address and resubmit:

- 1) Executing Partner Type is listed as GEF Agency, whereas the Executing Partner is listed as the Ministry of Land and Natural Resources. Please correct.
- 2) On Co-finance: Type of co-finance has not been specified for any of the co-financing documents. As co-finance is not specified, the default option was "Grant". If the Agency indicates the co-finance as 'Grant', it must be specified in the co-fin document. Please amend.
- 3) Ineligible expenses are included in M&E Plan (Audit) this should be covered by the PMC. Please amend.
- 4) The budget presents some ineligible expenditures such as boat hire and vehicles + driver (to be paid from co-financing); inception workshop – National M&E specialist – equipment monitoring (to be paid from the M&E Plan); Project Manager Training (not eligible). Please amend.

GEFSEC, 11/27/2019 - All points under this item are cleared except for points 2 and 4.

On point 2 - The original comment flagged by PPO, and after consultation with PPO colleagues, remains in that the co-financing letters do not specify that the co-financing provided is in the form of a grant. In any case, according to the GEF co-financing policy; **it should be clear in the co-financing letter(s) what type of co-financing it is. If this is not the case, then a new letter must be issued** (please see https://www.thegef.org/sites/default/files/documents/Cofinancing_Guidelines.pdf).

On point 4 - The GEF Secretariat will grant an exception for the vehicle purchase, based on the rationale provided below. HOWEVER - the boat hire was not raised during the conversation, nor has there been provided any cost basis or justification. \$27,000 for boat hire still seems high, considering \$40k is already being spent toward a vehicle purchase.

GEFSEC, 3/18/2020 - Both points are cleared. This project is being recommended again for technical clearance, contingent on PPO concurrence.

GEFSEC, 3/24/2020 -

Some comments were not properly addressed:

- Comment 2 on Co-financing: not fully addressed. There are two co-financing letters whose type doesn't match the type in Table C: the one for \$400,000 doesn't specify the type of co-financing while the one for \$100,000 presents the co-financing as 'in-kind'. Please amend.
- Comment 4 on Budget: still there are some budget lines that are meant to be covered by the co-finance resources such as vehicle maintenance, driver, boat hire, among others. Besides, the figure of the M&E Plan presented in the attached budget file (\$117,000) doesn't match the amount of M&E Plan in Portal (\$124,000 - this sum is incorrect as it should be \$124,500). Please amend accordingly.

GEFSEC, 4/23/2020 -

- Comment 2 on Co-financing: This is cleared.
- Comment 4 on budget: This is cleared.

Response to Secretariat comments

15/11/2019:

21/11/2019

- 1) Requested WB IT team via email to edit Executing Partner Type as the section is not editable from the IA side.
- 2) The type of co-finance has been amended to 'Grant' in the CEO and PRODOC
- 3) We confirm that the '**Audit**' costs are now covered by the PMC (See PRODOC Appendix 1). "Audit has been maintained in the M&E Plan since it provides an important project monitoring function, but a note has been inserted to indicate the costs have been included in PMC (See PRODOC Appendix 5).
- 4) **Boat Hire (USD 9,000/yr for year 2, 3 and 4; Total USD 27,000):** We request reconsideration by the GEFSEC to maintain this cost in the GEF budget. We have consult with the Climate Change and Natural Resources Management Department of the Ministry who advise that it will not be feasible to use co-financing funds for boat hire. The co-financing projects hire the boats locally themselves for these respective activities and results. The co-financing arrangement was to extend the area of coverage between project rather than duplicate. The reason the boat hiring is required is that access to some of the project sites in Bangweulu Wetlands is only accessible by boat.

Vehicle (Amended USD 45,000) and Driver (USD 40,800 over 4 years): We kindly request reconsideration by the GEFSEC to maintain the purchase of a 4x4 vehicle and hiring of a driver on the following grounds:

- a) The two project intervention sites are remote: Lukanga wetland is 400km roundtrip from Lusaka while Bangweulu is 1,400km roundtrip from Lusaka and includes approx. 100km on marram roads for each site (often in poor state) and excludes further driving between communities around the wetland areas. Consequently, the identified need to budget for the purchase of a project 4x4 double cab vehicle. A designated vehicle will facilitate in intensive monitoring and supervision of the project interventions by the PMU and MLNR team.
- b) The vehicle main use will be for travel to the two project interventions. The planned monthly schedule is 2 trips a month to Lukanga of 3-4 days per trip and 2 trips a month to Bangweulu for 7 days per trip. The vehicle use will be governed by issuance of mission orders, daily logbook recordkeeping and monthly analysis of vehicle use and control.
- c) UNEP does not have a previous recently closed or current field project in Zambia that would allow for a redeployment of a vehicle for this project.
- d) The vehicle specifications have been revisited and more recent cost estimates acquired resulting in a reduced purchase price of USD 45,000 for one 4x4 double cab picked. This is USD 15,000 less compared to the original budget of USD 60,000 for one vehicle. UNEP will purchase from either UNOPS We Buy facility offered to UN organisations or from the Toyota dealership in Lusaka depending on the most competitive quotation and package (e.g. service agreement, etc.).
- e) At the end of the project, the vehicle will remain with the Climate Change and Natural Resources Management Department of the Ministry for the purpose of continued EbA initiatives (implementation and monitoring), without or with continued support by UNEP under another joint project.
- f) Most vehicles currently available within the Ministry 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 that project to be used for other purposes or operated in non-project geographical areas.
- g) Any pool vehicles available within the Ministry are old and require frequent repair and maintenance. It will be more cost-effective to purchase a new vehicle with maintenance and service plan than to operate pool vehicles.
- h) Purchasing a vehicle would be more cost effective than renting a 4x4 vehicle (Toyota Hilux double cab or similar) during the project implementation period. The most competitive annual vehicle rental rate obtained last week is USD 2,400/month inclusive of insurance only. Total per year USD 28,800, and USD 115,200 over 4 years. Renting a vehicle over the life of the 4-year project will therefore be USD 70,200 more expensive than the purchase of a comparable vehicle at USD 45,000. Even factoring in the salary of a driver, it is still cheaper to budget for a vehicle purchase and hiring a driver than renting a vehicle with no driver over the life of the project.

Inception Workshop: The activity has been moved from the PMC budget to the M&E component but remains managed by the executing partner. **Project Manager Training:** This activity has been removed from the PMC budget and USD 6,000 allocated for the construction of bio-control rearing ponds (Activity 2.4.3), thus increasing the funds available for this activity.

National M&E Specialist and equipment monitoring: Regarding the costs of the M&E specialist and the equipment monitoring, these are included in the Component 4 of the project “Increased knowledge and awareness of the: i) value of ecosystem services provided by wetlands and forests; and ii) benefits of EbA for increasing the resilience of ecosystems and livelihoods to climate change”. The role is not “Project” monitoring as an execution activity but rather a substantive capacity development activity on the wider monitoring of EbA and acquisition of information (through research grants and by the Ministry) to document EbA results during and beyond the life of the project. **We have changed the title to “EbA Monitoring Specialist”** in order to specify this specific important role and more clearly link to the function and deliverables by the specialist. The EbA monitoring specialist will contribute to the M&E Plan regarding generating measurement of verification of results (data and evidence on the project’s EbA results) and contributing this information to annual and terminal reporting. (See PRODOC Appendix 1 – Budget and Appendix 5 M&E Plan).

03/06/2020 UNEP Response to GEF SEC Comments of 11/27/2019:

Point 2: Co-financing Letters (Appendix 10) : All co-financing letters have been re-issued to indicate reference to grant co-financing reflecting the programmatic co-financing investments being provided through the baseline projects. The funds do not reflect government budgetary co-finance and in-kind support in the form of recurring expenditure.

In addition, corresponding amendments have been applied to:

- 1) CEO Endorsement Document: Table under section “CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE” (Page 4 and 5);
- 2) PRODOC: Section 1.11: Table on co-financing (Page 1).
- 3) Online GEF Portal

Point 4: We thank the GEFSEC’s exceptional approval of one project vehicle at a reduced unit cost in light of the justification provided earlier. **Regarding Boat Hire,** further points for consideration for approval are as per the following rationale and justification:

1. Three project sites in Lukanga Swamp are inaccessible by vehicle. They are accessed by foot and boat. The release of bio-control agents is best undertaken by accessing the Kariba weed by boat, and complemented by release from the land. Furthermore, accessing some of the project site communities is preferable by boat

when factoring in travel time and wear-and-tear on project vehicle. Consequently, the project will require hiring a small boat to transport project staff and bio-control agents to communities and Kariba weed sites.

2. The project will hire a small boat from locally based commercial operators based at Lukanga swamp. The current rate is approximately USD 200/day which includes hire of boat with life-vests, fuel and pilot. The project plans 15 days boat rental per site per year. Annual total per site is US\$ 3,000. For three sites, annual total is US\$ 9,000. The hiring of the boat will be required for Year 2, Year 3 and Year 4. Total US\$ 27,000.

3. Summary breakdown

Description	Cost/day (USD)	No of days/site	No. of sites	Total USD/Year for 3 sites		Total USD/Year 2	Total USD/Year 3	Total USD/Year 4	Total USD
Boat Hire (boat, fuel & pilot)	200	15	3	9,000		9,000	9,000	9,000	27,000

The above justification and breakdown has been inserted in: 1) Appendix 12 – Draft Procurement Plan; and 2) Budge excel file – budget notes.

20/04/2020 UNEP Response to GEF SEC Comments of 3/24/2020

Comment 2:

Co-financing Letter for USD 400,000 (Appendix 10) now states type of co-financing (grant) as per Table C. Co-financing letter for USD 100,000 now states “grant co-financing” as per Table C. The information now matches the information in section 1.11 and Appendix 2 of the PRODOC, the table on co-financing (page 4) of the CEO ER and portal submission. The PRODOC annex 10 has been updated.

Comment 4:

Following consultation with the Climate Change and Natural Resources Management Department of the Ministry Lands and Natural Resources, the executing organization, an additional letter of in-kind co-financing from the Ministry for USD 75,800 for costs associated with driver and vehicle maintenance is included in the Project Proposal (Appendix 10). This has increased the total co-financing to USD 15,465,200 as reflected in the PRODOC’s section 1.11, Appendix 2, CEO ER’s table on co-financing (page 4) and the portal submission.

As a consequence, the following changes have been made to the GEF budget:

a) On looking closely at the budget, we realized that the costs of restoring the Bangweulu wetland had been overlooked and so the USD 35,000 has been assigned to project Output 2.4 10,000 hectares of degraded wetland systems restored through biocontrol in the Bangweulu and Lukanga wetlands (activities 2.4.1- 2.4.4).

b) The activities (2.4.1 – 2.4.4) under Output 2.4 will be arranged as an output-based agreement with Bird Watch inclusive of the co-financing commitment and that boat hire (USD 27,000) has been eliminated from the budget.

c) The PMC budget line for driver (USD 40,800 over 4 yrs) has been removed and the funds reallocated across existing PMC budget lines (Office supplies, Office equipment, PSC mtgs) and creation of a new technical coordination committee. The technical coordination committee will advise the PSC on project implementation matters by a Technical Coordination Committee (TCC), a multi-sectoral committee of key stakeholders who will meet quarterly. TCC meetings will focus on supporting institutional coordination at the planning, implementation and monitoring levels. Briefing notes with guidance for the PSC will be prepared by the committee. Reference to the TCC has been included in the CEO ER – Section A.6 – Implementation Arrangements (Page 61) and the PRODOC – Implementation Arrangements, paragraph 3.1.5 (Page 133)

The M&E Plan costs in the Excel file budget have been corrected to reflect the total of USD 124,500 as per the M&E Plan total in the PRODOC and as presented in the Portal.

Review Dates

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

	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

The project, (GEF ID 8034) Building the Resilience of Local Communities in Zambia through the Introduction of EbA into Priority Ecosystems, including Wetlands and Forests; requesting \$6.2 million in grant financing from the LDCF and leveraging \$15.4 million in co-financing; aims to strengthen the capacity of government and rural communities living around wetlands and forests to adapt to climate change using EbA. Wetland and forest ecosystems are essential natural resources in Zambia. Wetlands cover ~20% (~15 million ha) and forests ~66% (~49.9 million ha) of Zambia's total area and together provide a range of valuable ecosystem services to surrounding rural communities. Millions of Zambians depend on wetlands and forests for agriculture, fisheries, livestock rearing, tourism and water transportation, fuel (charcoal and wood) and non-timber forest products including food, medicine and building materials. However, rapid population growth combined with poverty and limited livelihood options has led to the degradation of the country's wetlands and forests. The project will achieve its objective through the implementation of 3 components: (i) Institutional and technical capacity development for EbA in Zambia; (ii) Implementation of wetland and forest EbA interventions in Zambia; (iii) Climate change-resilient communities in Zambia. The project will directly benefit around 80,000 people, while placing 14,850 hectares of land under more climate-resilient management. More than 11,000 people will be trained on the implementation and management of additional livelihood options and climate-resilient agriculture practices; and the project will deliver 37 national wetlands and forest policies and legislations/plans integrating EbA.