



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS*
THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4464		
Country/Region:	Nepal		
Project Title:	Integrating Traditional Crop Genetic Diversity into Technology Using a BD Portfolio Approach to Buffer Against Unpredictable Environmental Change in the Nepal Himalayas		
GEF Agency:	UNEP	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-2; BD-4; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$2,300,000
Co-financing:	\$5,405,000	Total Project Cost:	\$7,705,000
PIF Approval:		Council Approval/Expected:	May 01, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ulrich Apel	Agency Contact Person:	Marieta Sakalian

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	UA 03-01-2011: Yes.	
	2. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	n/a	
	3. Has the operational focal point endorsed the project?	UA 03-01-2011: Yes. Endorsement letter dated Nov 24, 2010.	
Agency's Comparative Advantage	4. Is the Agency's comparative advantage for this project clearly described and supported?	UA 03-01-2011: UNEP has comparative advantage in the field of agro-biodiversity including research-based inventories and assessments; to a lesser extent in mainstreaming biodiversity. UNEPs expertise in environmental policy (ABS program) is acknowledged.	
	5. Is the co-financing amount that the Agency is bringing to the project in line with its role?	UA 03-01-2011: The co-financing amount that UNEP has leverage is \$5.45 million. UNEPs	

		stage. UA 03-17-2011: In addition, during the PPG phase UNEP will identify sources for increased co-financing.	
	6. Does the project fit into the Agency's program and staff capacity in the country?	UA 03-01-2011: Yes. Fits with the ABS programme and UNEPs capacity in the Himalayan region.	
Resource Availability	7. Is the proposed GEF/LDCF/SCCF Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> the STAR allocation? 	UA 03-01-2011: Yes.	
	<ul style="list-style-type: none"> the focal area allocation? 	UA 03-01-2011: Yes. The total BD allocation for GEF-5 is requested. In this respect, it is noted that the use of the total allocation in BD for this project will significantly decrease Nepal's chance for requesting additional GEF resources out of the SFM/REDD+ challenge account. UA 03-17-2011: GoN is fully aware of this has re-confirmed their priorities through OFP (refer to OFP email copied into UNEP's answer to GEFSEC comments).	
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access? 	n/a	
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 	n/a	
	<ul style="list-style-type: none"> focal area set-aside? 	n/a	
Project Consistency	8. Is the project aligned with the focal area/multi-focal area/ LDCF/SCCF results framework?	UA 03-01-2011: Yes.	
	9. Are the relevant GEF 5 focal area/ LDCF/SCCF objectives identified?	UA 03-01-2011: BD-2, BD-4	
	10. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant	UA 03-01-2011: Yes. Consistent with the National Agrobiodiversity Policy of Nepal, established in 2007. and other relevant	

	NAPA, and NCSA?		
	11. Does the proposal clearly articulate how the capacities developed will contribute to the institutional sustainability of project outcomes?	UA 03-01-2011: Yes. Capacity development within the ABS policy development will contribute to sustainability of ABS arrangements.	
	12. Is (are) the baseline project(s) sufficiently described and based on sound data and assumptions?	UA 03-01-2011: Yes. Main baseline projects are related to in situ and ex situ conservation of agricultural biodiversity in Nepal.	
Project Design	13. Is (are) the problem(s) that the baseline project(s) seek/s to address sufficiently described and based on sound data and assumptions?	UA 03-01-2011: Yes. The projects will contribute to the maintenance of agro-biodiversity, which is considered critical to sustain livelihoods and resilience in mountain ecosystems in view of climate change and increasing variability.	
	14. Is the project framework sound and sufficiently clear?	UA 03-01-2011: Not fully. 1) The project title is misleading; it suggests an adaptation focus that is not reflected in outcomes and outputs. Instead, the title should reflect the main components of the project, which are agro-biodiversity and ABS. 2) The ABS component's outcome of establishing legal and regulatory frameworks and procedures in line with CBD provisions and the related output of 5 ABS agreements is weakly reflected in the project framework. The outputs and outcomes in the project framework do not appear to directly contribute to ABS. The	

		<p>do not clearly relate to ABS, which is supposed to be about agreements between providers and users. The PIF does not state which users are envisaged to enter into ABS agreements with communities nor the process on how they will be identified.</p> <p>3) The project framework lists a separate M&E component with a separate funding request without further explanation. It is unclear why these costs are not covered by the project management costs.</p> <p>UA 03-17-2011: All three issues have been addressed in the revision and/or explained. Cleared.</p>	
	<p>15. Are the incremental (in the case of GEF TF) or additional (in the case of LDCF/SCCF) activities complementary and appropriate to further address the identified problem?</p>	<p>UA 03-01-2011: Yes.</p>	
	<p>16. Are the applied methodology and assumptions for the description of the global environmental benefits/adaptation benefits sound and appropriate?</p>	<p>UA 03-01-2011: Yes.</p>	
	<p>17. Has the cost-effectiveness sufficiently been demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>	<p>UA 03-01-2011: No. Please demonstrate cost-efficiency in view that all BD STAR resources are requested. Would it have been possible to design the project in a way that leaves a certain amount for other BD related projects in GEF-5, including the opportunity to tap into the SFM/REDD+ incentive program?</p> <p>UA 03-17-2011: Has been explained and re-confirmed with OFF. Cleared.</p>	
	<p>18. Is there a clear description of the socio-economic benefits to be delivered by the project and of how they will support the</p>	<p>UA 03-01-2011: Yes. This is self-explanatory in this type of project.</p>	

	adaptation benefits (for SCCF/LDCF)?		
	19. Is the role of civil society, including indigenous people and gender issues being taken into consideration and addressed appropriately?	UA 03-01-2011: Yes, addressed.	
	20. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	UA 03-01-2011: Yes, has been taken into account.	
	21. Is the provided documentation consistent?	UA 03-01-2011: Yes.	
	22. Are key stakeholders (government, local authorities, private sector, CSOs, communities) and their respective roles and involvement in the project identified?	UA 03-01-2011: Not fully. The PIF states that "private sector consumers and retailers will be actively sought as partners in the development of diversity rich practices" - it is unclear what role they will take on. Are those the partners that are envisaged to enter into ABS agreements? Please clarify. UA 03-17-2011: Has been explained. Cleared.	
	23. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	UA 03-01-2011: Yes, properly co-ordinated.	
	24. Is the project implementation/ execution arrangement adequate?	UA 03-01-2011: Please clarify: what is the role of the Washington State University, which is listed as co-financer in the implementation/execution arrangements. UA 03-17-2011: WSU is only co-financer. Cleared.	

	25. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	26. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	27. Is the GEF/LDCF/SCCF funding level for project management cost appropriate?	<p>UA 03-01-2011: Yes, but needs clarification if that includes M&E costs.</p> <p>UA 03-17-2011: M&E costs are now mostly covered under PMC. Cleared.</p>	
	28. Is the GEF/LDCF/SCCF funding per objective appropriate to achieve the expected outcomes and outputs according to the incremental/additional cost reasoning principle?	<p>UA 03-01-2011: Yes, as far as this can be assessed at this stage. During PPG phase, it should be further explored whether the funding per objective is appropriate, in particular for the ABS component, which GEF considers as important and innovative.</p> <p>UA 03-17-2011: UNEP agreed. Cleared.</p>	
	29. Comment on indicated cofinancing at PIF. At CEO endorsement, indicate if cofinancing is confirmed.	<p>UA 03-01-2011: Co-financing ratio of roughly 1:2 is indicative, of which a large part is in kind. Please explore reducing the request for GEF funding. For example, if \$0.4 million could be retained in Nepal's BD STAR, these could be combined with LD STAR resources to tap into the SFM/REDD+ incentive fund and potentially used for forest related biodiversity protection in Nepal (note that a minimum of \$2 million is necessary to access the incentive funding).</p> <p>UA 03-17-2011: Has been discussed. UNEP will explore increased co-financing during PPG stage.</p>	

	30. Is the budget (GEF/LDCF/SCCF funding and co-financing) per objective adequate to achieve the expected outcomes and outputs?	UA 03-01-2011: Yes, but refer to comments under #28. UA 03-17-2011: Cleared. See above.	
Project Monitoring and Evaluation	31. Has the Tracking Tool been included with information for all relevant indicators, as applicable?	UA 03-01-2011: Will be developed during PPG stage.	
	32. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	33. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	34. Is PIF clearance/approval being recommended?	UA 03-01-2011: No. Please address the comments and clarification requests in this review. UA 03-17-2011: Yes. PM recommends PIF for clearance.	
	35. Items to consider at CEO endorsement/approval.	During the PPG phase UNEP has promised to identify sources for increased co-financing. This should be checked at the time of CEO endorsement. Check budgeted M&E plan and cost-efficiency of project management costs.	
Recommendation at CEO Endorsement/ Approval	36. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	37. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	March 01, 2011	
	Additional review (as necessary)	March 17, 2011	
	Additional review (as necessary)		

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	<p>UA 03-01-2011: Not fully.</p> <p>1) The collection and analysis of baseline data related to biodiversity and biophysical and socio-economic data as well as the review of current methodologies and ongoing and proposed projects should be mostly within the existing expertise of UNEP and executing partners of the project. Necessary consolidation and specific baseline data collection should be fully co-financed by UNEP and executing partners.</p> <p>2) The PPG appears to solely address the agro-biodiversity mainstreaming component of the project and not at all the ABS component. GEF considers the ABS component of this project important and innovative. The feasibility study should thus focus on the ABS component by assessing its potential, outlining the ABS policy development component (through developing and implementing actual agreements like the 5 proposed in the PIF), identifying communities (as providers) and private sector consumers and retailers as potential partners in ABS pilot agreements. In this context, it would seem appropriate to base community selection of the principle of prior informed consent (PIC).</p> <p>3) It is unclear why the PPG proposes to finance planning teams in China.</p> <p>UA 03-17-2011: All issues have been addressed and revisions made. Cleared.</p>
	2. Is itemized budget justified?	<p>UA 03-01-2011: Yes. Depending on potential budget revision of the PIF proposal, the PPG budget should be brought in line, including co-financing ratio.</p> <p>UA 03-17-2011: Budget has been revised. Co-financing ratio of PPG is 1:2.1, which is slightly lower than the co-financing ratio for the project of 1:2.3.</p>
Secretariat Recommendation	3. Is PPG approval being recommended?	<p>UA 03-01-2011: No. Please address the comments in the PPG review.</p> <p>UA 03-17-2011: Yes. PM recommends PPG for clearance.</p>
	4. Other comments	
Review Date (s)	First review*	March 01, 2011

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