



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

GEF ID:	6945		
Country/Region:	Costa Rica		
Project Title:	Strengthening Capacities of Rural Aqueduct Associations' (ASADAS) to Address Climate Change Risks in Water Stressed Communities of Northern Costa Rica		
GEF Agency:	UNDP	GEF Agency Project ID:	5140 (UNDP)
Type of Trust Fund:	Special Climate Change Fund (SCCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):			
Anticipated Financing PPG:	\$150,000	Project Grant:	\$5,000,000
Co-financing:	\$26,658,949	Total Project Cost:	\$31,958,949
PIF Approval:	September 03, 2014	Council Approval/Expected:	October 30, 2014
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Saliha Dobardzic	Agency Contact Person:	Gabor Vereczi

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating <b>country eligible</b> ?	Yes, Costa Rica is eligible, as a Party to UNFCCC, and a non-Annex I country.	Yes, no change since PIF.
	2. Has the <b>operational focal point</b> endorsed the project?	Yes, the letter dated July 21, 2014 is on file.	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the <b>resources available</b> from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or	Yes, from the SCCF-A.	No change since PIF.

\*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

<sup>1</sup> Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

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	<p>Technology Transfer)?</p> <ul style="list-style-type: none"> <li>• the Nagoya Protocol Investment Fund</li> <li>• focal area set-aside?</li> </ul>		
Strategic Alignment	<p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF <b>results framework and strategic objectives</b>? <i>For BD projects: Has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).</i></p>	<p>Yes, the project is aligned with CCA-1 and CCA-2.</p> <p>By CEO Endorsement, please consider how this project can ensure alignment with CCA-3 as well.</p>	<p>Cleared. Project alignment with CCA-1, CCA-2, and CCA-3 is demonstrated.</p>
	<p>5. Is the project consistent with the recipient <b>country's national strategies and plans</b> or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p>	<p>This is not clear.</p> <p>Recommended Action:</p> <p>Please elaborate how this proposal fits with Costa Rica's SNC, and if there are any other national strategies, plans, reports, and/or assessments with which this project will be aligned.</p> <p>Update 8/21/2014: The elaboration has been provided and this is cleared.</p>	<p>Yes, the project is consistent with the National Development Plan NDP 2015-2018, in addition to the consistency of the project with national strategies and plans outlined in the PIF.</p>
	<p>6. Is (are) the <b>baseline project(s)</b>, including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>For the most part. However, the relationship of the Biodiversity Partnership MesoAmerica to the proposed project, as a baseline, is unclear.</p> <p>Recommended Action: Please provide clarifications on the relationship of the BPM, as a baseline</p>	<p>Yes.</p>

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Project Design		<p>project, to the proposed intervention.</p> <p>Update 8/21/2014: Further information has been provided and this is cleared.</p>	
	7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?	Yes, the components and outcomes are clear and sufficiently detailed for PIF stage.	Yes.
	8. (a) Are global environmental/ adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?	<p>Yes, the adaptation benefits have been identified. The description and reasoning are sound and appropriate, although not exhaustive.</p> <p>By CEO Endorsement, please provide a more comprehensive analysis of the adaptation benefits, and the additional reasoning.</p>	The proposal contains detailed description of the additional reasoning, which appears sound and appropriate. This is cleared.
	9. Is there a clear description of: a) the <b>socio-economic benefits</b> , including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?		Yes.
	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?	Yes, the role of public participation including CSOs and indigenous people is identified and described.	Yes.
	11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)	Not clear. The project identifies risks, and describes risk mitigation measures. However, the risk of weak participation of ASADAS is proposed to be managed by communication of "importance that ASADAS and communities play an active role."	Yes.

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		<p>Recommended action: Considering the importance of the planned role for ASADAS, which is crucial to the project design, please consider this issue further and devise a stronger risk mitigation strategy for this risk in particular. For instance, consider restructuring the project or using part of the grant to put in place a set of incentives which would ensure ASADAS active engagement.</p> <p>Update 8/21/2014: The project will further mitigate any risk by conducting regional meetings with the majority of the beneficiary ASADAS in the country to sign a collective letter of intent related to the implementation of the project. This is cleared.</p>	
	<p>12. Is the <b>project consistent and properly coordinated</b> with other related initiatives in the country or in the region?</p>	<p>Yes, the project will coordinate with a Socio-ecological Land Management initiative, Sustainable Development of the Rio Frio Watershed project, UNDP-GEF project "Conservation, sustainable use of biodiversity, and maintenance of ecosystem services of internationally important protected wetlands", among others.</p>	<p>Yes, the project is consistent and properly coordinated with other related initiatives in the country and region. (This also responds to a comment raised at PIF by the LDCF/SCCF Council).</p>
	<p>13. Comment on the project's <b>innovative aspects, sustainability, and potential for scaling up.</b></p> <ul style="list-style-type: none"> <li>• Assess whether the project is innovative and if so, how, and if not, why not.</li> <li>• Assess the project's strategy for sustainability, and the</li> </ul>	<p>This is not clear.</p> <p>Recommended action: Please comment on the innovativeness, sustainability, and scaling up.</p> <p>Update 8/21/2014: This project is innovative as it will combine interventions across institutions</p>	<p>Through PES-type contracts that will last up to 20 years, the ASADAS and local communities will rely on a sustainable flow of funds that will contribute to the sustainability of project outcomes beyond its completion. The project will rely on a Knowledge Management System (Section 2.4, Output 2.2.2) to synthesize</p>

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	<p>likelihood of achieving this based on GEF and Agency experience.</p> <ul style="list-style-type: none"> <li>Assess the potential for scaling up the project's intervention.</li> </ul>	<p>that do not normally work together, will work with the water-intensive sectors and companies to expand the Payment for Ecosystem Services and voluntary water usage/aquifer conservation contributions. Sustainability of the proposed interventions hinges on the strong participation of Government entities, communities, and key stakeholders. There is a possibility of scaleup to the national level.</p> <p>By CEO Endorsement, it is recommended to strengthen the project design as it relates to sustainability (for instance, regarding voluntary payments) and scale-up.</p>	<p>lessons learned and experiences that will result from project implementation, including the implementation of voluntary payments and PES schemes, and for sharing information related to climate change and ecosystem-based adaptation practices so that these can be replicated/scaled-up in other water-stressed regions in the country. In addition, the project's monitoring and evaluation plan includes a strategy for sharing best practices and generating knowledge products that will also contribute to scaling up. This is cleared.</p>
	<p>14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		<p>Yes.</p>
	<p>15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?</p>		<p>Yes.</p>
<p><b>Project Financing</b></p>	<p>16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?</p>	<p>Yes, it appears to be appropriate and adequate.</p>	<p>Yes.</p>
	<p>17. <u>At PIF</u>: Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line</p>	<p>Yes, the cofinancing of \$26.9 million is currently indicated, of which \$450,000 is brought by the Agency.</p>	<p>Yes, the co-financing has been confirmed.</p>

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	with its role? <u>At CEO endorsement</u> : Has co-financing been confirmed?		
	18. Is the funding level for <b>project management cost</b> appropriate?	Yes.	Yes, the funding level for project management cost, at 4.5% of the project cost, is appropriate.
	19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund?	Yes, in line with the norm.	Yes.
	20. If there is a <b>non-grant instrument</b> in the project, is there a reasonable calendar of reflows included?	n/a	n/a
Project Monitoring and Evaluation	21. Have the appropriate <b>Tracking Tools</b> been included with information for all relevant indicators, as applicable?		Yes.
	22. Does the proposal include a <b>budgeted M&amp;E Plan</b> that monitors and measures results with indicators and targets?		Yes.
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		Yes.
	• Convention Secretariat?		N/A
	• The Council?		Yes.
	• Other GEF Agencies?		N/A
Secretariat Recommendation			
Recommendation at	24. Is PIF clearance/approval being recommended?	Not yet. Please address the items under #5, 6, 11, and 13.	

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PIF Stage		Update 8/21/2014: The PIF clearance is recommended.	
	25. Items to consider at CEO endorsement/approval.	#4 and 8. #13	
Recommendation at CEO Endorsement/ Approval	<b>26. Is CEO endorsement/approval being recommended?</b>		Yes, the submission is ready to be recommended for CEO endorsement.
	First review*		
Review Date (s)	Additional review (as necessary)	August 21, 2014	
	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. Greyed areas in each section do not need comments.**