



REQUEST FOR PROJECT PREPARATION GRANT (PPG)
PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission date: 25 September 2009

GEF PROJECT ID¹:

GEF AGENCY PROJECT ID:

COUNTRY(IES): Panama

PROJECT TITLE: Sustainable and climate-friendly development in Veraguas Province - Proyecto Participa

GEF AGENCY(IES): IFAD

OTHER EXECUTING PARTNER(S): National Environment Authority (ANAM); Ministry of Agricultural Development (MIDA)

GEF FOCAL AREA(s): Climate change

GEF-4 STRATEGIC PROGRAM(S): SP-6

NAME OF PARENT/PROGRAM/UMBRELLA PROJECT (if applicable):

A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	January 2010
Completion date of PPG	October 2010

B. PAST PROJECT PREPARATION ACTIVITIES (\$) - Not applicable

C. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

Describe the PPG activities and justifications: The project preparation phase will comprise a number of steps required to complete the full project design: (1) baseline assessments and scoping exercise; (2) identification of project strategy; (3) awareness-raising and key stakeholder consultations to ensure country ownership and validation of the project; and (4) project development, to meet GEF and co-funding project design requirements. Activity (5) – project formulation management, will ensure the co-ordination, management and supervision of consultants. See full details of PPG activities in Annex B.

List of Proposed Project Preparation Activities	Output of the PPG Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
1. Assessment & scoping, data collection, revision of relevant studies, institutional analysis	Comprehensive review and analysis of situation in project area (incl. indicative SLM/mitigation options; institutional assessments), and preliminary consultation with stakeholders	24 563	30 000	54 563
2. Identification of project strategy and alternatives	Project strategy prepared (incl. project site selection, objectives, evaluation of alternatives)	25 260	0	25 260
3. Awareness-raising, consultation & validation	Project strategy discussed with stakeholders, including in national and provincial workshops, and finally validated	13 160	15 000	28 160
4. Project design	Development of technical documents; M&E; preparation of full project document ready for submission to GEF	17 017	33 878	50 895
5. Project formulation management	General management and supervision of the overall process	0	26 656	26 656
Total Project Preparation Financing		80 000	105 534	185 534

¹ Project ID number will be assigned by GEFSEC. If PIF has already been submitted, please use the same ID number as PIF.

D. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	Project Preparation	Agency Fee
GEF financing	80 000	8 000
Co-financing	105 534	
Total	185 534	8 000

E. PPG REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

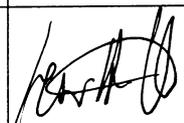
Not required

F. PPG BUDGET REQUEST

Cost Items	Total Estimated Person Weeks for GEF Grant (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	11	16 500	7 920	24 420
International consultants*	12	28 500	10 050	38 550
Travel (incl. DSA)		20 000	38 030	58 030
Translation		7 500	4 000	11 500
Consultations and Validation		7 500	11 500	19 000
Project Formulation Mgmt.		0	34 034	34 034
Total PPG Budget		80 000	105 534	185 534

G. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date	Project Contact Person	Telephone	Email Address
Elwyn Grainger-Jones Executive Co-ordinator Global Environment and Climate Change Unit (GECC) Programme Management Department (PMD) IFAD	 o/c Jesús Quintana	25/9/09	Mr. Jesús Quintana, Program Manager GECC Unit, PMD, IFAD	(+39) 06.5459. 2210	j.quintana@ifad.org
Please do not forget to copy the IFAD/GECC Registry on official communications GECCRegistry@ifad.org					

Annex A: Consultants Financed by the Project Preparation Grant (PPG)

Position / Titles	\$/ Person Week¹	Estimate d PWs²	Tasks to be performed
Local			
Institutional & Capacity-building Specialist	1 500	4	<ol style="list-style-type: none"> 1. Review existing institutional policies and practices 2. Identify stakeholder capacities and needs related to climate-friendly rural sustainable development 3. Analyse possible conflict related to access and use of natural resources, including options for dispute resolution 4. Prepare and conduct planned consultation activities 5. Co-ordinate with other consultants, and contribute to formulation of project document
LULUCF and SLM Specialist	1 500	4	<ol style="list-style-type: none"> 1. Review policies and practices related to community-based NRM, identifying key issues and barriers 2. Review existing reforestation/afforestation, agroforestry and eco-agriculture options, in co-ordination with Climate Change Expert and Eco-enterprise Development Specialist 3. Identify viable options to combine adequately community-based NRM, SLM and LULUCF approaches for semi-arid conditions 4. Develop strategies and recommendations for implementation 5. Co-ordinate with other consultants, and contribute to formulation of project document
Eco-enterprise Development Specialist	1 500	3	<ol style="list-style-type: none"> 1. Analyse possible options for the market-based development of natural resource products in selected project sites, in co-ordination with planned reforestation/afforestation/conservation agriculture activities 2. Develop suitable strategy for development of products, including access to markets, establishment of community-based eco-enterprises 3. Assist in green-label certification of products 5. Co-ordinate with other consultants, and contribute to formulation of project document
International			
GEF Senior Expert and Team Leader	2 500	6	<ol style="list-style-type: none"> 1. Provide overall technical direction to team of consultants and general advice on GEF priorities 2. Identify expected global environmental benefits, design proper indicators and assess better methodologies to measure GEB indicators 3. Design incremental strategy as per GEF principles, ensuring that proposed project will be incremental to baseline activities 4. Guide technical institutional analysis and capacity assessment, ensuring consistency and coherence along GEF principles 5. Oversee project appraisal, scoping and selection of project sites, 6. Assess sustainability of project (financial, environmental, social)
Climate Change Expert	2 250	4	<ol style="list-style-type: none"> 1. Identify suitable methods and technology to monitor carbon stock and changes in the project sites, and potentials for scaling-up at the national level 2. Identify capacity needs and gaps for monitoring and reporting of carbon stock at the local, provincial and national level 3. Develop strategies and recommendations for capacity-building on carbon monitoring, in collaboration with Institutional/Capacity-Building Specialist 4. Clarify additionality of proposed outcomes and activities 5. Contribute to scoping of project, assessment of project sites, and design and formulation of project
Economic/ Financial Specialist	2 250	2	<ol style="list-style-type: none"> 1. Preparation of cost tables 2. Undertake cost-benefit analysis of project options 3. Draft annex on financial modalities (disbursement, procurement, audit) 4. Assist in preparation of grant administration modalities, co-financing arrangement and other financial aspects

Annex B: PPG Proposed Activities

Activity 1: Assessment & scoping, data collection, revision of relevant studies, institutional analysis

Under this activity a rapid review and analysis will be made of existing information related to the proposed project interventions, focal area, and institutional capacities. Preliminary consultations with stakeholders will take place where necessary.

Sub-steps include:

- Identify methods for monitoring of carbon storage/sequestration and the correlation with predominant vegetation types, as required for the implementation of different methods
- Evaluation of climate change impacts in the project area
- Identification and analysis of potential community-based sustainable land management/NRM and climate mitigation options (reforestation/agroforestry/conservation agriculture) for the project area, including strategies for implementation and principal risks and threats.
- Development of transparent site selection criteria
- Analysis of options for community-based eco-enterprises in the project area, and recommendations for development at selected project sites and districts
- Appraisal of institutional capacities, awareness and needs at the local and provincial, and national levels related to sustainable natural resource management (soil, forest and water, especially) and climate change mitigation/LULUCF (including appraisal of capacities for monitoring carbon stock changes)

Outputs: 1 report with a comprehensive analysis of the topics and indicative project options.

Activity 2: Development of project strategy and scope

This activity will comprise the development of the project scope, including the selection of appropriate sites' and the preparation of the project strategy. Potential alternatives will also be identified.

Sub-steps include:

- In-depth analysis of project options defined and identified in Activity 1
- Preliminary identification of intervention sites utilising transparent site selection criteria
- Evaluation of alternative sites and intervention options
- Final selection of project sites in Veraguas through a consultative process with stakeholders including the provincial government and local communities.
- Final selection of most suitable project options, following cost-benefit analysis, and in line with local, provincial and national priorities (includes final selection of capacity-building options at the local, provincial and national levels)

Outputs: Project strategy produced, including the logical framework and tentative work plans, which will be discussed and validated with key stakeholders. Awareness raising, and confirmation of the scope and nature of project interventions will take place through consultation and validation workshops (Activity 3).

Activity 3: Awareness-raising, consultation and validation

Awareness-raising/consultation workshops will take place with key institutional stakeholders respectively at the provincial level (within Veraguas), and at the national level. 2 consecutive workshops will take place at each level, and will focus respectively on:

- 1st workshop (consultation): Following the reviews and analysis carried out under Activity 1, this workshop will inform the key institutional stakeholders of the importance of the project, and to present and consult on

potential project options, providing recommendations and/or alternatives by key institutional stakeholders as an input for Activity 2;

- 2nd workshop (validation): During this workshop, the project strategy and scope developed under Activity 2 will undergo final consultation and validation with key institutional stakeholders, in a fully participatory manner.

Outputs: 4 consultation/validation events; workshop reports; project strategy validated.

Activity 4: Project Design

The project design and quality assessment will include the following sub-activities:

- Compilation and integration of technical working documents on different aspects of the project building on activities 1, 2 & 3, including detailed descriptions of interventions and project sites and institutional arrangements;
- Refinement of project logical framework and implementation plan, after consultation with key stakeholders, and internal revision process by IFAD;
- Development of project institutional arrangements to ensure smooth project implementation and sustainability;
- Evaluation of climate change and other risks and integrate into project design;
- Development of budget and financing plan including facilitation of co-financing and integration with arrangements for associated IFAD loan;
- Development of M&E system to be integrated as far as possible with the M&E system of the PROSALAF A II project.
- Assessment of technical quality and appropriateness

Outputs: The output will be the full project document prepared and aligned to Panama's national, provincial and local priorities, together with priorities of the GEF and IFAD. The full project document will be ready for submission to the GEF Secretariat.

IFAD will cover those costs associated with writing the proposal.

Activity 5: Project Formulation Management

Project formulation management will include the coordination, management and supervision of the activities and personnel for the implementation of the PPG, project design process, and IFAD quality control.

The costs associated with this activity will be fully met by IFAD.