



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

GEF ID:	5681		
Country/Region:	Regional (Jamaica, Mexico, El Salvador)		
Project Title:	Building Climate Resilience of Urban Systems through Ecosystem-based Adaptation (EbA) in Latin America and the Caribbean.		
GEF Agency:	UNEP	GEF Agency Project ID:	
Type of Trust Fund:	Special Climate Change Fund (SCCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-2; CCA-3;		
Anticipated Financing PPG:	\$150,000	Project Grant:	\$6,000,000
Co-financing:	\$29,734,000	Total Project Cost:	\$36,034,000
PIF Approval:	February 05, 2014	Council Approval/Expected:	March 21, 2014
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Fareeha Iqbal	Agency Contact Person:	Atifa Kassam

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible ?	Yes. El-Salvador, Jamaica and Mexico are non-Annex Parties to the UNFCCC.	Yes.
	2. Has the operational focal point endorsed the project?	Yes. Letters of Endorsement have been provided by the GEF OFPs for El-Salvador, Jamaica and Mexico, each dated December 6, 2013.	Yes.
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of		

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

¹ 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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	equitable access		
	<ul style="list-style-type: none"> • the SCCF (Adaptation or Technology Transfer)? 	Yes.	Yes.
	<ul style="list-style-type: none"> • the Nagoya Protocol Investment Fund 		
	<ul style="list-style-type: none"> • focal area set-aside? 		
Strategic Alignment	<p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives?</p> <p><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. It is aligned with SCCF strategic objectives CCA-1 (reducing vulnerability), CCA-2 (enhancing adaptation) and CCA-3 (technology transfer/adoption for adaptation).</p>	<p>Yes. No change since PIF.</p>
	<p>5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p>	<p>Yes. It is aligned with national and regional level strategies and plans. It is consistent with El Salvador's National Five-Year Development Plan and its National Environment Policy; also with Jamaica's National Environmental Action Plan; and with Mexico's National Climate Change Strategy (2013) and General Climate Change Law (2012). At the regional level, it is in line with the Latin America and the Caribbean Regional Program of Action's, 'Integrated Management of Water and Coastal Resources', as it will restore urban catchments and build technical capacity for EbA geared at watershed restoration.</p>	<p>Yes. Consistency with national and state strategies and plans of relevance to improving urban resilience through EBA is briefly discussed below:</p> <p>Mexico: The project is aligned with Mexico's Fifth NatComm to the UNFCCC (identifies need for cities to better prepare for natural disasters); National Climate Change Strategy; 'State Law (Veracruz) for Climate Change Adaptation and Mitigation'; 'Climate Change Program for the State of Veracruz'; and the UNDAF (2014-19).</p> <p>Jamaica: The project is aligned with 'Vision 2030 - National Development Plan Jamaica', a comprehensive planning framework that integrated</p>

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			<p>environmental, social, economic and governance aspects; the country's 'Climate Change Policy Framework and Action Plan' (which has the objective of supporting the Vision 2030 program); the 'Water Sector Adaptation Strategy to Address Climate Change'; the NBSAP (this is currently being updated to include the impacts of climate change on biodiversity); the National Building Code (which established new guidelines for the construction of hurricane resistant buildings across the island); and UNDAF Jamaica (2012-16).</p> <p>El Salvador: The project is aligned with El Salvador's 2nd NatComm to the UNFCCC (e.g., its priority on formulation and launching of restoration programs that promote adaptation to climate change); its National Climate Change Strategy, its first National Plan on Climate Change (will integrate climate change adaptation into planning and management of national socio-economic sectors and ecological systems); the National 5-Year Development Plan (2014-19), and the NBSAP (includes the priority area of mainstreaming biodiversity in economic sectors).</p>
	<p>6. Is (are) the baseline project(s), including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>Yes. Latin American cities are growing rapidly, with populations and key sectors competing for water and placing pressure on urban ecosystems. Environmental degradation is high in the potential pilot cities for the project, and is aggravated by high climatic variability and extreme</p>	<p>Yes. Cities of the LAC region are among the fastest growing in the world. However, rapid urbanization is accompanied by little planning, resulting in degraded ecosystems and socio-economic problems. Threats are exacerbated by climate change and</p>

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Project Design		<p>climatic events. The well-being of urban populations is significantly impacted by reduced water supply and poor sanitation. Climate change is expected to exacerbate the intensity and/or frequency of extreme climatic events, and could result in long-term trend changes that worsen degradation so that current levels of urban vulnerability could significantly increase.</p> <p>The SCCF project will integrate additional adaptation benefits within the following 5 baseline projects that are addressing food and water security, disaster risk, and improved infrastructure and livelihoods of the urban poor in the LAC region: (i) Regional Biodiversity Ecosystem Services (BES) Programme (IADB); (ii) El Salvador Cooperation FUND for Water and Sanitation (AECID); (iii) Jamaica - Kingston Metropolitan Area Water Supply Improvement Project (IADB); (iv) Mexico Program for the Sustainability of Water Supply and Sanitation Services in Rural Communities (IADB); and (v) Mexico Cooperation Fund for Water and Sanitation (AECID).</p>	<p>variability. These impacts could translate into decreased food security, increase economic losses (including through infrastructure damage), and greater risks to health (from heatstroke and vector- and water-borne disease).</p> <p>In San Salvador, \$21 million in grant cofinancing will be provided through the Reduccion de Vulnerabilidad en Asentamientos Urbanos Precarios del Metropolitan Area San Salvador project (2013-18). The project seeks to reduce vulnerability of informal neighborhoods to flooding through construction of infrastructure such as basins and culverts, and to improve basic sanitation infrastructure. The SCCF project will support urban EBA measures to complement the infrastructure measures.</p> <p>In Jamaica, grant baseline cofinancing of \$4 million will be provided through the Integrated Community Development Project (2014-20), which has the objective of improving access to basic urban infrastructure and services and community safety. The SCCF project will support urban ecosystem based measures to reduce the threat of flash flooding and will also diversify urban livelihoods.</p> <p>In Mexico, grant cofinancing of \$3 million is being provided through Phase II (2018 onwards) of the Reduccion de Vulnerabilidad for gestion de aguas en la Cuenca del Rio Carneros. The project</p>

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			<p>will improve sanitation infrastructure, water treatment, and improved drainage to reduce flood risk. The SCCF project will reduce the climate change related risk of increased impact from floods by restoring cloud forests and riparian corridors, establishing artificial wetland, and constructing permeable pavements.</p>
	<p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p>	<p>Yes. The project will support (i) stocktaking, frameworks and strategy development for EbA; (ii) assessments/scenario exercises taking into account various parameters and risks (including those posed by climate change); protocols for EbA implementation; EbA interventions at community and urban landscape/catchment levels; and alternative livelihoods based on city-specific urban EbA measures; and (iii) awareness-raising, knowledge-dissemination and research programs.</p> <p>By CEO Endorsement: Please provide details on the specific climate change related risks in each pilot city, and on the specific measures that will be undertaken to build resilience to these risks.</p>	<p>FI, 4/25/2016: Agency is requested to include M & E costs in the Table B components (and not as a separate line item under the PMC).</p> <p>Otherwise, components, outcomes and outputs in Table B are clear. The project will support development of policy briefs outlining recommended revisions to strategies and plans to integrate EBA into urban planning, and develop relevant technical guidelines for government, private sector and targeted communities. Site-specific EBA actions will be implemented in the 3 target cities, that will include measures such as: sustainable agriculture (including vegetated infiltration ditches on hillslopes), restoration of riparian vegetation in ravines using native fruit trees, restoring critical ecosystems, constructing infiltration wells, establishing ecological sanitation, rehabilitating wetland, constructing permeable pavement and walkways, constructing detention basins, restoring hills by planting cloud forest species and constructing retention berms, creating connectivity corridors between 'EBA</p>

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			<p>action gardens', constructing an artificial wetland, and other similar activities. The project will also support the development of trainings and upscaling strategies, and disseminate lessons on urban EBA across the LAC region.</p> <p>FI, 8/8/2016: Yes, cleared.</p>
	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>Yes. A range of sound, additional adaptation benefits are envisaged as outcomes of this project. At the local level, these include improved water availability, reduction of heat stress due to improved vegetative cover, and reduction in stormwater flows due to increased water storage capacity of reforested areas. At an ecosystems level, water quality and availability will be improved through measures to restore wetlands and riparian corridors. Biodiversity is also expected to benefit. These various outcomes will build resilience to a broad spectrum of potential adverse impacts of climate change.</p>	<p>Yes. Ecosystem based approaches to adaptation in urban areas can reduce vulnerability to climate change impacts (e.g., from heat stress, vector or water borne disease and flooding) while providing a range of additional benefits. The SCCF project will promote cross-institutional coordination, on-the-ground adaptation solutions, and develop adaptation capacities at multiple levels to reduce urban vulnerability to climate change and variability.</p>
	<p>9. Is there a clear description of: a) the socio-economic benefits, 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?</p>		<p>FI, 5/2/2015: Further information is requested. The project will support measures that yield a range of socio-economic benefits (e.g., improved health, water quality and supply, reduced flood risk, and diversification of incomes). These will all contribute to enhanced resilience to climate change.</p> <p>Gender: please discuss whether a gender analysis has been (or will be) conducted</p>

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			<p>for the project.</p> <p>FI, 8/8/2016: Yes, additional information provided is adequate. A gender analysis will be conducted during the inception phase. Interventions will be gender-sensitive, a relatively high proportion of training participants will be women, and climate-resilient livelihood options will prioritize women's needs and preferences.</p>
	<p>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p>	<p>Yes. The project will engage local communities and create active partnerships with NGOs at local, national and regional levels. The project will target vulnerable urban populations such as recent migrants, slum-dwellers, day-wage laborers, and female-headed households.</p> <p>By CEO endorsement: Please provide more information on how communities (including vulnerable urban populations) have been engaged in consultations and will continue to be engaged in project activity selection and implementation.</p>	<p>Yes. Several stakeholder consultations were held during PPG, and the project seeks to create partnerships at regional, national and local levels across NGOs, private sector actors, and development partners involved in relevant ongoing initiatives. National and international research institutions will also be involved in informing the design of the urban EBA interventions. At the local level, urban community representatives will participate in decision-making processes to design, implement and monitor the on-the-ground interventions.</p>
	<p>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)</p>	<p>Yes. Political, capacity, and climatic risks have been identified, as well as risks to upscaling. Mitigation measures have been proposed.</p>	<p>Yes, major potential risks have been discussed and mitigation measures proposed.</p>
	<p>12. Is the project consistent and properly coordinated with other related initiatives in the country</p>	<p>Yes, the project will build on and coordinate with several relevant ongoing projects and initiatives, such as (i)</p>	<p>FI, 4/25/2016: Further information requested. Please discuss whether there is potential</p>

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	<p>or in the region?</p>	<p>Coastal EbA in SIDS (UNEP); (ii) Regional Gateway for Technology Transfer and Climate Change Action in Latin America and the Caribbean (UNEP and bilateral donors); (iii) TA being provided by ICLEI; (iv) Emergent and Sustainable Cities Initiative (IADB); (v) UN-HABITAT Cities and Climate Change Initiative; (vi) Caribbean Biological Corridor; and others.</p>	<p>for collaboration or knowledge sharing with the LAC projects of the GEF's Sustainable Cities Integrated Approach Pilot program.</p> <p>FI, 8/8/2016: Yes. Efforts will be made to complement the IAP-funded climate change mitigation related activities with the proposed EbA activities in Mexico in the city of Xalapa, particularly with regard to aspects of urban planning, catalyzing investments, and enhancing partnerships at various scales.</p>
	<p>13. Comment on the project's innovative aspects, sustainability, and potential for scaling up.</p> <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. 	<p>Innovativeness: Yes. EbA has traditionally been conducted in a rural context. However, this project will implement regional-scale urban 'green' infrastructure and low-regrets measures to build resilience to existing and expected future climatic threats.</p> <p>Sustainability: This is not fully clear; the approach is new and will require local-government buy-in and community support. However, awareness-raising and capacity-building activities have been proposed to address this.</p> <p>By CEO endorsement: While awareness-raising and capacity-building/research activities will contribute to interest from local authorities and communities, please discuss the measures will be in place to ensure that the adaptation investments continue to yield benefits over time?</p>	<p>Yes.</p> <p>Innovativeness: see PIF stage comment</p> <p>Sustainability: Prospects for sustainability are good due to proposed active engagement of all relevant stakeholders in decision-making and project implementation, strengthened technical capacities of national and local governments to monitor the EBA interventions, and analysis of results through the long-term research program on urban interventions (the project is partnering with universities in each country in this latter regard. This evidence based decision-making will help local authorities in the future, thereby promoting the EBA investments beyond the project's lifespan).</p> <p>Upscaling: The technical guidelines and lessons learned from the project will be documented by the project in order to facilitate replication in other LAC cities.</p>

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		Upscaling: An upscaling strategy will be developed, but its success is likely to depend on the cost-effectiveness of the interventions. The project includes components to research cost-effective measures.	Upscaling strategies will be developed that will describe lessons learned on the cost effectiveness and benefits of EBA. The strategies will discuss the potential roles and responsibilities of stakeholders with regard to upscaling urban EBA, sustainable financing mechanisms, proposed revisions to existing climate change and environmental strategies and plans, as well as the role of regional websites such as REGATTA and for C40 cities.
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		Yes. Justification has been provided for the few minor changes that have been made.
	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?		Yes. While acknowledging that costs-effectiveness for nature based solutions will differ depending on activity and location, a compelling discussion has been presented (section 7.3 of the ProDoc) on the relative cost-effectiveness of ecosystem based measures for adaptation to climate change, compared to infrastructure based solutions designed to achieve similar benefits.
Project Financing	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?	Yes. Requested GEF funding and co-financing are appropriate and adequate for achieving the expected outcomes and outputs. Over 70% of the GEF grant funding will support Component 2, which includes sub-components on implementation of EbA interventions in pilot cities at community, urban landscape and catchment levels.	Yes.
	17. <u>At PIF</u> : Is the indicated amount and composition of co-financing	Yes. Table C specifies \$21.91 M in co-financing, which is adequate.	Yes. Letters confirming cofinancing of \$29.73 million have been provided.

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	<p>as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role? <u>At CEO endorsement</u>: Has co-financing been confirmed?</p>		
	<p>18. Is the funding level for project management cost appropriate?</p>	<p>Yes. It stands at 4.6% of the requested SCCF grant.</p>	<p>Yes, at 4.6% of the SCCF project grant.</p>
	<p>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?</p>	<p>Yes. PPG has been requested and is within the norm.</p>	<p>Yes, the agency has reported on PPG activities.</p>
	<p>20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?</p>	<p>N/A</p>	<p>n/a</p>
<p>Project Monitoring and Evaluation</p>	<p>21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?</p>		<p>FI, 4/25/2016: No. Agency is requested to (i) submit the filled-in tracking tool as an Excel file (leave unneeded rows blank); and (ii) enter a baseline value for the selected indicators (currently, "TBD" has been entered in the baseline column).</p> <p>Kindly fill in and submit the excel version of this tool, specifying actual baseline values and target values for midterm and project completion.</p> <p>FI, 8/8/2016: Further information is requested. There</p>

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			<p>appear to be several areas of proposed project activity for which appropriate tracking tool indicators have not been selected (see below). Agency is requested to kindly include information for the missing indicators or explain why they are not being tracked.</p> <ul style="list-style-type: none"> - Indicator 1 (number of beneficiaries) has not been selected; - Indicator 2 (ha of land) is missing a figure for Xalapa -- please include if applicable; - Indicator 3 has not been selected yet corresponds to Output 2.4 of Table B; - Indicator 6 (sub-national/local level assessments) corresponds to Output 2.1 of Table, yet has not been selected. <p>FI, 10/6/2016: Yes. Agency submitted a revised tracking tool on 10/6/2016 which has addressed all issues identified on 8/8/2016.</p>
	<p>22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?</p>		Yes (Appendix 9 of ProDoc).
Agency Responses	23. Has the Agency adequately responded to comments from:		
	<ul style="list-style-type: none"> • STAP? 		Yes.
	<ul style="list-style-type: none"> • Convention Secretariat? 		
	<ul style="list-style-type: none"> • The Council? 		Yes.
	<ul style="list-style-type: none"> • Other GEF Agencies? 		
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	1/8/14, FI Informal comments were provided to UNEP on draft PIF, with requests for	

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		revisions on a few counts. These were all satisfactorily addressed in their subsequent formal submission. 1/22/14, FI: Yes.	
	25. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		FI, 5/2/2016: Not yet. Agency is requested to address comments for items 7, 9, 12 and 21. FI, 8/8/2016: Not yet. Agency is requested to address comment for item 21. FI, 10/6/2016: Yes.
	First review*	January 22, 2014	May 02, 2016
Review Date (s)	Additional review (as necessary)		August 08, 2016
	Additional review (as necessary)		October 06, 2016

* 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.