



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	8032		
Country/Region:	Burkina Faso		
Project Title:	Promoting index-based weather insurance for small holder farmers in Burkina Faso		
GEF Agency:	UNDP	GEF Agency Project ID:	5595 (UNDP)
Type of Trust Fund:	Least Developed Countries Fund (LDCF)	GEF Focal Area (s):	Climate Change
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-2; CCA-3;		
Anticipated Financing PPG:	\$0	Project Grant:	\$4,466,175
Co-financing:	\$18,955,036	Total Project Cost:	\$23,421,211
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Knut Sundstrom	Agency Contact Person:	Benjamin Larroquette

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	<p>NOT CLEAR. The Focal Area Strategy Framework (Table A) cites only strategic objective CCA-1, although the project clearly contains policy and capacity building elements that would contribute towards CCA-2 and CCA-3 as well.</p> <p>RECOMMENDED ACTION: Please review Table A and ensure that it captures all focal area objectives</p>	

¹ 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 the project's contribution toward achieving the Aichi Target(s)?

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
		<p>towards which the proposed project would contribute.</p> <p>04/24/2015 “ YES. The Focal Area Strategy Framework has been revised as recommended.</p>	
	2. Is the project consistent with the recipient country’s national strategies and plans or reports and assessments under relevant conventions?	<p>YES. The proposed project would contribute towards the implementation of Burkina Faso's NAPA priorities in the areas of agricultural production and food security. The project is also aligned with the Strategy for Accelerated Growth and Sustainable Development (2010), the National Policy for Sustainable Development (2012) and the National Policy on Food and Nutrition Security.</p>	
Project Design	3. Does the PIF sufficiently indicate the drivers ² of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	<p>NOT CLEAR. Please refer to Section 4 below.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations in Section 4, please revisit the description of how the proposed project would ensure sustainability and promote scaling up.</p> <p>04/24/2015 “ YES. Please refer to Section 4 below.</p> <p>The proposed project would</p>	

² Need not apply to LDCF/SCCF projects.

PIF Review

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		<p>strengthen the enabling conditions for scaling up access to index-based weather insurance products in Burkina Faso by reviewing and, where needed, enhancing relevant policy and regulatory frameworks; developing the capacities of relevant national and local authorities, insurance providers and farmers; and make targeted improvements to the hydro-meteorological observation network to enable a functioning index-based insurance scheme. The project would build on and work with existing initiatives as well as local and national banks and insurance providers. While innovative in Burkina Faso, experiences elsewhere in Sub-Saharan Africa and beyond suggest that weather-index based insurance schemes can incentivize investments in more sustainable, more resilient and more profitable smallholder production systems.</p>	
	<p>4. Is the project designed with sound incremental reasoning?</p>	<p>NOT CLEAR. The description of the baseline scenario and associated baseline initiatives is not sufficiently clear. The indicative sources and amounts of co-financing are not clearly reflected in section A.2 of the PIF. AfDB and BOAD are mentioned in Table C, but not in the description of baseline initiatives, for example; whereas the latter mentions a World</p>	

PIF Review

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		<p>Bank investment, which is not found among the sources of co-financing.</p> <p>More importantly, however, the PIF provides very little information regarding the current extent of insurance and financial services in the targeted areas; the regulatory frameworks in place to support the introduction of new insurance products; as well as the quality of hydro-meteorological and climate services to enable a functioning index-based weather insurance scheme. It is also unclear whether and how private insurance providers would contribute towards the project in terms of co-financing and otherwise.</p> <p>With respect to hydro-meteorological and climate information services, it is unclear how the proposed project would complement and add value to the ongoing LDCF-financed project “Strengthening climate information and early warning systems in Western and Central Africa for climate resilient development and adaptation to climate change” Burkina Faso’.</p> <p>As for the additional measures proposed for LDCF financing, and the associated, expected adaptation</p>	

PIF Review

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		<p>benefits, these cannot be assessed in absence of a much clearer description of the baseline situation, the baseline scenario “ which is dynamic given the many relevant, ongoing investments, and the baseline initiatives on which the proposed project would build.</p> <p>As the additional reasoning is reviewed, however, it needs to clarify what areas and groups the proposed pilot schemes would target; what the respective roles and contributions of public and private financiers would be; how beneficiaries would gain access to insurance; and how the schemes would be sustained particularly if introduced in absence of private insurance providers.</p> <p>RECOMMENDED ACTION: Please (i) fill out Table C using the drop-down menus to describe different sources of co-financiers; (ii) revisit and strengthen the description of the baseline scenario and ensure that the baseline initiatives and sources of co-financing are consistent with Table C; and (iii) revisit the additional reasoning and expected adaptation benefits based on a clearer understanding of the baseline scenario, targeting and financing</p>	

PIF Review

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		<p>arrangements of the proposed project.</p> <p>04/24/2015 “ YES. The re-submission clarifies the baseline scenario and the associated baseline initiatives and sources of co-financing; and it provides a clearer description of the additional reasoning and expected adaptation benefits, as recommended.</p>	
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	<p>NOT CLEAR. Please refer to Section 4 above.</p> <p>The LDCF funding share of project management slightly exceeds 5 per cent of the sub-total for project components.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations in Section 4, (i) please adjust the project framework accordingly; and (ii) ensure that the LDCF funding share of project management does not exceed 5 per cent of the sub-total for project components.</p> <p>04/24/2015 “ YES. The proposed LDCF funding share of project management has been adjusted as recommended, and the project framework has been revised accordingly.</p>	
	6. Are socio-economic aspects,	YES. The PIF describes adequately	

PIF Review

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	including relevant gender elements, indigenous people, and CSOs considered?	how the project would ensure the engagement of diverse stakeholder groups in project design and implementation; and how gender dimensions have been considered and would be considered in project design.	
Availability of Resources	7. 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 equitable access	YES. The proposed grant is available from the LDCF in accordance with the principle of equitable access.	
	• The SCCF (Adaptation or Technology Transfer)?		
	• Focal area set-aside?		
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	NOT YET. Please refer to sections 1, 3, 4 and 5 above. 04/24/2015 – YES. The proposed project is technically cleared. However, the project will be processed for clearance/ approval only once adequate, additional resources become available in the LDCF.	
Review Date	Review	March 17, 2015	
	Additional Review (as necessary)	April 24, 2015	
	Additional Review (as necessary)		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	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)		
	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and		

CEO endorsement Review

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	national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	• GEFSEC		
	• STAP		
	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		
	Additional Review (as necessary)		

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.