



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: FULL-SIZED PROJECT

TYPE OF TRUST FUND: LDCF

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PART I: PROJECT INFORMATION

Project Title: Reducing the vulnerability of Cambodian rural livelihoods through enhanced sub-national climate change planning and execution of priority actions			
Country(ies):	Cambodia	GEF Project ID: ¹	5419
GEF Agency(ies):	UNDP	GEF Agency Project ID:	5174
Other Executing Partner(s):		Submission Date:	19 Feb 2015
		Resubmission Date:	13 Mar 2015
GEF Focal Area (s):	Climate Change	Project Duration(Months)	48
Name of Parent Program (if applicable):		Agency Fee (\$):	433,913
<ul style="list-style-type: none"> ➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/> 			

A. FOCAL AREA STRATEGY FRAMEWORK²

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
CCA-1	1.2 Livelihoods and sources of income of vulnerable populations diversified		LDCF	3,166,150	9,212,150
CCA-3	3.2 Policies, plans and associated processes developed and strengthened to identify, prioritize and integrate adaptation strategies and measures		LDCF	1,401,350	6,647,850
Total project costs				4,567,500	15,860,000

B. PROJECT FRAMEWORK

Project Objective: Sub-national administration systems affecting investments in rural livelihoods are improved through climate sensitive planning, budgeting and execution

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
Climate-smart D&D support	TA	Climate sensitive planning, budgeting and execution at the sub-national level strengthened	Capacity of sub-national councils (communes and districts) and Commune/Sangkat Support Units in two provinces enhanced for climate sensitive development planning and budgeting Technical capacity of agricultural extension	LDCF	1,071,350	6,657,720

¹ Project ID number will be assigned by GEFSEC.

² Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when completing Table A.

			<p>officers and grass-roots NGOs enhanced for climate-resilient livelihood techniques and sustainable assistance to communities</p> <p>Technical capacity to execute climate resilient water infrastructure design and construction enhanced for about 50 Government technical officials and private contractors</p> <p>Knowledge management platform for sub-national Climate Change Adaptation Planning and resilient livelihoods support established</p>				
Resilient livelihood investments	INV	Resilience of livelihoods for the most vulnerable improved against erratic rainfalls, floods and droughts	<p>Climate-resilient small-scale water infrastructure designed and put in place in at least 10 districts following the resilient design standards specifically targeting rain-fed farmers</p> <p>Climate-resilient livelihood measures demonstrated in at least 10 districts targeting landless women and farmers practicing rain-fed agriculture</p>	LDCF	3,056,400	6,547,850	
Enabling environment for greater climate finance for resilient livelihoods	TA	Incentive mechanism is in place at sub-national level to manage greater volume of climate change adaptation financing aligned with local development plans	<p>Performance-based adaptation financing mechanism is strengthened and applied in 10 districts covering 89 communes and integrated into the enhanced climate-smart development planning</p> <p>Capacity of Districts for self-monitoring of climate change adaptation and resilient livelihood support enhanced</p>	LDCF	230,000	1,854,430	
Subtotal						4,357,750	15,060,000
Project management Cost (PMC) ³				LDCF	209,750	800,000	
Total project costs						4,567,500	15,860,000

³ PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	National Programme for Sub-National Democratic Development (NP-SNDD)	Grants	2,180,000
Local Government	Sub-National Administration's baseline development expenditures (CS and DM Funds)	Grants	12,330,000
GEF Agency	Support from the Association of Councils Enhanced Services Project	Grants	1,050,000
GEF Agency	Senior Advisor to the Project	In-kind	300,000
Total Co-financing			15,860,000

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
UNDP	LDCF	Climate Change	Cambodia	4,567,500	433,913	5,001,413
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				4,567,500	433,913	5,001,413

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

² Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	61,000	300,000	361,000
National/Local Consultants	672,400	1,160,200	1,832,600

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁴

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc. N/A

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities. N/A

A.3 The GEF Agency’s comparative advantage: N/A

A.4. The baseline project and the problem that it seeks to address:

There has been no change in the baseline projects and climate change induced problem that the LDCF project seeks to address, although some adjustments in the co-financing value have been made during the detailed preparatory phase. Namely, the baseline projects for the project are:

- NCDD expenditures, through the National Programme for Sub-National Democratic Development (NP-SNDD) for Outcome 1 and 3;
- Sub-national level expenditures, through the District/Municipal Fund and Commune/Sangkat Fund, for implementing sub-national development plans for all Outcomes;
- UNDP expenditures, through Association of Councils Enhanced Services Project (ACES), aiming at building the capacity of the National League of Communes and Sangkats for Outcome 1 and 3.

In addition, UNDP has committed to use its own funds to recruit an advisor who will be working on this project.

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

Project Objective

There is no change to the Project Objective as stated in the PIF: **Sub-national administration systems affecting investments in rural livelihoods are improved through climate sensitive planning, budgeting and execution.**

Project Outcomes

The proposed Outcomes remain as in the PIF, with the exception that the number of Provinces, stated in Outcome 1 of the PIF as “at least 3 Provinces” has been amended to two Provinces, identified as Banteay Meanchey and Battambang. There is no change in the number of Districts covered (10), with five Districts covered in each Province. The total number of Communes covered is 91, being the number comprising the 10 Districts. Therefore, the change to the Outcome does not represent a reduction in the actual geographical coverage or outreach of the project, but reflects the greater efficiency (reduced management and travel costs) gained from implementing the project in two Provinces rather than three.

While the baseline development and additionality cost reasoning remain consistent with the PIF, the structuring of activities into Outputs has been somewhat modified as compared with the PIF. The following table shows the change:

Output	As stated in the Project Document	As stated in the PIF
1.1	Capacity of sub-national councils (communes and districts) and Commune/Sangkat Support Units in two provinces enhanced for climate sensitive development planning and budgeting	1.1 Capacity of sub-national councils (communes and districts) and Commune/Sangkat Support Units in at least three provinces enhanced for climate sensitive development planning and budgeting 1.2 Capacity of provincial councils and technical departments strengthened to carry out a strategic environmental/vulnerability assessment at the provincial

⁴ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question

		level to inform sub-national climate-smart planning and budgeting process in at least 10 districts / 100 communes 1.3 A sub-national platform for dialogue on district and provincial level integration of climate change concerns into planning is strengthened
1.2	Technical capacity of agricultural extension officers and grass-roots NGOs enhanced for climate-resilient livelihood techniques and sustainable assistance to communities	1.5 Technical capacity of agricultural extension officers and grass-roots NGOs enhanced for climate-resilient livelihood techniques and sustainable assistance to communities
1.3	Technical capacity to execute climate resilient water infrastructure design and construction enhanced for about 50 Government technical officials and private contractors	1.4 Technical capacity to execute climate resilient water infrastructure design and construction enhanced for at least 200 of government officers and registered private contractors in three Provinces
1.4	Knowledge Management Platform for climate sensitive sub-national planning and strengthening CC-resilient livelihoods established	N/A

Output 1.1 consolidates the scope and activities of PIF Outputs 1.1, 1.2 and 1.3. In the PIF, it was envisaged that these three Outputs will address three key gaps in attaining climate sensitive development planning at the sub-national level, namely the capacity of planners and technical departments and limited coordination. However, during the project preparation phase, it was concluded that it would be more effective if these three PIF Outputs are fully combined and activities carried out in a fully holistic manner under a single Output.

Output 1.4 is newly added during the project preparation phase. While the need for strong knowledge management activities had already been acknowledged at the time of PIF formulation, key stakeholders agreed during the project formulation stage that support for knowledge management warranted a dedicated Output. In the last 5 years, UNDP has assisted the Government in combining various sources of climate finance (such as LDCF and bilateral donor financing from Sweden and Canada) to advance climate sensitive development planning at the sub-national level albeit each initiative being rather at a small pilot-scale. In the current LDCF proposal, it is envisaged that some elements of planning that were initiated in these preceding projects will be improved and institutionalized for a greater replication and application in the future. To this end, it was deemed critical that evidence from the project implementation is not only captured both qualitatively and quantitatively, but also disseminated and discussed at a relevant platform within the Government structure so that the lessons are integrated into development of policy.

The knowledge platform will be supported by MEF-CCD and integrated with the broader knowledge management activities of the CCCA Phase 2 project; i.e. the LDCF resources will be specifically used to focus on knowledge related to climate change adaptation in sub-national development planning and small-scale, cross-sectoral resilient livelihoods support activities. To the greatest extent possible the Knowledge Management Platform will build upon existing fora for dialogue including the Climate Change Technical Team and the Joint Working Group on mainstreaming climate change and disaster risk management in sub-national planning. Through grounding in existing institutions, the Knowledge Management Platform will continue to exist beyond the project implementation period as a forum where different stakeholders discuss issues and prototype new solutions

Outputs: Outcome 2

The proposed additional Outputs to be financed by LDCF resources are the same as in the PIF (with the number of Districts confirmed as 10). However, some modifications have been made to the definition of the activities through which these outputs will be achieved, as well as a small adjustment of the budget in favour of climate-resilient livelihood measures Output 2.2. These modifications arise from the findings of field research conducted under the Project Preparation Grant.

The scope of activities to be financed by LDCF resources under Outcome 1 has not changed, but the structuring of activities into Outputs has been somewhat modified as compared with the PIF:

Output	As stated in the Project Document	As stated in the PIF
2.1	Climate-resilient small-scale water infrastructure designed and put in place in 10 districts following the resilient design standards specifically targeting rain-fed farmers (approximately \$2,005,000)	Climate-resilient small-scale water infrastructure designed and put in place in at least 10 districts following the resilient design standards specifically targeting rain-fed farmers (\$2,200,000)
2.2	Climate-resilient livelihood measures demonstrated in 10 districts targeting landless women and farmers practicing rain-fed agriculture (\$1,022,000)	Climate-resilient livelihood measures (rice production, home gardening, livestock rearing, and integrated fisheries) demonstrated in at least 10 districts targeting the landless or farmers practicing rain-fed agriculture (\$1,000,000)

The field research found that, while the underlying importance of rain-fed, mainly rice-based agriculture as the basis of rural livelihoods in the target Districts has not changed, the detailed situation is characterized by complexity, heterogeneity and quite rapid socio-economic and technological change. Some of the most important factors to be taken into consideration include (1) the substantial, and probably growing, proportion of poor and vulnerable rural households whose land holdings are too small for income generation through growing rice or other field crops to be a realistic option; (2) the relatively higher vulnerability to climate change of women and, most particularly, women in landless and land-poor households; (3) the increasing importance of wage labour, including migratory labour, as a component of the livelihoods of poor and vulnerable households; (4) the impact of wage labour on the opportunity cost and availability of labour for own-farm agriculture (and also the opportunity cost of time spent in agriculture trainings) which is having an impact on farmers' choice of technology and must be taken into account in design of agriculture extension activities; and (5) the varying nature of climate change impacts as experienced by farmers, most particularly the reduced predictability of rainfall patterns, floods and droughts. The field investigations also confirmed that farmers, including poor farmers, have access to credit from multiple sources, but that the poorest and most vulnerable are doubly disadvantaged through being faced with higher interest rates, reduced access and more onerous terms of credit.

The findings of the field research have not led to any fundamental change in the scope of activities under Outputs 2.1 and 2.2. However, there will be a greater emphasis on farmer needs assessment, demand-led planning of extension services and assisting farmers to make informed decisions on the best crop and technology options. The crop technologies identified in the PIF (for example, SRI, drip irrigation) remain valid, but will not be applicable to all farmers within the target areas. In assessing the applicability of SRI techniques in particular, attention must be paid to the labour demands of this system at a time when farmers are generally moving to less labour intensive techniques such as broadcast sowing and increased mechanization.

These considerations have led to a more focused approach on targeting beneficiaries under **Output 2.2**, in which two types of farmer will be supported in line with the findings of the field investigations:

1. **Poor and vulnerable women farmers** with little or no land (i.e. broadly, with 0.5 hectares or less). The disadvantages faced by these women will be addressed through an integrated livelihood support strategy including (1) social capital building (formation and training of Women's Livelihood Groups); (2) group savings and credit; (3) training in resilient agriculture-linked livelihood activities suitable for women with only limited land (e.g. vegetable production, aquaculture, small livestock, mushroom production, and possibly processing and / or marketing operations); and (4) Conditional Cash Transfers to individual poor (i.e. ID-Poor card holding) women farmers, based on evidence of actual investment in resilient livelihood activities, and designed to at least offset the cost of credit incurred in investing in the livelihood activities.
2. **Vulnerable commercial smallholders.** This group will comprise women and men farmers with access to sufficient land for producing a marketable surplus of field crops to be realistic (i.e. land holdings in the range 0.5ha to 2.0ha). Activities will comprise Farmer Needs Assessment, formation of Smallholder Learning Groups, and extension training and demonstration of climate resilient agriculture techniques.

Outputs: Outcome 3

Of the three outputs contributing to the Enabling Environment proposed in the PIF, Output 3.3. *Policy/regulatory recommendations formulated for SNAs to incentivize private sector engagement in delivering adaptive livelihood*

support, has been dropped as a specific output of the project. This decision was taken primarily to avoid duplication with other initiative and to ensure focused use of LDCF resources. In particular, private sector involvement in agricultural livelihoods support will be supported by IFAD-ASPIRE, of which the proposed LDCF project will be a close implementation partner.

The scope of Outputs 3.1 and 3.2 remain essentially the same as in the PIF but the definition of activities has been refined. In particular, the performance based adaptation financing mechanism will directly support and determine the size of PBCRG allocations for infrastructure investments (Output 2.1). The performance assessment system will not be limited in scope to infrastructure investments, but rather, will use the incentive of increased funds for infrastructure to stimulate improved performance in relation to a broad range of sub-national climate change adaptation indicators. Outputs 3.1 and 3.2 will therefore be closely integrated with Outcomes 1 and 2 and will be implemented in all ten target Districts of the LDCD project.

Output	As stated in the Project Document	As stated in the PIF
3.1	Performance-based adaptation financing mechanism is strengthened and applied in 10 districts covering 91 communes and integrated into the enhanced climate-smart development planning	Performance-based commune- and district-based adaptation financing and MRV mechanism in at least seven districts covering at least 20 communes are strengthened and integrated into the enhanced climate-smart development planning
3.2	Capacity of Districts for self-monitoring of climate change adaptation and resilient livelihood support enhanced	Capacity of Monitoring Advisors in the Commune/Sangkat Support Units enhanced for M&E of resilient livelihood support
n/a		Policy/regulatory recommendations formulated for SNAs to incentivize private sector engagement in delivering adaptive livelihood support

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

Most of risks identified during the PIF stage are still valid. However, field and other research and detailed assessments of stakeholder capacity resulted in a refined set of risks, summarized in the Table below.

#	Description	Type	Impact & Probability	Countermeasures / Mngt response	Owner
PROJECT OBJECTIVE RISKS					
1	Large scale climate resilience building investments, such as SPCR, channeled through sectoral budget allocation, undermine the incentives for climate resilient planning perceived by SNAs	Strategic	I =3 P = 2	The ongoing influx of climate adaptation financing, especially prominent in the last three years, are recognize largely through sectoral ministries, and the potential volume of financing is significantly larger than the available discretionary budgets to which SNAs have currently access. If these “sectoral” investment programmes work in the same districts as the proposed LDCF project, it is in fact likely that the incentive grant that will be introduced, in the tune of \$40,000 per district per year, may be dwarfed by the volume of such investments, potentially undermining the perception of the need for integrating the genuine development/adaptation needs of local communities. To avoid this, the selection of the project target sites under the LDCF project have been selected to avoid areas that are targeted under large scale “sectoral” programmes. For example,	UNDP, MoE and NCDD-S

#	Description	Type	Impact & Probability	Countermeasures / Mngt response	Owner
				Provinces selected for the pilot phase of the IFAD ASPIRE programme were specifically excluded from consideration for inclusion in the LDCF project.	
2	Confusion caused at national and sub-national levels due to the number and volume of externally funded projects and programmes.	Strategic	I= 3 P = 2	<p>The LDCF project will be closely aligned with the National Programme for Sub-National Democratic Development and with UNDP's long-standing and well-established local governance support programmes using the same entry points at different levels of administration.</p> <p>At the subnational level, the potential impact of this risk is deemed low since, as described earlier, much of the ongoing adaptation financing is sectorally planned and executed with little inputs from or coordination required by sub-national administrations.</p> <p>At the national level, this project will work closely with NCDD-S which coordinates the NP-SNDD and its "IP3" implementation plan; as they do not necessarily play a big role in adaptation projects, the confusion caused is likely to be minimal.</p>	UNDP, MoE and NCDD-S
3	Power dynamics and political-economic structure at the sub-national level undermine the adaptive impacts of the LDCF investments	Strategic	I = 4 P =2	<p>The series of support provided in the proposed LDCF project throughout the development planning process will collectively contribute to strengthening proper targeting of beneficiaries. In particular, the adaptation target setting within the context of development planning process on a sub-national dialogue platform will set objective targets for beneficiary selection as well as vulnerability reduction targets. Outcome 3 will put in place a robust performance assessment system which will be the basis for award of grants for infrastructure development under Outcome 2. The performance assessment system will include citizen satisfaction measured using a Citizen Scorecard approach.</p> <p>The use of these measures in an integrated manner is likely to contribute to a significant increase in an effective use of the project resources for adaptation objectives.</p>	UNDP, MoE and NCDD-S
OUTCOME 1 RISKS					
4	The cycle of sub-national development planning process limits the window through which climate risks are mainstreamed.	Organisational	I = 2 P= 3	Currently, sub-national development planning cycle has dual timeline: At the commune level development plans are formulated every five years and subordinate investment programs every year. At the district and province level, the equivalent plans and programmes are	NCDD-S SNA

#	Description	Type	Impact & Probability	Countermeasures / Mngt response	Owner
				formulated every five- and three-year interval, respectively. Commune Development Plans will next be prepared in 2017 (during the project period) and District plans in 2019 (shortly after the end of the project). Therefore, the project will focus efforts initially on mainstreaming climate risks in the three-year rolling District Investment Programme and the one-year Commune Investment Programme, both of which are updated annually. Arrangements for ensuring that the results of climate resilient planning are mainstreamed in the five-year development plans will be discussed with NCDD-S.	
5	Insufficient extension agents with required basic skills / learning potential <i>(Explanation: There is a lack of trained extension agents and many of those who are available, particularly in the Government service, are used to a teacher-centred learning style that is not fully responsive to the needs of farmers)</i>	Organisational	I =3 P =3	Project-developed training materials will be suitable to use by trainers with only limited specialist extension training. Trainers will be selected from the public sector, private sector and civil society. Training of trainers will be carefully targeted on extension agents who are expected to be available through the whole project period.	GDA, SNV
6	Insufficient engineers / technicians with suitable skills and learning potential	Strategic	I =3 P =3	There are only limited numbers of engineers and technicians available who are fully capable of carrying out technical studies and developing suitable design solutions for complex schemes. The training under the project will address this problem but is not expected to solve it fully. The project will operate a quality assurance system in which scheme designs will be reviewed and specialist expertise deployed as needed.	Implementing partner
OUTCOME 2 RISKS					
7	Quality and cost-effectiveness of sub-projects undermined by collusive practices <i>(Explanation: With a relatively large number of small to medium scale schemes and a recognized procurement system, there is a risk that collusion between contractors and local authorities or supervisory staff could drive up costs or undermine quality. Experience with the C/S Fund projects indicates that the second risk (i.e. quality) is the more severe).</i>	Operational	I =2 P =4	The Commune procurement process is simple and objective and is conducted in public: this creates the opportunity to intervene (i.e. by NCDD-S, project advisers or, if necessary, the implementing agency) before the contract is signed in case of serious problems being evident. The quality assurance system will include spot-checks of sub-projects under construction. As part of the Performance Assessment, a technical audit will monitor the quality of implementation of a selection of sub-projects each year.	NCDD-S, Province and District administrations
8	MAFF and MoWRAM unable to agree on integrated agriculture	Political	I =2 P =4	This problem was discussed in stakeholder workshops and representatives of both	MAFF, MoWRAM,

#	Description	Type	Impact & Probability	Countermeasures / Mngt response	Owner
	(AC) and irrigation (FWUC) responsibilities for FO			Ministries readily recognized that the problem exists and were open in principle to the proposed solution (one entity with a dual identity). The project will facilitate dialogue between the Ministries to agree an approach to implement this. Failing agreement, more informal arrangements in which the same farmers and leaders would constitute both the AC and the FWUC will be tested.	NCDD-S
9	New techniques fail to demonstrate benefits within short timescale (e.g. because of exceptional weather)	Technical	I =4 P =2	There is inherent uncertainty about the suitability and effectiveness of newly introduced agriculture techniques in any given location, and this uncertainty is exacerbated by vulnerability to market and weather conditions. Therefore, there is a risk that failure of newly introduced techniques to produce “instant results” might lead to disillusionment on the part of the farmers. This risk will be addressed by careful matching of techniques to the real needs of farmers through the Farmer Needs Assessment, and by follow-up support to the farmers to assist them to overcome difficulties.	GDA, SNV, SNA
10	Material support too complex too administer or creates perverse incentives (<i>Explanation: Experience shows that introducing subsidies in cash or in kind can have negative impacts on the effectiveness of agriculture extension, particularly on the sustainability of the intervention once the project-financed subsidy ends. However, it is also recognized that the poorest and most vulnerable farmers will need some material support to offset the risks and start-up costs of adapting a new technology.</i>)	Operational	I =2 P =3	Subsidies will be carefully targeted and, in the form of conditional cash transfers, will be structured so as to create an incentive for the farmer to invest her or his own resources. Administration of cash transfers will follow a system introduced by NCDD-S and CARD in the social sector.	NCDD-S, SNA
OUTCOME 3 RISKS					
11	Weaker or more disadvantaged Districts unable to meet performance targets and therefore cannot access full amounts of PBCRG		I =3 P =3	The performance measurement system will include individually agreed targets for each District The project will develop the capacity of the District for sel-monitoring and self-evaluation to improve the capacity to achieve these targets	NCDD-S

A.7. Coordination with other relevant GEF financed initiatives

The proposed project benefits from the lessons learned from the LDCF financed “NAPA follow up” project in MAFF. This project is still under implementation, with additional financing from Canadian CIDA, and will continue to exchange ideas, experience and technical materials with the GEF project.

The LDCF financed Early Warning Systems (EWS) project is beginning implementation in the National Committee for Disaster Management (NCDM) and Ministry of Water Resources and Meteorology MoWRAM). The EWS project will improve the availability of high-quality weather and climate information at Province and District level. As data availability is improved due to the EWS project, these data will be incorporated into sub-national climate sensitive planning and flow of information to farmers will be improved through developing the capacity of grassroots extension agents and Farmer Organisations to access the weather and climate information.

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

B.1 Describe how the stakeholders will be engaged in project implementation.

The project will be implemented in a spirit of inclusiveness which will allow a two-way flow of information between the project and a diverse group of stakeholders with interests in climate resilient livelihoods support activities, particularly at the local level.

The following types of stakeholders are recognized:

1. Ministries and other public agencies with a mandate to support sub-national development and climate change adaptation. This includes all the Government agencies involved in project implementation either as Responsible Parties or through their participation in the Climate Change Technical Team.
2. Development Partners supporting climate change adaptation, sub-national democratic development and rural livelihoods. This is a quite large and diverse group including multilateral and bilateral agencies;
3. Project staff of projects with similar areas of activity;
4. NGOs active in climate change adaptation and rural livelihoods support;
5. Farmer Organisations;
6. Private sector entities, including micro-finance institutions and potentially, companies selling agriculture inputs to or buying produce from smallholder farmers.

Stakeholder consultations will take place at multiple levels, from the local planning forums to the national workshops and the Project Board. The principle modalities of stakeholder engagement will be:

Project planning and review workshops: external stakeholders will be invited to these events at national and provincial level to the extent that budget and space permit;

Participation by the project staff in workshops and discussion forums including the Climate Change Technical Meetings etc;

The Knowledge Management Platform will provide a forum for stakeholders to share knowledge, analyse results, discuss issues and prototype new solutions;

Presentation of lessons learned and knowledge products in seminars;

Presentation of knowledge products and specific technical products (e.g. extension materials, technical guidelines etc) for review in workshops and seminars to which external stakeholders will be invited;

Knowledge products will also be published in web content and hard copy formats;

Sub-national development plans and investment programmes are developed through a participatory process including various types of consultation event. A particularly notable example is the District Integration Workshop which consolidates the investment programmes at Commune and District level with the planned activities of NGOs and other types of development actor.

Stakeholder engagement plan by component

Comp-onent	Title	Timing	Objective	Location	Target Participants
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/ Output					
1.1	Provincial CCA Planning Workshop	Annually, before SNA planning process starts	Familiarise project agencies and other stakeholders with climate sensitive planning principles and process, and get feedback on progress	Provinces	Provincial technical agencies, NGOs, Farmer Organisations and private sector.
1.2	Validation Workshop for Climate Resilient Agriculture Materials	Year 1	Review and feedback on proposed Farmer Needs Assessment and climate resilient agriculture extension packages	Phnom Penh	MAFF technical agencies, agriculture sector programmes, farmer organisations
1.3	Validation workshop for Climate Resilient Infrastructure materials	Year 1	Review and feedback on standards and training materials for climate resilient small scale infrastructure development	Phnom Penh	MoWRAM and other technical agencies, NGOs
1.4	Knowledge Management Platform Seminar	At least four times annually	Share knowledge, analyse results, discuss issues and prototype new solutions	Phnom Penh	Government and partner agencies with a specific focus on sub-national CCA and resilient livelihoods knowledge
1.4	Publication Events	2 per year	Presentation of key lessons learned and knowledge products	Phnom Penh	Ministries, technical agencies, FO, NGOs and private sector
3.1	Workshop to validate the Performance Measurement system	Year 1	Presentation and review of performance measurement system for SNA climate change adaptation	Phnom Penh	Ministries, DPs involved in D&D, NGOs, others.
ALL	Inception Workshop	Year 1	Presentation of project objectives and approach, initial workplan, stakeholder feedback	Phnom Penh	Project participating agencies and selected external stakeholders
ALL	Annual Review Workshop	Years 2 - 4	Presentation of progress reports, work planning and stakeholder feedback	Phnom Penh or target province	Project participating agencies and selected external stakeholders

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

National level

Agricultural production contributes about 35% to Cambodia's GDP. Approximately 70% of Cambodian households derive all or an important part of their income from agriculture, with by far the most important agriculture activity being the rain-fed wet season rice crop. Therefore, agriculture remains essential to the livelihoods and food security of the Cambodian population. Cambodia has succeeded in increasing rice production to the point where there is a substantial surplus of paddy over the amount required for domestic consumption, and the flagship Policy for Promotion of Paddy Production and Rice Exports has the objective of increasing and diversifying foreign exchange earnings based on capturing value added in processing, branding and marketing an increased surplus of paddy.

The LCDF project will contribute to the national effort to improve the quantity, value and resilience of agriculture production directly, through increased and more resilient production in the target areas, and indirectly, through developing climate resilient production techniques together with the capacity to disseminate knowledge on the climate resilient techniques to farmers.

The improved capacity for mainstreaming climate change adaptation in sub-national planning will be disseminated nationally through improvements to guidelines and best practice. In turn, this will lead to more effective and sustainable planning and budgeting decisions, particularly on use of the District/Municipal Fund and Commune / Sangkat Fund resources, and thus will have a positive impact on inclusive economic growth and poverty reduction.

Local level

Within the target provinces, the most direct benefits will be received by about 8,000 participants in livelihoods trainings (4,000 poor and vulnerable women and 4,000 vulnerable commercial smallholders) plus approximately an additional 4,000 beneficiaries of infrastructure investments (who are not also training participants)⁵. These beneficiaries will achieve improved and more resilient incomes from agriculture, together with improved food security and nutrition. As the benefits are targeted to the poorest and most vulnerable, further benefits in terms of improved health and education outcomes can be expected.

Members of farmer organisations, (cooperatives, farmer water user communities and other types) who are not direct project beneficiaries, will also benefit from the improved capacity of the organisations. This improved capacity will include supporting climate change adaptation and knowledge of climate resilient livelihood techniques amongst the organisations' members.

Improved capacity of the sub-national administrations (SNA) will provide sustainable benefits to the whole population of the target areas. Benefits will include strengthened climate sensitive planning leading to improved effectiveness and sustainability of D/M Fund, C/S Fund and other investments.

The project will also result in a sustainable improvement in the technical capacity of staff of sectoral agencies, NGOs and the private sector in the two key areas of design and implementation of climate resilient small scale water infrastructure, and support to climate resilient agriculture livelihoods. In turn, this will lead to social and economic benefits for the population of the target Districts.

B.3. Explain how cost-effectiveness is reflected in the project design:

During project preparation, alternative approaches to reducing vulnerability of rural livelihoods were reviewed. It was concluded that the combination of institutional strengthening, targeted livelihood support at the household level focused mainly on training in improved climate resilient agriculture techniques, and small-scale irrigation investments was most likely to be cost-effective; i.e. this approach is less expensive than potential alternatives.

⁵ It is estimated that there will be around 8,000 beneficiaries of infrastructure investments (equivalent to \$150 investment per beneficiary household) and that about 50% of these will also be beneficiaries of the training activities.

In particular, the project preparation team considered a focus on larger irrigation investments, rather than the small to medium scale investments envisaged in the project design. The cost of developing new irrigation schemes is commonly in the thousands of dollars per hectare: meaning thousands of dollars per beneficiary household, so numbers of beneficiaries are correspondingly small and typically may not be amongst the most vulnerable. However, investment by the Government in irrigation headworks has created a situation where relatively smaller investments in the distribution system can be highly cost-effective, while the cost of agriculture extension is a small fraction of the cost of irrigation development. Therefore the project preparation team considered that the livelihood support approach adopted will be more cost-effective than a sectoral focus on irrigation investment.

Because the project integrates institutional development objectives (i.e. developing the capacity of sub-national administrations to respond to and reduce climate change risks through their planning and public expenditure management systems) the choice of delivery through the District and Commune administrations was not driven only by cost-effectiveness considerations. However, experience with the Commune/Sangkat Fund and other decentralized implementation of investments in Cambodia indicates that unit costs for infrastructure and services, delivered through the decentralized systems, are no higher and may often be lower than costs of the same outputs delivered through centralized or sector-based approaches.

Implementation through NCDD-S and the NP-SNDD also provides the opportunity for cost savings by taking advantage of an existing network of advisers and government staff assigned to support the sub-national planning and investment implementation systems.

C. DESCRIBE THE BUDGETED M & E PLAN:

The project will be monitored through the following M&E activities. The M&E budget is provided in the table below. The M&E framework set out in the Project Results Framework in Part III of this project document is aligned with the AMAT and UNDP M&E frameworks.

Project start: A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and program advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The **Inception Workshop** should address a number of key issues including:

- Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis-à-vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- Based on the project results framework and the LDCF related AMAT set out in the Project Results Framework in Section III of this project document, and finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- Plan and schedule PB meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first PB meeting should be held within the first 12 months following the inception workshop.

An **Inception Workshop report** is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP/GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs will be used to monitor issues, lessons learned. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Annually: Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR

Periodic Monitoring through site visits: UNDP CO and the UNDP-GEF region-based staff will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

Mid-term of project cycle: The project will undergo an independent Mid-Term Review at the mid-point of project implementation. The Mid-Term Review will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term review will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term review will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The LDCF/SCCF AMAT as set out in the Project Results Framework in Section III of this project document) will also be completed during the mid-term evaluation cycle.

End of Project: An independent Terminal Evaluation will take place three months prior to the final PB meeting and will be undertaken in accordance with UNDP-GEF guidance. The terminal evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term review, if any such

correction took place). The terminal evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The LDCF/SCCF AMAT as set out in the Project Results Framework in Section III of this project document) will also be completed during the terminal evaluation cycle. The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response, which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

Learning and knowledge sharing: Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

There will be a two-way flow of information between this project and other projects of a similar focus.

Audit: Project will be audited in accordance with UNDP Financial Regulations and Rules and applicable audit policies. Provision for the cost of the audit is included in the project budget.

Indicative M&E Work Plan and Budget

The indicative monitoring and evaluation plan and corresponding budgets is provided in the table below.

Type of M&E activity	Responsible Parties	Budget US\$ (excluding project team staff time)	Time frame
Inception Workshop (IW)	PMU UNDP CO UNDP HQ	5,575	Within first two months of project start up
Inception Report	PMU UNDP CO	Included in the workshop budget	Immediately following IW
Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis)	Oversight by UNDP CO/GEF Regional Advisor and Project Director Measurements by national implementing agencies at central and local levels	Tbd – Indicative cost is 20,000	Annually prior to APR/PIR and to the definition of annual work plans
APR and PIR	PMU UNDP-CO UNDP-GEF	None	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ Project manager and team 	None	Quarterly
Mid-term Review	<ul style="list-style-type: none"> ▪ Project manager ▪ PMU ▪ UNDP CO ▪ UNDP-GEF 	Indicative cost: 26,000	At the mid-point of project implementation.

	<ul style="list-style-type: none"> ▪ External Consultants (i.e. evaluation team) 		
Terminal Evaluation	<ul style="list-style-type: none"> ▪ Project manager ▪ PMU ▪ UNDP CO ▪ UNDP-GEF ▪ External Consultants (i.e. evaluation team) 	Indicative cost : 35,000	At least three months before the end of project implementation
Audit	<ul style="list-style-type: none"> ▪ UNDP CO ▪ Project manager ▪ PMU 	Indicative cost per year: 5,000 (20,000 total)	Yearly
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP CO ▪ UNDP-GEF (as appropriate) ▪ Government representatives 	For GEF supported projects, paid from IA fees and operational budget	Yearly for UNDP CO, as required by UNDP-GEF
TOTAL indicative COST Excluding project team staff time and UNDP staff and travel expenses		US\$ 106,575 (+/- 5% of total GEF budget)	


PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):**
 (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
H.E. Dr Lonh Heal	GEF Operational Focal Point for Cambodia Director General, Ministry of Environment	MINISTRY OF ENVIRONMENT	04/22/2013

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Adriana Dinu, Executive Coordinator UNDP/GEF		03/13/2015	Yusuke Taishi Regional Technical Specialist - LECRDS, UNDP	+6681949 3997	yusuke.taishi@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

<p>This project will contribute to achieving the following Country Programme Outcome: ⇒ CP Outcome 2: By 2015, national and local authorities, communities and private sector are better able to sustainably manage ecosystems good and services and respond to climate change</p>
<p>Country Programme Outcome Indicator Outcome 2 ⇒ Indicator: Number of national and sectoral strategies, plan, and programmes integrating climate change ⇒ Baseline: 4 in 2010 ⇒ Target: 10 by 2015</p>
<p>Primary Applicable Key Environment and Sustainable Development Key Result Area ⇒ National and local institutions and individuals are better prepared and able to respond to and reduce climate change-induced and other disaster risks</p>
<p>Applicable SOF (e.g. GEF) Strategic Objective and Programme ⇒ Least Developed Countries Fund (LDCF), National Adaptation Programme of Action (NAPA)</p>
<p>Applicable GEF-AMAT Objectives CCA-1 Reduce the vulnerability of people, livelihoods, physical assets and natural systems to the adverse effects of climate change CCA-3 Integrate climate change adaptation into relevant policies, plans and associated processes</p>

Project Strategy	Indicator	Baseline	End of Project Target	Source of Verification	Risk/ Assumption
<p><u>Project Objective:</u> Sub-national administration systems affecting investments in rural livelihoods are improved through climate sensitive planning, budgeting and execution</p>	<p>Impact: % increase in income from agriculture and linked activities of target smallholder households Sustainability: Number of Districts and Communes integrating CCA in their development plans and investment programs following NCDDS guidelines</p>	<p>To be collected in the first year of the project 10 Target Districts and their Communes do not have formal climate change adaptation strategies</p>	<p>At least 6,000 households increase income from agriculture by 20% compared with baseline 10 Target Districts and 89 Communes have formulated climate change adaptation strategies integrated in plans and IP</p>	<p>Major Impact Survey Commune Database Adaptation actions identified and recorded in project database</p>	<p><u>Risks:</u></p> <ul style="list-style-type: none"> • Large scale climate resilience building investments, such as SPCR, channelled through sectoral budget allocation, undermine the incentives for climate resilient planning perceived by SNAs • Confusion caused at national and sub-national levels due to the number and volume of externally funded projects and programmes. • Power dynamics and political-economic structure at the sub-national level undermine the adaptive impacts of the LDCF investments
<p><u>Outcome 1</u> Climate sensitive planning, budgeting and execution at the sub-national level strengthened</p>	<p># District and Commune Investment Programs that include specific budgets for adaptation actions (AMAT Indicator 13) Number of engineers and</p>	<p>SNA in target Districts do not explicitly list adaptation actions in their investment programs None</p>	<p>10 DIP and at least 50 CIP include specific budgets for adaptation activities At least 50 engineers and</p>	<p>Adaptation actions identified and recorded in project database Training records</p>	<p><u>Assumptions</u></p> <ul style="list-style-type: none"> • Revised planning guidelines (under development with UNDP assistance) facilitate specific identification of climate change adaptation strategies in plans and programs

Project Strategy	Indicator	Baseline	End of Project Target	Source of Verification	Risk/ Assumption
	technicians (public sector, private sector and civil society) trained in delivery of climate resilient water infrastructure		technicians trained using hands-on, demonstration scheme approach. At least 20% female		<ul style="list-style-type: none"> Institutions (technical departments, NGO and private sector) willing to commit staff time to training Project generates new knowledge <p>Risks</p> <ul style="list-style-type: none"> The cycle of sub-national development planning process limits the window through which climate risks are mainstreamed. Insufficient engineers / technicians with suitable skills and learning potential Insufficient extension agents with required basic skills / learning potential
Output 1.1 Capacity of sub-national councils (communes and districts) and Planning and Commune Support Units in two provinces enhanced for climate sensitive development planning and budgeting					
Output 1.2 Technical capacity of agricultural extension officers and grass-roots NGOs enhanced for climate-resilient livelihood techniques and sustainable assistance to communities					
Output 1.3 Technical capacity to execute climate resilient water infrastructure design and construction enhanced for about 50 Government technical officials and private contractors					
Output 1.4 Knowledge management platform for sub-national Climate Change Adaptation Planning and resilient livelihoods support established					
<u>Outcome 2</u> Resilience of livelihoods for the most vulnerable improved against erratic rainfalls, floods and droughts	# Resilient infrastructure measures introduced to prevent economic loss and co-financed by Commune/Sangkat Fund % of targeted households that have adopted resilient livelihoods under existing and projected climate change (AMAT Indicator 3)	None None	At least 100 climate resilient infrastructure schemes have been successfully implemented At least 60% of households participating in livelihoods trainings adopted at least one resilient livelihood technique (half of the uptake is by women)	NCDD-S Project Information Database Major Impact Survey	<p>Assumptions</p> <ul style="list-style-type: none"> Opportunities exist to improve agriculture livelihoods through improved climate-resilient techniques Farmers willing to commit time to training and resources to adopting new techniques <p>Risks</p> <ul style="list-style-type: none"> Quality and cost-effectiveness of sub-projects undermined by collusive practices New techniques fail to demonstrate benefits within short timescale (e.g. because of exceptional weather) Material support too complex to administer or creates perverse incentives MAFF and MoWRAM unable

Project Strategy	Indicator	Baseline	End of Project Target	Source of Verification	Risk/ Assumption
					to agree on integrated agriculture and irrigation responsibilities for FO
Output 2.1 Climate-resilient small-scale water infrastructure designed and put in place in at least 10 districts following the resilient design standards specifically targeting rain-fed farmers					
Output 2.2 Climate-resilient livelihood measures demonstrated in at least 10 districts targeting landless women and farmers practicing rain-fed agriculture					
<u>Outcome 3</u> Incentive mechanism is in place at sub-national level to manage greater volume of climate change adaptation financing aligned with local development plans	Fiscal incentive structure that incorporates adaptation as climate change risk management (i.e Performance Measurement for PBCRG) successfully introduced (AMAT Indicator 14)	Performance measurement system piloted by NCDD-S needs improvements and has not been implemented in target Districts	Improved system developed, introduced successfully in target districts and adopted for widespread use by NCDD-S	Project Reporting	<u>Assumptions</u> <ul style="list-style-type: none"> Districts and Communes are sufficiently motivated by opportunity to access additional resources Climate change adaptation financing continues to be accessible to target SNA after the project period <u>Risks</u> <ul style="list-style-type: none"> Weaker or more disadvantaged Districts unable to meet performance targets and therefore cannot access full amounts of PBCRG
Output 3.1 Performance-based adaptation financing mechanism is strengthened and applied in 10 districts covering 89 communes and integrated into the enhanced climate-smart development planning					
Output 3.2 Capacity of Districts for self-monitoring of climate change adaptation and resilient livelihood support enhanced					

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

COUNCIL MEMBER COMMENTS FOR FULL/MEDIUM-SIZED PROJECTS

Country/Region: Cambodia

Project Title: Strengthening the resilience of Cambodian rural livelihoods and sub-national government system to climate risks and variability

GEFSEC Project ID: 5174

GEF Agenc(ies): UNDP

Anticipated project financing (\$ million): PPG : 0.1 GEF Project Grant : 4.567

Total Project Cost: USD 17,076,000

GEF Agency Contact Person: Yusuke Taishi

Review sheet comments	Reply	Reference to Document
Germany recommends that activities regarding the integration of climate change adaptation on the national level (i.e. National Adaptation Planning, NAP) are also taken into account when implementing the project, especially Component 1. To do so, the project should be in contact and coordinate with the Cambodian Ministry of Environment and the donor coordination body on climate change.	The project implementing partner will be the Ministry of Environment which will locate its Project Implementation Team in its Climate Change Department, which currently plays the secretariat function for the Cambodia Climate Change Alliance program. This will ensure that lessons learned from the proposed LDCF project are seamlessly shared within the CCD and across other development partners through the CCCA platform. Designating CCD as the IP of this project will also help in achieving cohesion with the outcomes of national level discussions on adaptation planning and/or NAP. However, as explained in the PIF as well as the project document, the exclusive focus of this project on sub-national level adaptation actions was out of a conscious decision to avoid duplicating efforts by other development initiatives such as ADB's SPCR. Hence, integrating CCA into national plans (e.g. Rectangular Strategy, NSDP) is beyond the direct scope of the project and is addressed by other projects and technical assistance facilities. The project will share knowledge through a Knowledge Management Platform based on existing coordination mechanisms (Joint Working Group on Mainstreaming CCA and DRM in sub-national Planning; CC Technical Team) and will coordinate closely with the donor coordination body.	Section 5: Management Arrangements Section 2.3: Design Principles and Strategic Considerations for the justification for the sub-national focus of this project
Germany suggests clarifying in how far the proposed activities on strengthening the coordination capacities of sub-national administrations (SNAs) and councils, can also lead to better coordination between councils and line departments.	At sub-national level, the implementing (i.e. planning and budget-holding) entities for project implementation will be the District Councils and their administrations. District administrations will coordinate and receive technical assistance for implementation through the Technical Facilitation Committees which are legally established under the authority of the District (and Provincial) Councils and which include all relevant line departments / offices (e.g. agriculture, water resources, women's affairs) as members. This mechanism is intended to develop and demonstrate better coordination between councils and line departments through the established structures and sub-national administration budgets.	Section 2.6: Objective, Outcomes, Outputs and Activities, especially the description of Outcome 1 Section 5: Management Arrangements
Component 1 suggests using the ID-Poor methodology for identifying poor households, mapping of access to irrigation etc. Germany suggests considering its utilization not only for identifying needs, but also for analyzing its use for monitoring	ID-Poor will be used as the standard for identification of poor households for participation in project activities and in particular for eligibility for the conditional cash transfers provided to poor and vulnerable women farmers under Output 2.2. However, because of the design of the questionnaire for the specific purpose of identifying poor households, the ID-Poor data set is not suitable for uses such as mapping of access to irrigation or as an impact evaluation tool. Therefore a sample	Section 2.6: Objective, Outcomes, Outputs and Activities Section 6: M&E Framework

<p>and evaluation of the success of the proposed adaptation efforts on household level.</p>	<p>survey (Major Impact Survey) will be used to evaluate impacts at the household level. It is likely that the Major Impact Survey will share a survey instrument and some costs with USAID's Feed the Future survey, and with the ASPIRE programme of IFAD.</p>	
<p>Component 2 of the proposed project provides concrete investments into water infrastructure and introduces short-cycle crops. The funds available to SNAs are relatively small and need to cover a range of important issues. When additional funds, especially coming from development cooperation partners, are targeted at a certain topic like climate change adaptation, these might unduly get into competition. Together with the performance-based top-up grants this could make the SNAs spend also their usual budget on climate change issues in order to fulfill certain requirements imposed by those additional funds. Therefore, Germany suggests developing a mechanism that ensures that the additional funds do not push other relevant topics aside.</p>	<p>The performance based climate resilience grants (PBCRG) will only be eligible for the costs of climate proofing (i.e. the additional costs due to the effects of climate change / costs required to ensure that construction complies with climate resilient standards) of investments that have been prioritized through the Commune Development Plan and Commune Investment Programme. Therefore, it is expected that these will primarily be investments that would have been undertaken anyway, but with additional funds provided to ensure a higher technical quality. Mainstreaming of climate change adaptation into the planning process may have some impacts on planning priorities and investment decisions (it would serve no purpose otherwise) but this should be seen as improved planning based on a fuller appreciation of the challenges and constraints facing the Councils, including those arising from climate change. Climate sensitive planning will not necessarily lead to Commune or District budget resources being diverted from another purpose to directly support project activities. The livelihoods support activities will be financed separately from the PBCRG and, to ensure synergy between Output 2.1 and Output 2.2, priority will be given to farmers who have newly improved access to water resources resulting from Output 2.1 investments. However, this will only apply where an opportunity for synergy exists, and will imply the Output 2.2 funds "following" and adding value to C/S Fund investments, rather than influencing their allocation.</p>	<p>Section 2.6: Objective, Outcomes, Outputs and Activities, especially "Additionality" under Outcome 2</p>
<p>In addition, Germany recommends to further elaborate on the core of the decentralization reform in Cambodia (e.g. at p. 5). The core elements are democratic aspects relating to the autonomy of elected councils, their responsibility to take up issues of importance to the citizens whom they are accountable to. These democratic aspects of the "Sub-National Democratic Development" (SNDD) reform could be taken up by the proposal and be used for achieving outcomes 1.1 and 1.3.</p>	<p>The LDCF project will be implemented at sub-national level in close integration with the NP-SNDD. It is believed that by developing the capacity of the SNA, particularly at District level, for climate sensitive planning and for enhanced service delivery (in support of climate resilient livelihoods in this instance), the project will also contribute to the development of a relationship of democratic accountability between Councils and citizens. This will be enhanced by the use of an adapted Citizens Scorecard as an essential component of the measurement of the climate change adaptation performance of the District Councils and their administrations.</p>	<p>Section 2.6: Objective, Outcomes, Outputs and Activities</p> <p>Section 5: Management Arrangements</p>
<p>Clarify how the trainings and materials produced for the various stakeholder groups (technical officers at provincial agencies, NGO staff, registered private contractors, etc) will be customized for the technical needs of each group and whether a working group or some other coordinating body will be established to promote communication and cooperation</p>	<p>Technical guidelines and training materials for climate resilient agriculture will be developed by MAFF-General Directorate of Agriculture. Training materials will be validated through a stakeholder workshop including representatives of farmer organisations. GDA will then deliver a master training to extension agents from the target districts, who may include MAFF or other officials, NGO staff or private sector workers. The process will be coordinated with the IFAD ASPIRE programme which will assist establishment of an Extension and Research Advisory Board to promote stakeholder inclusion in the process.</p> <p>The development and delivery of small scale water infrastructure</p>	<p>Section 2.6: Objective, Outcomes, Outputs and Activities</p> <p>Additionality: Outcome 1 and especially Outputs 1.2 and 1.3</p>

between the various stakeholders.	technical training materials will follow a broadly similar approach through cooperation between NCDD-S and MOWRAM.	
Clarify how it will communicate results, lessons learned and best practices identified throughout the project to the various stakeholders (and other provincial councils) both during and after the project; Expand on how it will ensure the sustainability of climate change adaptation trainings for the stakeholders mentioned.	The Knowledge Management Platform (Output 1.4) will be the key mechanism for ensuring that lessons learned are documented and disseminated, as well as providing a forum for prototyping of innovative ideas. It is intended that the Knowledge Management Platform will endure after the close of the project. The Knowledge Management Platform will ensure two-way sharing of knowledge with programmes active in other provinces (e.g. HARVEST, PADEE, ASPIRE) and will also provide inputs for the annual Extension Workshops financed (mainly) by the IFAD programme.	Section 2.6: Objective, Outcomes, Outputs and Activities Additionality: Outcome 1 and especially Output 1.4
Provide more information on how it will engage local stakeholders, including community-based organizations and women in both the design and implementation of the program.	<p>The project design has been conducted through both one-to-one dialogue and stakeholder participation events including national and local stakeholders and community based organisations as well as focus group discussions within the beneficiary communities. The project preparation team included a Social and Gender expert who was tasked to investigate the specific climate change vulnerabilities of women.</p> <p>Implementation will be conducted through the participatory sub-national development planning process (Output 1.1) and through interventions in water infrastructure and agriculture livelihoods that will be designed in detail with the participation of the beneficiaries (e.g. irrigation scheme design, selection of training topics etc). The project will support the formation and training of Women's Livelihood Groups with functions beyond livelihood training and including group savings schemes. The project will support and develop capacity of farmer cooperatives and farmer water user communities.</p>	See Annex 4 (Livelihoods); Annex 5 (Gender); Annex 9 (Stakeholder Consultations) See Section 2.6: Objective, Outcomes, Outputs and Activities And Section 2.11: Stakeholder Involvement Plan

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS⁶

A. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

NONE

B. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF: \$150,000	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
<i>Project Preparation Activities Implemented</i>	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Component A: Technical review	120,000	68,104	51,896
Component B: Institutional arrangements, monitoring and evaluation	-	-	-
Component C: Financial planning and co-financing investments:	3,000	1,164	1,836
Component D: Validation workshop	3,000	3,000	0
Component E: Completion of final documentation	24,000	3,523	20,477
Total	150,000	75,791	74,209

⁶ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)