



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

GEF ID:	4368		
Country/Region:	Ghana		
Project Title:	Promoting Value Chain Approach to Adaptation in Agriculture		
GEF Agency:	IFAD	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:	\$0	Project Grant:	\$2,500,000
Co-financing:	\$8,500,000	Total Project Cost:	\$11,000,000
PIF Approval:	September 24, 2010	Council Approval/Expected:	November 01, 2010
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Bonizella Biagini	Agency Contact Person:	Naoufel Telahigue

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, Ghana is developing country.	
	2. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	N/A	
	3. Has the operational focal point endorsed the project?	Yes, the letter dated September 9, 2010 is on file.	
Agency's Comparative Advantage	4. Is the Agency's comparative advantage for this project clearly described and supported?	Yes, IFAD has a comparative advantage in the agricultural sector, and since 1980 IFAD has invested in initiatives to reduce poverty by funding 16 loans to implement 15 programmes and projects and IFAD loans amount to a total commitment of US\$193.4 million in Ghana.	
	5. Is the co-financing amount that the Agency is bringing to the project in line with its role?	Yes. The IFAD co-financing to the project is USD 8 million through the Root and Tuber Improvement and Marketing project	see pif comment

*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 9-8-2010

		<p>while the total SCCF funding requested for this project and the associated agency fees is at USD 2,750,000.</p> <p>Update 9/22/2010: The 8.5 million is the co-financing of the adaptation action. The size of the baseline project is 27.7 million USD.</p> <p>Recommended Action: By endorsement, please include the cost of the baseline project + and additional co-financing under the co-financing table (i.e please clarify if the total would be 27.7M +8.5M). Please also specify all sources of funding for the baseline project plus additional adaptation cofinancing by endorsement.</p>	
	<p>6. Does the project fit into the Agency's program and staff capacity in the country?</p>	<p>Yes. The IFAD strategy in Ghana 2006-2011 is aimed to support the Ghana Growth and Poverty Reduction Strategy (GPRS). The result-based country strategic opportunities paper (RB-COSOP) fosters the development of a market-driven agricultural sector and dynamic private sector. It also recongnizes that being almost exclusively rain fed, the sector remains highly volatile, and the resulting risk-minimization strategies of agricultural households hinder specialization and microenterprise development downstream from production. Furthermore, the fragility of the soils and climatic factors are posing the risk of desertification.</p> <p>They also need to be less vulnerable to shocks (e.g. disease, conflict, natural disasters) that threaten to destroy their asset base. In order to achieve this objective, the regional strategy calls for "raising agricultural and natural resource productivity and improving access to technology" and "reduce vulnerability to major threats to rural livelihoods". In terms of staff capacity to follow up project implementation, IFAD's staff to be dedicated to the formulation, implementation and supervision of the project consists in:</p>	

		<ul style="list-style-type: none"> • the Country Programme Manager who is responsible for all IFAD's operations in the country and responsible for the management of the project implementation; • the Coordinator of the regional cassava processing marketing initiative to provide technical backstopping in relation to cassava; • the Programme Manager for GEF/LDCF/SCCF operations in Western and Central Africa to provide technical backstopping on environmental and climate change related issues throughout the project implementation and technical supervision cycle; • support staff and consultants at HQs and in the country; • the staff of the RTIMP with a PCO based in Kumasi and three zonal offices established at Tamale, Koforidua and Techniman. <p>IFAD and the Ghanaian government have recently signed the Host Country Agreement to facilitate IFAD's country presence. Under this agreement IFAD will soon establish a permanent office in Ghana.</p>	
Resource Availability	7. Is the proposed GEF/LDCF/SCCF Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	N/A	
	• the focal area allocation?	N/A	
	• the LDCF under the principle of equitable access?	N/A	
	• the SCCF (Adaptation or Technology Transfer)?	Yes.	
• focal area set-aside?	N/A		
Project Consistency	8. Is the project aligned with the focal area/multi-focal area/ LDCF/SCCF results framework?	Yes. However, please complete Table A in Part I.	
	9. Are the relevant GEF 5 focal area/ LDCF/SCCF objectives identified?	Update 9/22/2010: This has been done. Not yet. Please see 8.	

		Update 9/22/2010: This has been done.	
	10. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, and NCSA?	<p>The project is in line with Ghana's long-term goals with regard to sustainable development, and the following national plans/strategies:</p> <ul style="list-style-type: none"> -- Ghana Poverty Reduction Strategy -- Initial National Communication to UNFCCC -- Technology Needs Assessment -- National Climate Adaptation Strategy (currently under preparation) <p>The project has also taken into account the results of the work undertaken under the Netherlands Climate Assistance Program.</p>	
	11. Does the proposal clearly articulate how the capacities developed will contribute to the institutional sustainability of project outcomes?	<p>The project will work with small-scale operators such as farmers, trade and women organizations, private sector, such as processors, traders, exporters, etc.), hoping to engage medium- and large-scale enterprises as well (as absorbers of raw and intermediate products.) The project will also work with NGOs and agricultural extension agents, supporting communication, education and awareness efforts. Research institutions and universities will provide support for research-related activities. This is promising in terms of developing capacities and their contribution to the institutional sustainability of project outcomes.</p>	
	12. Is (are) the baseline project(s) sufficiently described and based on sound data and assumptions?	Yes. This project will build on the IFAD-supported USD 8M Root and Tuber Improvement and Marketing Programme baseline.	
	13. Is (are) the problem(s) that the baseline project(s) seek/s to address sufficiently described and based on sound data and assumptions?	Yes.	
	14. Is the project framework sound and sufficiently clear?	Yes, for the most part. The project will employ investments towards climate resilient cassava production and	see pif comment

Project Design

innovative adaptation solutions along agricultural value chains, including technology transfer. This will be coupled with awareness raising on climate change and capacity to address its impacts along the value chain, including climate change information in the process. Please note under output 1.2.2 "Agro-meteorological information are produced and disseminated": this is an activity that is not eligible to be financed under the SCCF. However, the SCCF can, strictly speaking, finance the additionality that would allow climate change and climate variability to be incorporated in the agro-meteorological information production and dissemination. Please clarify if this is the intent.

Outcome 2.3. "Agro-ecosystem resilience to climate change is strengthened": please also confirm that the SCCF funding will only fund a portion of the three outputs that will lead to this outcome, as these are at least partially business-as-usual development interventions.

Outputs under component 3. Please confirm that the SCCF is intended to fund the additionality only, and not the business-as-usual development intervention.

Update 9/22/2010: This has been done. Under Outcome 2.3, SCCF funding will cover water management aspects and testing of drought-resistant varieties. Under Outcome 3, the proposed SCCF intervention will be used to reduce dependence on one single income source.

Recommended Action: By CEO endorsement, please ensure that the alternative income sources truly increase resilience to climate change, so as to not simply create diverse sources of income

		that can simultaneously collapse during a drought year, for example, and clarify how this will be done.	
	15. Are the incremental (in the case of GEF TF) or additional (in the case of LDCF/SCCF) activities complementary and appropriate to further address the identified problem?	Yes, the activities are complementary and appropriate. However, please see comments under 14. above. Update 9/22/2010: In light of the modifications made, the earlier comment here is now obsolete.	
	16. Are the applied methodology and assumptions for the description of the global environmental benefits/adaptation benefits sound and appropriate?	Yes.	
	17. Has the cost-effectiveness sufficiently been demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?	N/A	
	18. Is there a clear description of the socio-economic benefits to be delivered by the project and of how they will support the achievement of environmental/adaptation benefits (for SCCF/LDCF)?	Yes, namely by targeting rural households composed mostly of economically active poor people, and will have a special focus on women as 90% of them are involved in cassava processing. Lowering processing time will increase productivity. Off-farm job opportunities (e.g. linked to the production and use of energy and biogas) will benefit the unemployed and youth. Environmental benefits will stem from better management of cyanide-laden cassava waste, and use of the waste products for energy production will result in ancillary climate change mitigation benefits.	
	19. Is the role of civil society, including indigenous people and gender issues being taken into consideration and addressed appropriately?	Yes, gender and NGOs are among the participating stakeholders in the project. It is suggested that, in a project targeting the rural poor, steps are taken to ensure the proper inclusion of indigenous peoples groups, where applicable, and plans to institute targeting mechanisms to guarantee access by the poorest and avoid elites' capture are positive.	

	20. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	Yes, including the risk of low beneficiaries' participation in the project activities, including the non-engagement of community-based organizations, and proposes mitigation measures as well as a full assessment of risks to be undertaken during project preparation.	
	21. Is the provided documentation consistent?	Yes.	
	22. Are key stakeholders (government, local authorities, private sector, CSOs, communities) and their respective roles and involvement in the project identified?	Yes. Please also see comment 11.	
	23. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Yes, namely with: Global Cassava Initiative supported by IFAD and FAO Regional Cassava Marketing Initiative/New Partnership for Africa's Development initiative The World Bank-financed CB Rural Development Project several food security projects financed by CIDA and IFAD DANIDA-funded Climate Change Adaptation project DFID's technology development and extension work on cassava processing Japan-funded project on developing capacity and financing options for mainstreaming climate change adaptation in Ghana with a focus on early warning systems WB/GEF-funded Climate, Water, and Agriculture project focusing on impacts on and adaptation of agro-ecological systems in Africa, and others.	
	24. Is the project implementation/ execution arrangement adequate?	Yes. IFAD has experience implementing interventions in Ghana, and will soon establish a permanent office (as per agreement with the Ghanaian government.)	

	25. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	26. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	27. Is the GEF/LDCF/SCCF funding level for project management cost appropriate?	At USD 250,000 for this project, the costs are acceptable. However, it is noticed that the project management cofinancing costs relative to the cofinancing total is lower. Please adjust SCCF costs downwards as appropriate, or provide justifications for this discrepancy. Update 9/22/2010: This has been done.	
	28. Is the GEF/LDCF/SCCF funding per objective appropriate to achieve the expected outcomes and outputs according to the incremental/additional cost reasoning principle?	Yes, assuming satisfactory clarifications are provided on question 14.	
	29. Is co-financing confirmed?	Currently, not entirely. Update 9/22/2010: Recommended Action -- by CEO endorsement, the co-financing should be confirmed.	see pif comment
	30. Is the budget (GEF/LDCF/SCCF funding and co-financing) per objective adequate to achieve the expected outcomes and outputs?	Yes.	
Project Monitoring and Evaluation	31. Has the Tracking Tool been included with information for all relevant indicators, as applicable?	N/A	
	32. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	33. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		

	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	34. Is PIF clearance/approval being recommended?	The PIF is will be recommended for approval after adequate responses have been provided to the points raised. Update 9/22/2010: The revisions are acceptable and the PIF is recommended for approval. By CEO Endorsement, please ensure that the items noted under 5., 14, and 29. are addressed.	
	35. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	36. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	37. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	September 16, 2010	
	Additional review (as necessary)	September 22, 2010	
	Additional review (as necessary)		

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	Yes, the proposed activities will result in a feasibility study on the potential of different technologies for adaptation, design of the adaptation component, including the mechanics of implementation, integrated with the baseline project, cost-benefit analysis, assessment of climate change impacts on the project target area and responses, gender-sensitive study of social dimensions of climate change, and a capacity building needs assessment.
	2. Is itemized budget justified?	Yes.
Secretariat Recommendation	3. Is PPG approval being recommended?	Yes.
	4. Other comments	This is an ambitious project preparation plan, and it is understood that the co-financing will be used to finance the preparation of the adaptation project.
Review Date (s)	First review*	October 17, 2010
	Additional review (as necessary)	

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