



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS*

THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4657		
Country/Region:	Honduras		
Project Title:	Competitiveness and Sustainable Rural Development Project in the Northern Zone (Northern Horizons-GEF)		
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-1; CCA-2; CCA-2; CCA-2; CCA-3; Project Mana;		
Anticipated Financing PPG:	\$102,501	Project Grant:	\$3,000,000
Co-financing:	\$18,923,220	Total Project Cost:	\$22,025,721
PIF Approval:	September 29, 2011	Council Approval/Expected:	November 10, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Rawleston Moore	Agency Contact Person:	Ms. Estibalitz Morras

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Honduras is eligible to receive resources from the SCCF	Yes. Honduras is eligible to receive resources from the SCCF.
	2. Has the operational focal point endorsed the project?	An endorsement letter is on file and signed by the operational focal point	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	The comparative advantage of the agency for this project is clearly described and supported. IFAD has implemented 10 projects in the country has has considerable experience in this type of project which focuses on the agriculture sector	IFAD has a comparative advantage for this project. The comparative advantage was effectively described at the PIF stage.
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	N/A	N/A
	5. Does the project fit into the Agency's program and staff capacity in the country?	The proposed project fits in with the Agency's program in the country. The project will be supervised and supported	The project fits into the Agency's program in the country.

Resource Availability	6. 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		
	• the SCCF (Adaptation or Technology Transfer)?	Currently resources are available in the SCCF for this project	Currently resources are available in the SCCF for this project.
	• Nagoya Protocol Investment Fund		
	• focal area set-aside?		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	The project is aligned with the LDCF/SCCF results framework	The project is aligned with the LDCF/SCCF results framework.
	8. Are the relevant GEF 5 focal/multifocal areas/LDCF/SCCF/NPIF objectives identified?	The SCCF objectives have been identified; reducing vulnerability (CCA-1), increasing adaptive capacity (CCA-2), and technology transfer for adaptation (CCA-3).	The relevant LDCF/SCCF focal area objectives, have been identified; (CCA-1), increasing adaptive capacity (CCA-2), and technology transfer for adaptation (CCA-3).
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	The project is consistent with the National Climate Change Strategy of Honduras. The National Climate Change Strategy is based on the First National Communications of Honduras	Yes the project is consistent with recipient country national strategies and plans. The project is aligned with the National Poverty Reduction and Food security policies and strategies of Honduras, and supports the Country Investment Plan for the Agri-food Sector.
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	The project has a focus on technical assistance, capacity development with some investment, and articulates how the capacities developed will contribute to the sustainability of the project.	Yes the proposal articulates how the capacities developed will contribute to the project outcomes. The project has a focus on capacity development. Participants will be trained in the identification and integration of relevant climate change measures into their business

Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	The baseline project, is sufficiently described and based on sound data and assumptions.	At the PIF stage the project baseline was sufficiently described. A table on page 10 of the CEO endorsement document provides information on the baseline, however section A.4 of the CEO endorsement document needs to be updated. Recommended Action: Please provide any updated information on the baseline project or activities in section A4. For example have there been any changes in the baseline project and activities from the PIF stage?
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		Cost effectiveness has been sufficiently demonstrated in the project.
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	There needs to be a further details provided on the proposed activities. Currently the activities proposed are not sufficiently described, and further details are required to explain how the elements proposed in section B2 will lead to the expected outcomes and outputs in Table B. The SCCF has a focus on the implementation of concrete adaptation activities. Further clarification is thus required on the expected output of resilience focused improved stoves, as activities related to this appear to be ineligible. Further clarification is also requested on the risk and vulnerability assessments, which is not a concrete adaptation	Clarifications on the baseline have been requested in 11 above. The current activities appear to based on additional reasoning as relates to the baseline project and activities which have been identified at the PIF stage and on page 10 of the CEO endorsement.

		<p>credit and saving associations</p> <p>Update September 26th 2011</p> <p>Clarifications have been provided on the exact activities which will be financed using GEF SCCF resources. These activities include soil and water conservation measures, climate proofing of rural agricultural infrastructure, and training personnel in climate resiliences and how to include climate resilience in their planning. The proposed ineligible activities have been removed from the project.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>The project framework is not sufficiently clear. Further details are requested on how the actual activities outlined in section B2 will lead to the expected outcome and outputs identified in Table B</p> <p>Component two of the project has been identified as technical assistance but within this component there are investment activities, such as investments in soil and water conservation and the rehabilitation of roads and construction of small bridges. Technical assistance and investment parts of the project need to be separate components</p> <p>There needs to be a clear explanation of the SCCF resources will be used to provide the additional adaptation benefits related to the baseline project</p> <p>Update September 26th 2011.</p>	<p>The project framework is sufficiently clear and sound.</p>

		sufficiently clear and sound. It is now clear what the SCCF resources will be used for, with the adaptation benefits clearly described.	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	<p>Currently the applied methodology and assumptions for the description of the additional benefits is not sound or appropriate, as it is unclear how the activities will lead the expected outcomes and outputs. Specifically, how will the activities in section B2 lead to the expected outputs and outcomes.</p> <p>Update September 26th 2011.</p> <p>Clarifications have been provided on the project structure and methodology. It is now explained in the project how the activities will lead to adaptation benefits</p>	The applied methodology and assumption for the description of the additional benefits appear to be appropriate given the information on the baseline presented at PIF stage and on the table in page 10 of the CEO endorsement document. Please refer to box 11 above.
	16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?	There is a clear description of the socio economic benefits and the gender dimensions of the project.	<p>Yes there is a clear description of socio-economic benefits. The activities of the project will be institutionalized from a gender perspective in the project management unit. Figures are provided on the amount smallholders and farmers which are to be trained in various techniques.</p> <p>Recommended Action: Is it possible at this stage to provide an estimate by gender of the number of farmers to be trained.</p>
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	<p>The project currently does not clearly consider public participation including CSOs and indigenous people. Information is provided on the key government implementing partners. Please elaborate on public participation in the context of this project</p>	Public participation including CSOs and indigenous people is taken into consideration in the project.

		September 26th 2011	
		Further explanations have been provided on the role of public participation in the project. By CEO endorsement further details of CSOs and indigenous people should be provided	
	18. 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)	The project takes into consideration potential risks and proposes mitigation measures	The project takes into consideration potential risks and proposes mitigation measures.
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	The project will be harmonized with initiatives from development partners, primarily the World Bank-financed Honduras - Rural Competitiveness Project (COMRURAL), the Inter-American Development Bank's Rural Business Development Program (PRONEGOCIOS) and the new initiatives to be financed by USAID after the conclusion of the United States' Millennium Challenge Account (MCA).	The project is consistent with other initiatives in the country, for example the World Bank-financed Honduras - Rural Competitiveness Project (COMRURAL), and USAID Feed the Future Initiative.
	20. Is the project implementation/ execution arrangement adequate?	The project implementation and execution arrangements are adequate. The project will be executed by the Secretariat of Agriculture and Livestock (SAG)while field implementation will be the responsibility of a project management unit (PMU) to be established SAG.	The project implementation and execution arrangements are adequate. The project will be executed by the Secretariat of Agriculture and Livestock (SAG)while field implementation will be the responsibility of a project management unit (PMU) to be established SAG.
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		Yes the project is sufficiently close to what was presented at the PIF stage.
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		N/A
	23. Is funding level for project	Currently it appears that the project	The level of project management costs

Project Financing		<p>total project costs. This needs to be scaled down to up to a maximum of 5% of the total project costs in line with recent GEF guidance. The information on the budget in Tables A, B and C is incomplete. Please provide the missing information for the tables, and revise the project management costs</p> <p>Update September 26th 2011</p> <p>The information in the budget table has been provided and the project management costs revised to 5% of the total project</p>	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>Currently the level of funding per objective is not appropriate. The funding proposed for component 2 needs further clarification.</p> <p>Update September 26th 2011.</p> <p>There have been clarification of the activities in component 2 and the funding is appropriate.</p>	The funding and co-financing per objective is adequate to achieve the expected outcomes and outputs.
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	The cofinancing should be confirmed at CEO Endorsement.	Letters confirming cofinancing are on file.
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	The cofinancing which the agency is bringing to the project is in line with its role	The cofinancing which the agency is bringing to the project is in line with its role.
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		The tracking tool has been included with all the relevant information and indicators.
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		The proposal includes a budgeted M&E Plan that monitors and measures results with indicators and targets

	adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>The PIF is not recommended for clearance. Please see items 13, 14, 15, 17, 23, 24. The data in the PIF submitted is incomplete; there is no project objective and there is missing data relating to the budget.</p> <p>Update September 26th 2011.</p> <p>The project is recommended for clearance. The relevant changes have been made to the project</p>	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		Yes, the Agency included a progress report on the status of the PPG. All PPG activities should be completed within the initial phase of the project. Any unspent resources should be returned to the Trustee
	33. Is CEO endorsement/approval being recommended?		<p>CEO endorsement is not approved at this stage. Please address the issues highlighted in box 11 and 16.</p> <p>Update March 15 2013- The clarifications and changes provided are satisfactory. The project is recommended for CEO Endorsement.</p>
Review Date (s)	First review*		
	Additional review (as necessary)		
	Additional review (as necessary)		
	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. Greyed areas in each section do not need comments.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	<p>The majority of the proposed activities for the project preparation are appropriate. The activities include preparatory studies and baseline information, assessment of institutional capacities, implementation modalities and costs, consultation and validation of project design and enhancement of project quality and project design management.</p> <p>Clarification is requested on activity 2, preparation of a results framework and development of indicators for monitoring and evaluation. The GEF has an updated results based management framework and an adaptation monitoring and assessment tool which is to be used for all LDCF and SCCF projects. Please provide clarification on activity 2 and whether this activity is for the development of an alternative results monitoring framework.</p>
	2. Is itemized budget justified?	<p>The budget is justified, except for activity 2. The GEF has an updated results based management framework and an adaptation monitoring and assessment tool which should be applied, and thus there is no need to develop indicators for monitoring</p>
Secretariat Recommendation	3. Is PPG approval being recommended?	<p>The PPG is not currently being recommended for approval. Clarification is requested on activity 2, preparation of results framework and development of indicators for monitoring and evaluation</p> <p>Update January 12th 2012</p> <p>Clarification has been provided on activity 2, and the results framework, and the development of indicators for monitoring and evaluation. The PPG is being recommended for approval</p>
	4. Other comments	
Review Date (s)	First review*	December 15, 2011
	Additional review (as necessary)	

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