



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-2; CCA-3; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$3,000,000
Co-financing:	\$21,000,000	Total Project Cost:	\$24,000,000
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Rawlestone Moore	Agency Contact Person:	Mr. Jesús Quintana

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?	Honduras is eligible to receive resources from the LDCF	
	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	

*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 11-22-2010

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	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	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 from the IFAD Office in Guatemala	
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	
	• Nagoya Protocol Investment Fund		
Project Consistency	• focal area set-aside?		
	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	
	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).	
	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	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability	The project has a focus on technical assistance, capacity development with some investment, and articulates how	

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	of project outcomes?	the capacities developed will contribute to the sustainability of the project.	
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.	
	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?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>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.</p> <p>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.</p> <p>Further clarification is also requested on the risk and vulnerability assessments , which is not a concrete adaptation action, and the establishment or rural credit and saving associations</p> <p>Update September 26th 2011</p>	

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		<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>	

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		<p>The project framework is now sufficiently clear and sound. It is now clear what the SCCF resources will be used for, with the adaptation benefits clearly described.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<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>	
	<p>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?</p>	<p>There is a clear description of the socio economic benefits and the gender dimensions of the project.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<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> <p>September 26th 2011</p>	

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		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	
	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).	
	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.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		

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Project Financing	23. Is funding level for project management cost appropriate?	<p>Currently it appears that the project management costs are at 10% of the 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>	
	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.	
	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	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for		

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	all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded 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?	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. Update September 26th 2011. The project is recommended for clearance. The relevant changes have been made to the project	
	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?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*		
	Additional review (as necessary)		

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	Additional review (as necessary)		
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* **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?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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