



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

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| GEF ID: | 4901 | | |
| Country/Region: | India | | |
| Project Title: | India: Sustainable Livelihoods and Adaptation to Climate Change (SLACC) | | |
| GEF Agency: | World Bank | 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; CCM-1; CCA-2; CCM-3; Project Mana; | | |
| Anticipated Financing PPG: | \$0 | Project Grant: | \$8,000,000 |
| Co-financing: | \$234,000,000 | Total Project Cost: | \$242,000,000 |
| PIF Approval: | | Council Approval/Expected: | June 01, 2012 |
| CEO Endorsement/Approval | | Expected Project Start Date: | |
| Program Manager: | Junu Shrestha | Agency Contact Person: | Akiko Nakagawa |

| Review Criteria | Questions | Secretariat Comment at PIF (PFD)/Work Program Inclusion | Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP) |
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| Eligibility | 1. Is the participating country eligible? | Yes, India is a non-annex I party to the UNFCCC. | |
| | 2. Has the operational focal point endorsed the project? | Yes. An OFP endorsement letter dated march 21, 2012 is attached to the submission. | |
| Agency's Comparative Advantage | 3. Is the Agency's comparative advantage for this project clearly described and supported? | Yes. The baseline project is a partnership initiative between the World Bank and the Indian Government, built on the experiences gained from the World Bank supported projects in 6 regions of the country on establishing efficient and effective institutional platforms for the rural poor. Noteworthy also is the World Bank's ability to work at a multisectoral level. | |
| | 4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it? | Yes. The baseline project has a soft loan component and the World Bank is capable of managing it. | |

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| | 5. Does the project fit into the Agency's program and staff capacity in the country? | Yes. The project is well aligned with the World Bank's CAS for India, which prioritizes inclusive growth for 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? | NA | |
| | • the focal area allocation? | NA | |
| | • the LDCF under the principle of equitable access | NA | |
| | • the SCCF (Adaptation or Technology Transfer)? | Yes. The requested grant is within the resources available from the SCCF-Adaptation window. | |
| | • Nagoya Protocol Investment Fund | NA | |
| Project Consistency | 7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework? | <p>Not entirely. If the project intends to include transfer of adaptation technology as one of the objectives as stated in A.1.1, then it needs to be reflected in Table A. SCCF Strategy Framework.</p> <p>Recommended action: Depending on the type of activities that will be chosen for weather communication system, please consider inclusion of CCA-3.</p> <p>4/13/2012 JS</p> <p>Appropriate changes have been made.</p> | |
| | 8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified? | <p>Not entirely. Same as above.</p> <p>4/13/2012 JS</p> | |

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| | <p>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?</p> | <p>Not entirely. The project seems to be consistent with National Action Plan on Climate Change and the Five year Development Plan (2007-2012). However, there is no mention of India's National Communication for Climate Change.</p> <p>Recommended Action: Please provide explanations on how the project is well aligned with priorities and information provided in the National Communication for India.</p> <p>4/13/2012 JS Requested information has been added.</p> | |
| | <p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p> | <p>Yes. The project includes involvement of communities at risk, and parties responsible for decision-making at various levels. It is noted that establishment of effective adaptation frameworks will contribute to the sustainability of project outcomes.</p> | |
| Project Design | <p>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?</p> | <p>Yes. Rural poverty, and reliance of rural populations on agriculture, a highly climate sensitive sector have been described as the problem that the baseline seeks to address.</p> <p>National Rural Livelihoods Mission (NRLM) forms the baseline for the proposed SCCF project. The baseline project will a) mobilize rural poor households unto effective self-help groups b) enhance access to financial, technical and marketing services c) build capacities and skills for gainful livelihoods d) improve inclusive delivery of social and economic support services.</p> | |

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| | | <p>Endorsement:</p> <p>Please provide information on the goal and structure of MKSP and MNREG as baseline projects.</p> | |
| | 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>Yes. Livelihoods of the poor in India depend on climate sensitive sectors like agriculture and forestry and these vulnerable populations are poorly equipped to cope with the changes and variability of climate.</p> <p>The proposed SCCF project will build on the baseline project, and will invest in community level adaptation measures to secure livelihoods of the poor under the changing climate conditions in select project areas. Similarly, institutional capacity to implement adaptation activities at all levels will be built into the existing baseline project. Through innovation and partnerships supported by the SCCF project, the baseline project will be effective in scaling up and replication of adaptation measures.</p> <p>Recommended actions by CEO</p> <p>Endorsement:</p> <p>In order to ensure that the SCCF project will provide effective additional adaptation benefits please include the following by the CEO endorsement stage:</p> <p>a) In the current design. "change</p> | |

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| | | <p>identification and implementation of adaptation measures in the vulnerable areas. Please provide information on how sustainability will be ensured beyond the life of project.</p> <p>b) Provide relevant information about the Andhra Pradesh Drought Adaptation Initiative (APDAI) that could be utilized in the planned project with similar climate risks. Where possible, build on the results of the APDAI.</p> <p>c) Impact and Response Analysis table presented gives a clear logical linkage between the climate risks and possible adaptation measures. However, by CEO endorsement stage please provide site-specific results of analyses of climate change risks, including, for example, predicted changes in rainfall patterns, shift in seasons, location and importance of aquifers that are being overdrawn, types of diseases that are likely due to erratic rainfall etc, including appropriate consultations with local populations</p> | |
| | <p>14. Is the project framework sound and sufficiently clear?</p> | <p>Mostly clear.</p> <p>Recommended action:</p> <p>In case of component 1, it seems appropriate to expect that all the participating SHGs and CIGs will include adaptation measures regarding diversification, mainstreaming etc. Please revise the "expected outcomes" accordingly.</p> <p>In expected outcome 1) please add "adaptation measures that are defined</p> | |

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| | | <p>2) Expected output regarding the third expected outcome (..50% of..MNREGs) is missing.</p> <p>3) Concerning 1c (i) and 1c(vi), and also 2f and 2g, please note that SCCF-A funds finance adaptation, and therefore please ensure that the interventions proposed are the most appropriate and effective for achieving adaptation results. By CEO endorsement stage in c(ii) please specify what would be the preferable and resilient non-farm livelihoods and in 1c (iii) support appropriateness of hard and soft infrastructure. In case of 1c(vii) please provide linkages between migration and climate change pressures.</p> <p>Component 2: For the Expected Outcome 2a Understanding that the focus of the project will be on rural communities, it would be effective to develop a framework at a local level first and provide input for State and National level frameworks such that interests at local levels are reflected.</p> <p>Component 3: Please revise component 3, and move M&E and project management-related items to lines below the "sub-total" line in the project framework table.</p> <p>4/13/2012 JS Requested changes have been made.</p> | |
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| | 15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate? | The applied methodology and assumptions are appropriate. | |
| | 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>Yes. As the focus of the project itself is rural poor, their needs in the changing climate are well addressed through investments as well as technical assistance. A Social management Framework (SMF) of the baseline project will ensure identification, mobilization, and capacity building of vulnerable populations and special attention will be given to women. Lessons learned in the APDAI project in this regard will be utilized and gender sensitive adaptation planning scheme will be prepared in the project.</p> <p>Recommended Action by CEO Endorsement: Concerning the gender sensitive adaptation planning, please note that SCCF-A is intended to support adaptation (as explained under 14). By CEO endorsement, please make the appropriate changes or provide justifications, accordingly.</p> | |
| | 17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly? | Yes. The project entails involvement of the main beneficiaries ie the community groups, as well as district, block and village level Panchayats. | |
| | 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) | Yes. The project considers technical and institutional capacity at the national and state level to be the main risks to the project success. Suitable mitigation measures such as establishment of climate change adaptation unit within the national management structure of the executing agency and allowing | |

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| | | and ready for innovative adaptation actions will reduce the mentioned risks. | |
| | 19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region? | <p>Yes. The project will coordinate with a number of other initiatives that focus on rural poverty and as well as climate change. The project will also benefit from information and studies conducted by a number of research institutes in the country.</p> <p>Recommended Action: By CEO endorsement, please expound on how results from earlier adaptation and climate change related projects (especially APDAI) in the country will be utilized in the proposed project. Also, in case of a decision to include coastal adaptation project in the currently proposed SCCF project, please ensure coordination with the recently approved SCCF project "Climate Resilient Coastal Protection and Management" in India, to be implemented by ADB</p> | |
| | 20. Is the project implementation/ execution arrangement adequate? | Yes. The Ministry of Rural Development (MoRD) will be the key national implementing agency. At the state level, State Government departments of Rural Development will be responsible for the implementation of the project. Important participants and implementers of the project include village organizations and district panchayats, along with research and finance institutions. | |
| | 21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes? | | |

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| | 22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included? | | |
| Project Financing | 23. Is funding level for project management cost appropriate? | <p>No. Project management is presented as a project component.</p> <p>Recommended action: Please input PM costs in the appropriate slot in the budget line and please ensure that it is at most of 5% of the total grant amount.</p> <p>4/13/2012 The project management cost of \$380,000 is in line with the GEF policies.</p> | |
| | 24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs? | <p>Yes. LDCF funding per component/objective appear to be appropriate to achieve the expected outcomes and outputs.</p> <p>The funding level will be reviewed closely during the CEO endorsement stage when details on the project design become more concrete. However, please see the following point, and make changes to cofinancing as appropriate.</p> | |
| | 25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided. | <p>Co-financing in the context of SCCF-funded adaptation projects is defined as the cost which would be incurred for non-adaptation, conventional development, which we refer to as Business as Usual (BAU) or baseline development. The purpose of the SCCF is to add on or modify such development, so as to integrate pro-adaptation aspects throughout, and thus make the overall development resilient to climate change and variability. Accordingly, it is understood that the</p> | |

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| | <p>entire NRLP resilient climate change. In such a case, the amount dedicated towards the baseline (NRLP) constitutes the co-financing.</p> <p>Moreover, the proposal appears to suggest that the proposed project will also contribute to making MNREGS and MKSP climate-resilient. If that is the case, the cost of MNREGS and MKSP should be listed as co-financing.</p> <p>If \$12 M from NRLP and \$18 M from MNREGS and MKSP are funds that will be dedicated to adaptation activities, as opposed to baseline development, then it should be made clear in the proposal that this is the case.</p> <p>Recommended action: Please revise the co-financing amount indicated in table C according to the definition of co-financing described above, ie the total investments that the SCCF funds will make resilient. Please confirm/clarify whether NRLP, MKSP and MNREGS themselves have budgets for adaptation components.</p> <p>4/13/2012 The co-financing amount has been revised to \$234 M in line with the suggestions provided.</p> <p>Recommended Action by CEO Endorsement: Please provide appropriate details on MNREGS and MKSP programs in line with their role as part of the baseline projects.</p> | |
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| | Agency is bringing to the project in line with its role? | currently listed as cofinancing, is not in line with the World Bank role. However, please see comments under #25. 4/13/2012 The revised co-financing amount is in line with the Agency's role. | |
| Project Monitoring and Evaluation | 27. Have the appropriate Tracking Tools been included with information for 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? | Not at this stage. Please respond to comments made in sections 7, 8, 9, 14, 23 25, and 26. 4/13/2012 Yes. All the pending issues have been addressed. | |
| | 31. Items to consider at CEO endorsement/approval. | Comments in section 11, 19, and 25. | |
| 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* | April 04, 2012 | |

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| | 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 |
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| 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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