REQUEST FOR CEO ENDORSEMENT[1]

PROJECT TYPE: Full-sized Project
TYPE OF TRUST FUND:LDCF

PART I: PROJECT INFORMATION

Project Title: Lesotho Adaptation of Small-Scale Agriculture (LASAP)			
Country(ies):	Kingdom of Lesotho	GEF Project ID:[2]	4453
GEF Agency(ies):	IFAD (select) (select)	GEF Agency Project ID:	
Other Executing Partner(s):	Ministry of Agriculture and Food Security; Lesotho Meteological Services	Submission Date:	2013-06-01
GEF Focal Area (s):	Climate Change	Project Duration(Months)	48
Name of Parent Program (if applicable): For SFM/REDD+ ☐		Agency Fee ($):	411,350

A. FOCAL AREA STRATEGY FRAMEWORK[3]

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount ($)	Cofinancing ($)
CCA-1 (select)	Outcome 1.1: Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas	Output 1.1.1: Adaptation measures and necessary budget allocations included in relevant frameworks	LDCF	32,800	100,000
CCA-1 (select)	Outcome 1.2: Reduced vulnerability to climate change in development sectors	Output 1.2.1: Vulnerable physical, natural and social assets strengthened in response to climate change impacts, including variability	LDCF	968,762	5,863,333
CCA-1 (select)	Outcome 1.3: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas	Output 1.3.1: Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability	LDCF	968,762	5,863,333
CCA-2 (select)	Outcome 2.1: Increased knowledge and understanding of climate variability and change-induced threats at country level and in targeted vulnerable areas	Output 2.1.1: Risk and vulnerability assessments conducted and updated	LDCF	148,000	190,000
CCA-2 (select)	Outcome 2.2: Strengthened adaptive capacity to reduce risks to climate-induced economic losses	Output 2.2.1: Adaptive capacity of national and regional centers and networks strengthened to	LDCF	1,035,772	2,820,000

[1] It is important to consult the GEF Preparation Guidelines when completing this template
[2] Project ID number will be assigned by GEFSEC.
[3] Refer to the Focal Area/LDCF/SCCF Results Framework when filling up the table in item A.

		rapidly respond to extreme weather events			
CCA-3 (select)	Outcome 3.1. Demonstration,deployment and transfer of relevant adaptation technologies	3.1.1 Innovative demand-led technologies for adaptation transferred to target groups	LDCF	968,762	5,863,334
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)	Others		(select)		
		Subtotal		4,122,858	20,700,000
		Project management cost[4]	LDCF	207,142	446000
		Total project costs		4,330,000	21,146,000

B. PROJECT FRAMEWORK

Project Objective: To increase the resilience of small-scale agriculture to climate change impacts by promoting climate-proofed investments for agriculture-based development, as well as by enhancing the resilience of agricultural productivity under increased climate variability

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount ($)	Confirmed Cofinancing ($)
Reduced Vulnerability of agricultural production	Inv	1.1 Mainstreamed adaptation in local level agricultural planning (as supported by SADP through AIPs) 1.2 Increased adaptive capacity of small scale farming systems through the implementation of resilience-building measures as part of AIPs and SADP-supported Grants	1.1.1 vulnerability mapping and related adaptation measures included in AIPs 1.2.1 NRM-based adaptive measures introduced to minimize climate impacts on natural assets and sustain agricultural production 1.2.2 Innovative practices, technologies and infrastructure aiming to increase the efficiency and resilience to climate change of smallholder production promoted through a demand-led approach	LDCF	3,054,286	17,780,000
Enhanced adaptive capacity to support agricultural production in the context of climate change	TA	2.1 Increased knowledge and understanding of climate variability and climate change-induced threats on agriculture 2.2 Strengthened	2.1.1Monitoring system in place to disseminate timely climate information related to agriculture 2.1.2 Climate and agro-meteorological information included in	LDCF	1,068,572	2,920,000

[4] This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or cofinancing sources.

		capacity of government stakeholders to reduce risks to climate-induced losses on agriculture 2.3 awareness and capacity of local actors increased on climate change impacts and related adaptation measures	agricultural information system 2.2.1 Capacity of Met Service and MAFS staff on the links between climate change and agriculture strengthened 2.31 effective awareness raising & communication campaign to local stakeholders designed & implemented			
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
			Subtotal		4,122,858	20,700,000
			Project management Cost[5]	LDCF	207,142	446,000
			Total project costs		4330000	21146000

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

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount ($)
GEF Agency	IFAD	Grant	9,296,000
GEF Agency	World Bank	Grant	8,850,000
National Government	Government of Lesotho	Grant	2,020,000
Others	Beneficiaries contribution	Grant	980,000
(select)		Grant	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Co-financing			21,146,000

D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY[1]

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in $)		
				Grant Amount (a)	Agency Fee (b)[2]	Total c=a+b
IFAD	LDCF	Climate Change	Kingdom of Lesotho	4,330,000		4,330,000
(select)	(select)	(select)				0

[5] Same as footnote #3.

(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				4,330,000	0	4,330,000

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Estimated Person Weeks	Grant Amount ($)	Cofinancing ($)	Project Total ($)
Local consultants*	1,422.00	933,211	1,778,000	2,711,211
International consultants*	65.00	180,500	292,000	472,500
Total		1,113,711	2,070,000	3,183,711

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT COST

Cost Items	Total Estimated Person Weeks/Months	Grant Amount ($)	Co-financing ($)	Project Total ($)
Local consultants*	48.00	137,142	446,000	583,142
International consultants*	6.00	70,000		70,000
Office facilities, equipment, vehicles and communications*				0
Travel*				0
Others**	Specify "Others" (1)			0
	Specify "Others" (2)			0
Total		207,142	446,000	653,142

* Details to be provided in Annex C. ** For others, to be clearly specified by overwriting fields *(1) and *(2).

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? Yes

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

H. DESCRIBE THE BUDGETED M &E PLAN:

Project monitoring and evaluation will be a critical tool for collecting data, monitoring activities, assessing progress and ensuring critical reflection. As this project is based on the existing IFAD-supported Smallholder Agriculture Development Program (SADP), it will mostly be integrated with the SADP's monitoring and evaluation system so as not to add extensive work burden for implementing staff, please see Section III C of the attached PDR.

Currently, the SADP M&E Officer has the primary responsibility for monitoring progress and outcomes based on

indicators provided in the project results framework. The Lesotho Adaptation of Small-Scale Agriculture Production (LASAP) LDCF project has added a set of indicators to the existing SADP M&E framework, measuring climate change resilience. The M&E Officer will include these new indicators as part of their reporting, with the support of the LASAP staff who will be embedded in the Project Management Unit and Project Field Offices. The Logframe for LASAP contains a number of indicators that are to be measured through interviews and surveys of beneficiaries. It is expected that these indicators will be measured through the Agricultural Investment Plans (AIPs) and grant planning processes (during an Action Learning Cycle which AIPs go through, or during community consultations).

Face-to-face interviews and measuring points are integrated in the project. Regular staff visits by the dedicated staff members (Adaptation Advisors) will also ensure the adaptation-related monitoring and supervision of all grant projects funded through the Commercial Grants Program (under SADP), as well as the investments supported through the AIP (AIP) (under SADP). This will be undertaken in conjunction with the SADP's own monitoring and evaluation visits.

This will also be assessed through the progress reports issued by the grant recipients and through the monitoring carried out by the SADP officers. Further, as is the current practice under the SADP, each grant project has its own monitoring and evaluation arrangements, milestones and performance indicators to be measured against; these evaluation arrangements will now include some analysis of progress in achieving resilience. AIP teams, Commercial Grants Officers and other SADP staff will be capacitated with climate change adaptation training and information so that he/she can be better equipped to support the M&E Officer as well as the LASAP staff persons to assess the performance of "resilience investments".

The AIPs are monitored with the support of the Agricultural Investment Planning Officer and district-level project field officers (PFOs) with the M&E officer. Site visits under the AIPs are conducted at least every six months, and it is anticipated that investments under the LASAP will be monitored accordingly. Participating sub-centers (collection of 6-7 villages) will be required to provide periodic technical and financial reports in accordance with the agreed reporting schedule. They will also provide a completion report and these activities will be supported by the PFOs. The PFOs will have received climate adaptation training and will be equipped to support the assessment of community activities relative to their AIP goals.

Socio-economic benefits, particularly gender considerations are at the heart of the project design and have been considered in the context of each activity. These will be monitored through existing SADP structures in order to ensure that the project maintains and promotes the advances made in women's equality and empowerment in Lesotho. The project will offer equal access to opportunities and encourage equal participation by women in project activities. The project will be located in sites selected by the SADP where women beneficiaries have been identified. Vetting will be carried out through existing SADP structures to ensure that women are screened in and assisted in the AIP and Commercial grants processes. These will also be assessed by the SADP team through measurement against gender disaggregated indicators and targets, ongoing consultations and face-to-face interviews. Level of female participation will be monitored and promoted at every capacity building initiatives. These will be advertised through service delivery mechanisms used by women. There currently exists SADP staff which monitors female participation; this mechanism will be used to monitor female participation in LASAP.

As per the GEF's requirements, an annual Project Implementation Report will be produced in June-July to facilitate IFAD's own reporting to the GEF on finances spent and goals achieved. This report will be developed by the LDCF coordinator and the adaptation officers.

A mid-term evaluation of the LASAP is planned for the end of the second year of implementation. This mid-term evaluation will focus on results achieved thus far and determine lessons learned with a few of providing recommendation for achieving better results. As per GEF requirements, a final independent evaluation will also be conducted at the end of the project measure the success of the project. Both evaluations will be conducted by external consultants who will operate under the supervision of IFAD's Evaluation Office and Environmental officer. Technical staff working at the PMU, M&E Officer, PFO, district level staff, Lesotho Met Staff officials, Ministry of Agriculture and Food Security officials, grant and investment recipients, Sub-Centre stakeholders will all be collaborating with the appointed persons for effective evaluation. For additional information on M&E, please consult pages 39-41 and 91-96 in the PDR.

M&E Projected Costs and Activities (all sums in US Dollars henceforth in the document):

- Midterm and Final Evaluation: 90,000 (from LDCF grants)
- Site Vits by SADP Team: 30,000 from cofinancing
- Face-to-face interviews at mid-year and end of project: 25,000 from cofinancing
- Review progress reports of Commercial Grant winners: 15,000 from cofinancing
- Review annual workplan of AIPs: 15,000 from cofinancing

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. The GEF focal area/LDCF/SCCF strategies:

This project is consistent with the strategic objectives outlined in the GEF Focal area and LDCF strategies. The implementation of this project will fulfill key priorities outlined in Lesotho's NAPA thus strengthening the country's institutional capacity to respond to the impacts of climate change. The fulfillment of this project is thus responsive to Convention guidance in that it mobilizes resources to support the implementation of the national adaptation program of action, and mobilizes international cooperation to enable adaptation actions aimed at reducing vulnerability and building resilience.

The program is also responsive to Lesotho's country needs and provides predictability of resources to a country whose main economic activity, agriculture, is threatened by the impacts of climate change. The project development process is country-driven and responds to key governmental priorities.

The project also ensures:

- *Strengthened institutional adaptive capacity to implement adaptation measures*, this will be reinforced by capacity building at the Ministerial level particularly in the Ministry of Agriculture and Food Security and at the Lesotho Meteorological Services.
- *That the adaptation practices developed and implemented respond to climate-change induced stresses in vulnerable ecosystems and development sectors*; this is ensured by carrying out the project in vulnerable regions which are particularly susceptible to climate change impacts.
- *Reduced absolute losses due to climate change*, including variability; the project will support the early warning system as well as enhance climate outlooks so as to help plan for future variability and climate-related events
- *Awareness raised and communities involved in disaster planning, preparedness and prevention*; the project ensures stakeholder participation at all levels of implementation and establishes mechanisms at local and national levels for improved climate monitoring with clear impacts on agricultural output. Messaging on agricultural advisories based on climate will support communities to secure their food production, and food security and help plan for the future vis a vis climate variability.
- *Diversified and strengthened livelihoods;* The agricultural investments being made in Lesotho do not currently take climate impacts and shocks into account. The LDCF project will help render these activities resilient in light of climate change, thus strengthening livelihoods which are highly vulnerable to climate variability.

A.1.2. For projects funded from LDCF/SCCF: the ldcf/sccf eligibility criteria and priorities:

The project aims to reduce vulnerability and increase the adaptive capacity to climate change as part of efforts to foster climate-resilient rural development which is in line with guidance and eligibility criteria for the Least Developed Countries Fund (LDCF).

This proposal seeks LDCF funding for a Full-Size Project (FSP) in order to address urgent and immediate adaptation needs in the country. Lesotho ratified the UNFCCC in 1995 and the Kyoto Protocol in 2000 and is classified among the non-Annex 1 parties and a Least Developed Country. The country submitted its NAPA in 2007 and is eligible to benefit from the LDC Fund for the implementation of priority measures identified in its NAPA

This project is responsive to Lesotho's adaptation needs as per its NAPA 's agricultural-related priorities. In particular, this project was developed to respond to the priorities identified in the project profile number 2.

The project also complies with the principle of *country ownership* having been developed in close consultation with national stakeholders. The focus on agricultural production and project activities were orginally identified during the a project identification mission in June 2010. These were further validated by the Project Design Mission held in October-November 2012. Meetings were held with various national stakeholders to ensure consistency with national programming and country ownership. Discussions were held with governmental representatives from the Lesotho Meteorologocal Services; Ministry of Agriculture and Food Security; Ministry of Tourism, Environment and Culture; Ministry of Forestry and Land Reclamation; Ministry of Finance; and Ministry of Planning.

Consultations were also held with district level representatives, community councils, communities themselves, chiefs, production associations, national farmers union, and NGOs. Multilateral partners such as the FAO were also met with.

The additionality of the LDCF intervention is proven and the activities to be undertaken have been assessed against the baseline intervention, including in terms of co-financing. The project design includes careful consideration of coordination with other climate change and agriculture related initiatives, ensuring the greatest level synergies, cost-effectiveness, and lasck of duplication. Cost-effectiveness and effective program delivery have been guiding principles during project formulation.

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

The project is consistent with national plans and priorities. The development of climate resilient agricuture supports the fulfillment of aspirations enshrined in Lesotho's National Vision 2020, the National Action Plan for Food Security and the Millennium Development Goals. The project also supports NAPA priority number 2 that focuses on crop production and and water resources for agriculture. In addition, it responds to several of the agricultural and food security objectives set worth by Lesotho's Poverty Reduction Strategy (PSR). For instance, the PSR aims for an increase in crop and livestock production through measures that include: adoption of appropriate farming practices and timely access to inputs; development of appropriate irrigation systems; strengthening and decentralizing extension services at area level within all districts; improving livestock and fodder production; and improving marketing systems, all of which are targeted by the SADP and will be rendered resilient through the LASAP. The project also support's Lesotho's commitment to various multilateral agreements such as the UNFCCC, CBD, and CCD.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

Warmer future climatic conditions over Lesotho are predicted with lower precipitation, particularly in the spring and summer seasons, higher precipitation in winter, and gradually increasing precipitation in autumn. The result would be a shift in precipitation patterns in such a way that seasonal rains that characterize the summer season could then set in late autumn. This is likely to have serious implications for agro-ecological conditions in the country as the growing season is pushed forward and perhaps shortened, putting agriculture under increased stress.

The experience in Lesotho appears to confirm climate projections of increased variability According to the Meteorological Services, in 2009 rainfall was above normal in the north western parts of the country (northern lowlands) as a result of the torrential rains. Torrential rains came exactly when the crops were at varying vegetative stages and weeding opportunities were largely reduced. Excess water during flowering stages mainly in February caused maize crops to looe much of the then anticipated yield. Since April there has been very little rainfall activities, allowing crops to dry up. The Bureau of Statistics (BoS) of Lesotho estimated a 9% drop in maize production compared to the previous year. According to the same source, erratic rainfall patterns were among the causes of farmers' discouragement in investing in crop production.

The **baseline project** for the proposed LDCF-funded intervention is the Smallholder Agriculture Development Programme (SADP) being implemented with IFAD and World Bank support. The **baseline problem** that this project seeks to address is the lack of capacity among smallholders and small producer groups to reach agricultural markets locally due to inadequate means of production in the crop and livestock sub-sector, low productivity and low quality of products, lack of standards and inefficient market information sharing systems. The low productivity of the crop and

livetock sectors are further attributed to land fragmentation, inadequate means of production for agriculture, lack of access to inputs, as well as unsustainable or inadequate land and water management practices. These practices in turn lead to land degradation, erosion, and soil fertility declines, which are expected to be exacerbated by climate change.

The baseline project focuses on the development of market linkages and the promotion of market-oriented crop and livestock production. The SADP supports Lesotho's emerging agricultural businesses to contribute to increased commercialization of the agriculture sector on the one hand, and on the other, support small-scale farmers in their efforts to produce marketable commodities, improve their ability to respond to market requirements. The Programme Development Objective (PDO) is to increase marketed output among programme beneficiaries in Lesotho's smallholder agriculture sector. The two major Programme Outcomes are: (a) agricultural market opportunities in the programme area increased; and (b) productivity and quality of smallholder farming activities in the programme area increased.

The baseline intervention is articulated around the following components:

Component 1: Increasing Agricultural Market Opportunities- The objective of this component is to support Lesotho's developing agricultural business sector to contribute to increased commercialization of smallholder agriculture. The main beneficiaries will be small and medium-sized agro-based businesses, rural entrepreneurs, and farmer associations having the potential to expand their market-related activities, thereby providing improved market opportunities for smallholder farmers. This component will invest in the following activities:

(i) Promotion of innovative agri-business initiatives. Provision of sub-grants to support the introduction, testing and demonstration of new business initiatives and technological innovations.

(ii) Market linkage development. Provision of support to targeted farmer groups (including commodity-based farmer associations, district and local apex associations, registered farmer cooperatives, informal farmer organizations or producer interest groups, market intermediaries, agri-businesses, input suppliers and other market participants) with the goal of developing and strengthening links between agricultural producers and markets, reducing market transaction costs and aligning production decisions with business and market opportunities, including through:

(a) development of an upgraded public market information system by the carrying out of training, and of sub-sector and commodity studies, and by the introduction of IT-supported data and information exchange;

(b) support of agricultural trade fairs at district level;

(c) support of round-table meetings with farmer groups and traders/processors; and

(d) provision of mentoring services providing direct technical field support, such as food safety and product handling, to producer groups and associations.

Sub-Component 1.1: Promotion of Innovative Agri-Business Initiatives. The main objective of this sub-component is to support, through a Competitive Grants Program (CGP), the introduction, testing and demonstration of new business initiatives and technological innovations by small and medium agriculture-related and rural businesses, registered associations and cooperatives. The business initiatives and innovations will likely focus on measures to increase competitiveness, improve market access, add value, and improve service provision, thereby increasing opportunities and demand for local smallholder produce. Grants will be awarded based on proposals received from applicants and chosen through a competitive selection process. The demand-driven approach will ensure that proposals are relevant to the applicants' expressed needs and that winning applicants are the most entrepreneurial and innovative. However, in recognition of the limited management capacity of most businesses, and to support them in developing and implementing their activities, grant applicants will be required to seek assistance from one or more service providers. The service providers will provide technical assistance, business and management advice, and support for business development and market identification, and will help with drafting the application and reports as needed. Eligible service providers will include a wide range of private sector consultants, traders, faculty, extension and research staff and NGOs present in Lesotho.

Each grant will include three major elements: (a) a demonstration element to cover costs of setting up the activity (a business development element); (b) a service provider element to cover costs of local technical assistance and support; and (c) a technology transfer element to cover costs of disseminating the grant findings to other potential adopters. Two levels of grants are proposed: (a) grants for small and medium businesses (up to a maximum amount of US$ 25,000), focusing particularly on value adding activities including small-scale processing and marketing, as well as provision of inputs and services; and (b) grants for small developing entrepreneurs, generally registered associations, at the district or community level (up to a maximum amount of US$ 5,000). It is anticipated that up to 100 of the small grants and 70 of the larger grants will be awarded. To engender ownership and to demonstrate commitment, there will be a cost-sharing requirement, which will be set at 20 percent for the smaller grants and 40 percent for the larger grants. Proposals will be evaluated and selected based on criteria such as: (a) the viability of proposed activities; (b) the extent that activities would increase competitiveness, improve market access, add value, and/or improve service provision; (c) the expected impact on market demand for smallholder produce; (d) the extent that the proposal introduces innovations in the Lesotho context; (e) possible replicability by other small rural businesses, and (f) likely sustainability. Criteria and procedures are defined in the project implementation manual. Proposals will be evaluated and selected by an independent commission based on the defined criteria. Although the disbursement mechanisms and advances may vary, taking into consideration the type of sub-grant, the eligible expenditures are Goods, Works and Services, as applicable, financed through approved sub-grants to recipients that meet the eligibility criteria.

Sub-Component 1.2: Market Linkage Development. The main objective of this sub-component is to develop and improve links between agricultural producers and markets, reduce market transaction costs, and align production decisions with business and market opportunities. This will be achieved by setting up market linkage mechanisms and providing for improved information flow and responsiveness between all actors in the market chain. The sub-component will target commodity-based farmer associations, district and local apex associations, registered farmer cooperatives, informal farmer organizations or producer interest groups, market intermediaries, agri-businesses, input suppliers and other market participants. Activities to be supported include: (a) an upgraded public market information system, to be managed by the Department of Marketing of the Ministry of Trade and Industry, Cooperatives and Marketing (MTICM), which will seek to improve information quality and services by providing training, supporting sub-sector and commodity studies, and introducing IT-supported data and information exchange (e.g. web-based data exchange and Short Message Service (SMS); (b) agricultural trade fairs at district level; (c) round-table meetings of farmers/farmer groups and traders/processors; and (d) a mentoring service providing direct field support to producer groups and associations helping them to understand and adopt technologies in accordance with market requirements (e.g. food safety, product handling).

Component 2: Increasing Market-oriented Smallholder Production The objective of this component is to support small-scale farmers in their efforts to increase production of marketable commodities and respond more readily to market requirements, to help motivated semi-subsistence producers to improve the productivity of their agricultural activities and become more market-oriented, and to address related natural resource management concerns. As described in Schedule 1 of the Financing Agreement, this component will invest in the following activities:

(i) Preparation and implementation of Agricultural Investment Plans (AIPs) through:

  (a) Provision of technical assistance to prepare the AIPs that identify and prioritize training and technical assistance needs, along with key resource management activities and productive investments;

  (b) support for the implementation of AIPs by carrying out of training to increase the capacity of service providers in support of the preparation and implementation of the AIPs;

  (c) carrying out of civil works for the rehabilitation and refurbishment of the Recipient's Department of Livestock Services training facility in Maseru and provision of training and veterinary kits to training participants; and

  (d) allocation of Sub-Grants for the implementation of approved activities identified in the AIPs.

(ii) Technology Packages for Smallholders. Support for the introduction, further development and dissemination of new and improved technologies and training activities.

The main target groups of this component are smallholder farmer groups located in areas with higher production potential that are already engaged in market-oriented production or have good potential to become commercially active. The goal is to plan, prioritize and demonstrate how market-oriented agriculture can be a profitable and sustainable

undertaking for smallholder producers, especially when natural resource management issues are adequately recognized in the planning processes. The project will offer a package of support that includes: (a) technical training, to improve production in line with market requirements; (b) commercial training, to enable producers to better consider demand, costs and benefits when making production decisions ("farming as a business"), and to become more effective market participants; and (c) investment support, to demonstrate priority production and productivity improvements as identified under the AIPs.

Sub-component 2.1: Preparation and Implementation of Agricultural Investment Plans (AIPs). The Agricultural Investment Plans will identify promising agricultural activities, establish investment priorities, and indicate training that will be needed to ensure that the activities can be taken up successfully. The AIPs will target three main groups of beneficiaries: (a) existing producer groups that want to improve the production and productivity of their crops, improve their market integration, increase their membership or join forces with other groups; (b) broader community-based groups that manage resources or facilities which are important for market-oriented production; and (c) poorer farmers who have an interest in joining a group or committed farmers with a common interest wishing to form new groups. To clearly demonstrate impact and avoid scattered interventions, the project will concentrate its efforts in areas that offer more potential for market-oriented production by smallholders. The sub-component will build on the experience with Community Action Plans, but it will focus more on market-oriented agriculture with a greater emphasis on analyzing the viability of interventions.

The sub-component will support three main activities: (a) Preparation of AIPs; (b) AIP related training; and (c) Implementation of AIPs.

a) *Preparation of AIPs*. Approximately 90 four-year AIPs that spell out the support to be provided under the SADP will be prepared in the four project districts. The AIPs will identify and prioritize training and technical assistance needs, along with key resource management activities and productive investments. The area of coverage for each AIP will be based on agricultural sub-centers. The number of sub-centers covered in each district will differ depending on the population of the district and the number of sub-centers located in the district. AIP preparation will involve assessing opportunities for productivity improvements, market requirements and opportunities, and reviewing the findings of other community-based planning initiatives that have taken place in the recent past. It will also involve consultations with potential beneficiaries in a sub-center area, including active farmer associations and groups and selected individual market-oriented farmers, and discussions with other key stakeholders in the area. A multi-disciplinary team of district-based staff will lead the AIP planning process (the Agricultural Investment Planning Team – AIPT), which will be similar to the Action Learning Cycle approach under the Community Action Planning processes. Support will be provided for the facilitation of the process, including operations of district-level planning teams, technical support including external technical inputs, workshops and public gatherings, and evaluation and learning activities.

b) *AIP related training*. Successful preparation and implementation of AIPs will require strengthening the capacity among district staff. Additional skills will be required as well among agricultural service providers if these are to assist farmers effectively in taking a more market-driven and business-oriented approach to farming. Training will be provided to increase the capacity of service providers in support of the preparation and implementation of the AIPs, including the AIPTs, MAFS and other relevant ministry staff at district and sub-center level, and community-based extension and animal health workers where they exist. The initial focus will be on providing training in participatory planning and the Action Learning Cycle for AIPTs and extension staff. Provision has also been made to address other training needs that will emanate from the AIPs, especially in the areas of productivity improvement, marketing and business planning, and in areas of identified skill needed related to tailor crops and livestock products for the market. Due to the importance of livestock, and given the limited knowledge of livestock husbandry among extension staff, specialized training on livestock topics will be reintroduced at the facilities of the Department of Livestock Services in Maseru for selected Agricultural Resource Center (ARC) and sub-centre staff, Livestock Assistants, and Community Animal Health Workers. Provision has been made for the rehabilitation and refurbishment of this training facility, training costs, and small kits for trained staff.

c) *Implementation of AIPs*. The project will provide support for the implementation of agreed interventions that have been selected as priorities in the AIPs. Implementation of AIPs will involve preparing agreements with producer groups and other community-based organizations, and also with local service providers where these will be involved;

procurement of items for investment support; training and advice on technical as well as business management aspects; activities to improve the condition or management of natural resources; and annual round tables, as well as annual AIP review and action planning meetings. Project support will amount to US$ 80,000 per AIP on average over four years, with an annual budget ceiling of US$ 25,000 per year. Each sub-center AIP fund will consist of three cost elements (training, natural resources management, and productive investments), with a ceiling of 40 percent of the total amount in each category. Productive investments will include both community-wide activities and support for local producer group and associations, with beneficiaries expected to contribute 10 percent of the costs for the former and 20 percent for the latter, to instill a sense of ownership and strengthen commitment.

Sub-Component 2.2: Technology Packages for Smallholders. To take advantage of specific expertise or approaches that are available among non-state actors but not in the government system, contracts will be provided to locally-based NGOs and private operators to support the introduction, adaptation and dissemination of new and improved technologies, coupled with training and support. Topics will be drawn from common themes emerging during the preparation of the AIPs and requiring innovative solutions not necessarily obvious to the local communities to be prioritized at annual technology forums attended by district and national staff and experts. Examples of technologies likely to be supported through the project include: conservation agriculture, water harvesting, improved homestead gardening, mushroom production, micro-scale irrigation systems, use of open-pollinated varieties, livestock feeding and improvement, and small-scale processing technologies.

Component 3: Project Management The objective of this component is to manage and use resources in accordance with the project's objectives and procedures. Using resources made available through the PPA, a Project Management Unit has been established in Ministry of Agriculture and Food Security (MAFS) and staffed with recruited specialists and seconded Government officers. The Project Management Unit (PMU) will be strengthened with additional officers once the project is effective. An effective project management and administrative system will be set-up to ensure coordination between the project, other initiatives and national institutions working in the sector.

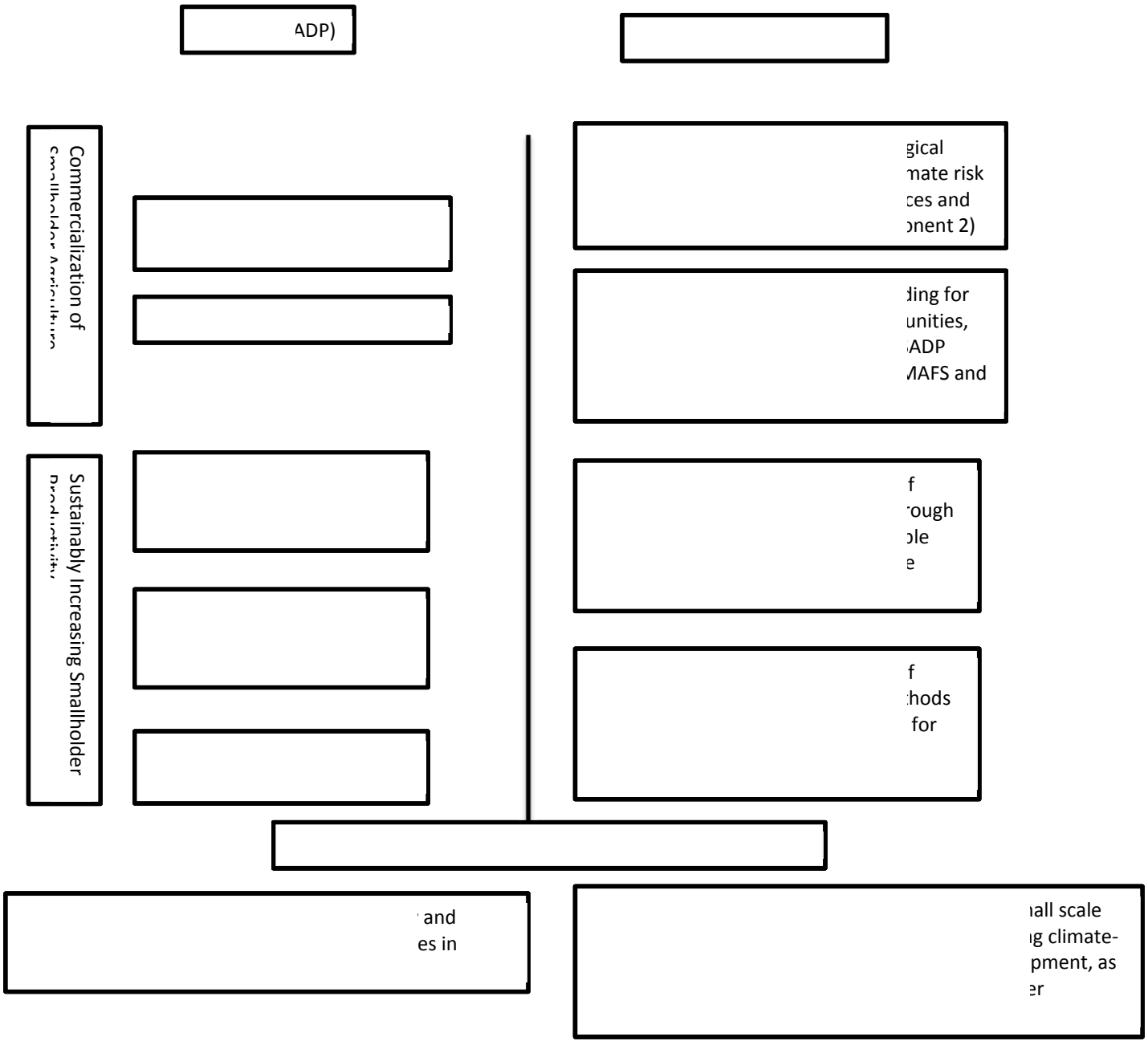
Please refer to Annex A2 for the SADP logframe.

Building on the Baseline

Whilst the SADP seeks to achieve rural economic growth and reduce poverty through commercialization of agriculture, the impacts of climate change on the agricultural production systems are not mitigated against as a risk to agricultural sector development. Consequently many of the investments being made in the agricultural sector are not adaptive to climate variability or climate change and may not be secure in the long-run. The **additional benefits** that will be achieved by the LASAP will be to ensure that agricultural investments can stand the test of time in light of climate change and to embed the notion of resilience in its interventions.

This project will build upon, and integrate into, the investments made under the SADP to provide value added to those activities. It will address environmental and climate change problems that may hinder agricultural production initiatives launched under the SADP, and will maximize IFAD's impact on rural poverty reduction. The primary approach of this project is that, in order to be truly sustainable in the long term, SADP initiatives and agricultural investments need to integrate some resilience-building measures, so as to withstand the future climate conditions while maintaining productivity.

The project builds on Sub-Component 1.1 and 2.1 of the SADP by supporting the integration of resilience-building investments and technologies into the activities supported through Competitive Grants and Agricultural investment Plans, which are currently not integrated under the SADP framework. In addition, in order to support long-term institutional capacity to address climate change in a context of agricultural production, and to support the resilience of all future agricultural investment programmes, the project will provide targeted capacity building to the MAFS and the Leostho Meterotological Service to develop a stronger agro-meteorological function for the country. Figure 1 below illustrates the link between the baseline activity and the LDCF intervention:



The project is in line with Lesotho's highest goals and objectives and seeks to promote investments with the greatest potential impact on improved household food security and incomes among rural households.

The project targets vulnerable populations: women, youth and rural farmers. This project will ensure that smallholder investments for their commercial viability are resilient to climate changes and negative impacts. The project identifies the most suitable activities and adaptation interventions for improving agricultural production in Lesotho.

The project promotes a participatory approach and seeks to reverse the decline of agricultural productivity. It will also promote a learning-by-doing approach so as to ensure that communities have the capacity and skills to undertake their own adaptation measures. Information sharing, capacity building and technology dissemination

will take place at the local level. The project will also strengthen institutional structures so as to ensure that climate change adaptation is strengthened at the systemic level. This will promote long term sustainability of the project and of climate change considerations at large.

The project will support the integration of climate considerations that are critical to sustain agricultural production into local AIPs and CGs. Through this integration, and using the range of technical guidance, training and awareness raising activities offered by this project, SADP beneficiaries will be able to take into account the possible medium/long-term deterioration of their asset base (soil, water, rangeland etc.) and include this as part of their long-term production planning. The integration of natural resources modification and productivity as a consequence of climate change into agricultural planning will enhance the sustainability of agricultural investments in the targeted areas while at the same time provide information on required and suitable adaptation response measures that can respond to specific climate change threats.

Cost-Effectiveness

The link between the two projects will lead to greater cost-effectiveness. By basing interventions on SADP mechanisms, LDCF funds will be maximized on adaptation activities, rather than on the promotion of economic activity in the rural sector, per se. This does not mean that LASAP initiatives will not enhance rural economic productivity. By using no-regrets options for adaptation, it is likely that the adoption of new adaptive measures and technologies may in fact be better suited to current climate variability and therefore contribute to yielding higher production. For instance, the adoption of drip irrigation in particularly arid lands may in fact yield greater agricultural and economic output. However, those will be positive externalities of the project, and will be part of the overarching benefit of fostering resilience.

In SADP the economic benefits to be generated by the project are anticipated to come from new farming activities and from additional production realized through underutilized land and labour resources. The incremental benefits that will be achieved by the LASAP will be to ensure that these can stand the test of time in light of climate change.

The total costs of the project are 25,476,000. For the LASAP portion, all costs are financed by the Least Developed Country Fund (LDCF) housed in the Global Environment Facility (4.33 million USD), co-financed by the government of Lesotho's, IFAD, and the World Bank contributions to the SADP, as well as the contributions expected in kind and in cash by the beneficiaries of the Grants and AIPs. This means that the GEF additional intervention is providing 17% of the total project costs, with SADP providing the remaining 83%.

The GEF grant will finance, as a matter of priority, investments on the ground through the mechanisms established by SADP (CGs and AIPs), for a total of 2,500,000 USD or 58% of the LDCF grant. Equipment costs, including the purchase and installation of up to synoptic weather stations with agro-meteorological sensors, non-expandable laboratory and agricultural research equipment, and office equipment for the additional staff represents a total of 226,385 USD or 5% of the LDCF Grant. Less than percent of the grant, or 207,142 UD$ is dedicated to supporting the management of the grant (staff salaries) and 70,000 USD have been set aside to ensure the compliance with GEF evaluation requirements (Mid-Term and Final evaluations). The remainder of the LDCF grant (1,323,671 USD or 31% of the LDCF Grant) will be used to support technical assistance activities, including training, awareness raising, research and the development of agro-meteorological services and climate modeling products.

Costs by categories of expenditures[6]

Type of costs	GEF	%
Investments	2,500,000.00	58
Technical Assistance	1,396,471.52	32
Equipment	226,385.76	5
PM and M&E	207,142.72	6
Total	4,330,000	100

[6] All costs inclusive of contingencies

B. 2. incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

Without GEF intervention, the impacts of climate change such as extreme weather conditions will have devastating effects on a population already rendered vulnerable as a result of poverty and environmental degradation. Moreover, without the project, other large development investments being made to ensure food security and commercially viable agricultural production (SADP) will be at risk. The project climate proofs investments being made in the agricultural sector by SADP and other partners to ensure that these are sustainable, can weather negative climate impacts, and can provide long-term food security and secured livelihoods. Each of the components of this project target a specific level of activity in which adaptation is urgently needed.

COMPONENT 1- Reduced vulnerability of agricultural production:

Component 1 will include measures designed to achieve a better understanding of climate vulnerabilities, adaptation and mitigating strategies among small producers. This component is an add on to the SADP Components 1.1 and 2.1 of the SADP as described above.

The project will begin by the development of basic, local language fact sheets and guidance products on the impacts of climate change on the various production value chains (e.g. pig farming, cropping, poultry, other short cycle livestock enterprises) and on adaptation options for each sub-sector. This information will provide basic information to prospective producers who are the intended recipients of Agricultural Investment Plans (AIPs) and Competitive Grants (CGs) under the SADP, regarding climate resilient production techniques.

Another key part of this component will involve broadening the set of potential investments supported by SADP AIPs to include community-based resilience investments. The AIP teams currently support promising agricultural activities, establish investment priorities, and indicate training that will be needed to ensure that the activities can be taken up successfully. The AIPs target three main groups of beneficiaries: (a) existing producer groups that want to improve the production and productivity of their crops, improve their market integration, increase their membership or join forces with other groups; (b) broader community-based groups that manage resources or facilities which are important for market-oriented production; and (c) poorer farmers who have an interest in joining a group or committed farmers with a common interest wishing to form new groups.

At present, the AIP process begins with an Action Learning Cycle that brings together communities towards the development of a shortlist of potential investments in production (channelled through producer groups), natural resources management (through community councils), and capacity building for production. The LASAP will provide an additional influx of funds through SADP to support activities indentified by the communities that are considered to be promising adaptation options. These include the additional costs of:

(a) Protected agriculture (e.g. protective housing such as shade cloths and low cost greenhouses as appropriate)
(b) Conservation agriculture, keyhole gardens, permaculture

(c) Drip irrigation, water harvesting or water use efficiency measures

(d) Procurement of resilient varieties of crop and livestock.

As a result of additional resources of up to a total of USD 2,000,000, the amount currently available for each AIP (SADP Component 2.1) would be increased from USD 80,000 to approximately USD 102,000 per sub-center (collection of 6-7 villages) due to LDCF funds.

In support of this additional investment, training for the AIP Teams that include Local Community councils, local authorities, technical staff from various ministries, and other stakeholders, will also be undertaken to enable them to facilitate community-based resilience planning.

The planning and implementation processes would also be supported by the Adaptation Advisors who will work with the SADP Project Field Officers (see Project Management under Component 3, below). This would allow the AIP to become a tool for community-based resilience as well as for increasing production assets and productive capacity among small producer groups, thereby increasing the number of beneficiaries and targeting agricultural production among those who are not yet at the commercialization stage.

LASAP, through LDCF fundsd will also add an additional 500,000 US$ into the amount earmarked for SADP Competitive Grants Scheme (SADP Component 1.1), to support investments that would be considered as highly promising adaptive production schemes. This additional funding will be targeted towards the additional costs faced by producers when selecting production assets and technologies, to ensure that these are resilient. This would include the additional costs of procuring resilient species of crop and livestock, improved building or infrastructure design to account for extreme weather, alternative sources of energy (such as biogas digesters) for production ventures and other measures. As for the AIP beneficiaries, CGP grantees will have access to technical assistance during the formulation of their proposals to identify resilient production pathways. This will be ensured through the technical advice provided by the Adaptation Advisors at district level, holding seminars during the grant formulation processes and other awareness raising activities undertaken under Component 2.

Without additional LDCF financing, major investments being made in agricultural production will be unsustainable in the long-term, particularly in light of climate changes that Lesotho is experiencing. Producers and recipients of both AIPs and CGs may be investing their loans into unsustainable practices that do not secure their livelihoods or food security. Key climate change information particularly relevant to differing modes of production will not be integrated in the training of agricultural and meteorological staff, community practices, and ministerial operations or decision-making on the part of local farmers.

Baseline situation	**Additional Adaptation Alternative**
SADP provides support to small producer groups and community groups to develop Agricultural Invesmtnet plans and to access grants. These financial support mechanisms will assist with the identificaiton of promising agricultural ventures that are in need of investment support. Under the Grants, the SADP will provide funding for acquisition of productive equipment, technology transfer and training for basic production, packaging and marketing skills. Under the AIPs, the SADP will provide support for the emergence of new producer groups, investments into promising agricultural productivity enhancements, training at community level, and the community management of productive assets such as rangelands or water. There is no provision to assess or address the impacts of climate change on the sector or on the production methods. Therefore, SADP investments are made on the assumption that climate conditions will remain the same, placing a severe limitation on the sustainbility and viability of investments, despite evidence pointing to accelerated changes in precipitation and temperatures.	With LDCF support, the SADP procedures for developping, selecting, approving and implementing Grants and AIPs will integrate key questions related to cliamte change. Specific measures designed to increase resilience and decrease vulnerability of agricultural production among SADP receipients will be supported by LDCF funding. The LDCF funding will be specifically targeted to supporting technologies that are considered resilient, whereas the SADP will continue to provide support for acquisition of productive assets (machinery, infrastructure, technology). The LDCF funds will be channeled, using SADP mechanisms for Grants and AIPs, to recipients based on demand for resilient production technologies. Demand will be increased through the deployment of training and awareness raising, and through the modification of the community-based consultations and AIP approval processes.

COMPONENT 2 - Enhanced Adaptive Capacity to Support Agricultural Production in the Context of Climate Change

A first portion of this component will support activities to strengthen the agro-meteorology capacity in the country, by working together with LMS and MAFS to develop climate change related capacities in production systems simulation models, agriculture-relevant meteorological products, and long-term agro-meteorology knowledge base among the agriculture extension field staff.

Working with the LMS, the project would build the capacity of the Lesotho Met Service to develop downscaled climate models and scenarios at a sufficient resolution so that they are relevant for district-level agricultural use. This will require the acquisition of four fully automated agro-meteorological stations, with the associated training for their operation and data collection.

On the MAFS side, the project will support the establishment of an agro-meteorological function within the Ministry, through the provision of education scholarship to at least one MAFS staff member, in order to complete a MSc in Agro-meteorology. This person would then be tasked to act as the key focal point for integration of climate information in the Ministry's operations, and for liaising with the LMS and extension services. A similar Scholarship is envisaged for one person in LMS to complete a M.Sc. in Agro-meteorology.

In addition, the ministry's extension service in the project districts will be supported through training of Resource Center extension staff, on interpreting climate information, managing climate risks, and adapting agricultural advice to climate conditions. Trained staff at the Resource Center level would then be required to further train the front-line agricultural extension officers at the sub-center level, in order to ensure that the extension system can effectively translate climate bulletins and forecasts into production-relevant advice at community and farm levels.

In order to build capacity to test and validate yield assumptions under various climate conditions and management options and to provide a venue for demonstrating adaptive technologies to producers under the SADP, the LASAP will support the establishment of small field testing plots in each district (at lowlands, foothills and highlands). These on-station and on-farm research plots will provide testing of the most promising agricultural practices under current and future variability, gather data on performance of crop varieties and management options, combined with climate conditions monitoring in the lowlands, foothills and mountains.

These plots would provide a useful venue for on-farm demonstrations of the productive benefits of any recommended change for resilience purposes to farmers, as well as the baseline crop and livestock performance data used for future production system simulation modelling, which is lacking at the moment. This will also include testing of alternative crops (in addition to staple food crops) and management systems (e.g. agro-forestry) in varied climate conditions. The management and monitoring of these test fields will be ensured by the MAFS Department of Research through the District Agricultural Offices.

The demonstration plots will promote community ownership and a participatory approach. These will be selected based on volunteer farmers' engagement invited through SADP in conjunction with Department of Research and the Ministry of Agriculture. Village Councils will select the appropriate allocation of land on which to test resilience. Finally, the project will facilitate, through in-service training and consultancies, the development of production systems outlooks at the horizons 2030, 2050 and 2100, using the combination of climate modelling capacity within LMS, crop modeling capacity to be developed within the MAFS (using CROPWAT), historical agro-meteorological data and emerging data from the new agro-met stations for real-time validation. This information will be used for planning purposes within the Ministry of Agriculture and Food Security.

Without LDCF funding, agrometeorology capacity in the country will remain underdeveloped, and the gaps between climate and agricultural interventions will remain. This capacity will remain lacking both at the institutional level (Ministerial staff, capacities, long-term planning, extension services), but also at the local level as communities will not benefit from any new knowledge on how their agricultural practices will be impacted by climate change. There will also remain a lack of climate-based agriculture planning tools, and the current challenges experienced by climate variability will be exacerbates as unpredictability grows. Without LDCF funds, there will not be the capacity to generate outlooks, agricultural and climate simulations or the provision of downscaled climate data. Moreover the testing plots exporing crop resistance in varying climate scenarios will not be run leaving the current vacuum of knowledge in regards to adaptive capacity of particular crops in particular climate scenarios.

Baseline Activities	**Additional Adaptation Alternative**
There is limited understanding within the Lesotho government, and particularly among agriculture stakeholders, of the potential impacts of climate change on specific sub-sectors of agriculture. While there is some general awareness of the potential detrimental impacts, little scientific knowledge has emerged locally, due to the	The LDCF funds will be used to support the development of agro-meteorological capacity in the country, including by increasing the flow of agro-meteorological information, training for extension services on climate risk management, and the institutionalization of an agro-meteorology function in the Ministry of Agriculture. In

decreasing investments in agicultural research and the reliance on South African markets. Attempts by the SADP and other IFAD investments to create and strenghten the agricultural sector in Lesotho as a vector for economic growth could be undermined by the absence of accurate information and capacity to deal with climate change or climate variability. The lack of an effective agro-meteorological function in the country creates an unsustainable situation for agricultural planning, and jeopardizes the sustainability and long-term viability of agricultural invesmtments.	addition, in order to create a framework conducive to resilience in the agricultural sector as a whole, the project will support conduct of targeted agricultural research to determine the impacts of climate change on particular crops and livestock species, which are currently being promoted (by SADP and other partners) as particularly promising for economic development, but for which there is no data on resilience or resisitance to the impacts of climate change, in a Lesotho context.

COMPONENT 3- Project Management

LDCF funding will support the integration and transfer of adaptation and resilience knowledge to SADP beneficiaries and operating structures. Five adaptation advisors will be embedded in the SADP team at the central and district levels and will support project management, monitoring and evaulation and the majority of their time will be spent providing technical guidance and and advice to SADP project field offers and beneficiaries to support adaptation and resilience planning within the SADP framework.

Without LDCF funding, LASAP will not be able to integrate within the SADP structures losing the opportunity for cost-effectiveness. Without funding, SADP will continue to function as is without integrating climate change considerations into its program activities, which will in turn pose risks to the sustainability of the program. Without LDCF funding there will not be the mainstreaming of adaptation knowledge for the beneficiaries of program staff making the investments under SADP highly vulnerable to future climate risks.

B.3. 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) or adaptation benefits (LDCF/SCCF). As a background information, read Mainstreaming Gender at the GEF."::

Socioeconomic benefits:

In Line with IFAD's Gender policy**, Gender** considerations have been fully considered during the design of this project, including through the development of gender-specific indicators, and the targeted consultation of women and women's groups during the project preparation phase. The project is cognizant that climate impacts affect men and women differently and is therefore aligned with the SADP approach that helps each group design interventions and investment projects in ways that respond to their specific needs.

In order to ensure that the project maintains and promotes the advances made in women's equality and empowerment in Lesotho, the project will support the following measures:

(i) grants and investments that focus on production value chains that are female-led and dominated (e.g. piggery, poultry farming, crop production);

(ii) investments and grants that provide capital to enhance production capabilities while in the long-run provide greater autonomy and economic security for women; e.g investments in agricultural practices that are beneficial for women (e.g. water related investments such as water harvesting for irrigation or domestic consumption. This will support women both in terms of their agriculture responsibilities, but also on a social level as they are responsible for the provision of household water, thereby lessening the potential labour burden);

(iii) community-determined agricultural investment plans which include active participation (if not domination by women given Lesotho's particular context where women dominate agriculture activity and producer groups) by women to self-determine which adaptation and resilience-building activities will be the most beneficial to their lives;

(iv) establishment of high participation targets and gender disaggregated indicators for monitoring of active female participation in all activities of the project;

(v) documentation of progress achieved on socioeconomic benefits through face-to-face interviews and ongoing monitoring using existing SADP structures;

(vi) the use of service delivery mechanisms that are used by women to disseminate information.

This project will offer equal access to opportunities and encourage participation by women in project activities. It will also be located in sites selected by the SADP where women beneficiaries have been identified. There will also be gender-oriented vetting that takes place at the AIP and CG levels to ensure that women are screened in and assisted in the process of obtaining grants.

Given that the project is designed to support smallholders to foster greater economic independence and sustainability, and the emphasis in the project design in targeting women beneficiaries, it is anticipated that the project will result in greater economic autonomy and financial and food security for women.

The project will piggyback on the structures under SADP which target the participation of women. Monitoring staff has been identified within the existing SADP team to record and monitor the participation and outcomes for women during regular field visits; LASAP will use this mechanism to obtain data.

Given the context in Lesotho where women dominate agriculture groups, extension groups, savings and credit groups, agriculture production of pigs, poultry, fruits and vegetables and are more highly educated than Lesotho men, (in Lesotho in general and in the regions where the project will be carried out), it is anticipated that female participation will be high. Moreover, as the activities identified under agricultural investment plans and commercial grants are derived through consultative and participatory processes, they are driven by the needs expressed by the women producers that engage in them.

Table: Project Components and Anticipated Benefits to Women

Component	Benefits to Women
Component 1 - Reduced vulnerability of agricultural production	▪ measures designed to achieve a better understanding of climate vulnerabilities, adaptation and mitigating strategies improve female small producers' understanding of climate change risks and responses in the area of women-dominated sectors such as piggery, poultry and vegetable production—which would without this project remain unknown. ▪ Translation of adaptation measures into local languages makes climate change knowledge more accessible to women. Given high rate of literacy, Lesotho women are able to read/utilize communication products tailored for them by government ministries. ▪ Investments under the AIPs are broadened to include: protected agriculture (e.g. greenhouses); conservation agriculture, keyhole gardens, permaculture; drip irrigation, water harvesting or water use efficiency measures; and procurement of resilient varieties of crop and livestock. This increases the number of women that can be eligible, and the scope of their participation, thereby increasing the number of women beneficiaries. Without this project additional allocation they would be unable to undertake they adaptation focused investments. ▪ Community-based resilience investments under the AIPs will follow the

	SADP consultation protocols which typically involve a higher number of women than men. This will allow more women to obtain financing for adaptation investments as to the original structure which sought separate private applicants. The focus on communities will also yield to positive externalities for those women members of the community who would not have applied for the AIPs or competitive grants or are very small producers not eligible for smallholder financing. It would also build resilience in communities which otherwise would not have them. ▪ Enhanced funding under the Competitive Grants scheme also increases space for more women to receive grants. The process will be vetted to ensure high participation of women thereby increasing the number of women beneficiaries. ▪ Enhanced funding under the Competitive Grants scheme allows more women to invest in the additional costs of procuring resilient species of crop and livestock, improved building or infrastructure design to account for extreme weather, alternative sources of energy (such as biogas digesters) for production ventures.
Component 2- Enhanced adaptive capacity to support agricultural production in the context of climate change	▪ Strengthened agro-meteorological capacity will lead to more accurate data and information that can be used for women producers in planning and production. Given women's dominance in the agriculture sector in Lesotho, reliable information is a significant benefit and is imperative for effective planning in light of climate change, and ensuring food and economic security. This is particularly useful in the areas of : - water security/safety: women are primarily responsible for securing water. Accurate information on floods, droughts and advisories is particularly relevant to ensure sufficient water for households, communities and economic activity. - planting: planting schedules can be accommodated differently if more accurate information is known on rainfall and temperatures for instance. - food security: food can be consumed or rationed at a different pace if there is more data on windstorms and other extreme climate events. ▪ Improved training of extension and local staff which is decentralized and works effectively with local female producers indicates that women will receive improved agricultural guidance and advice in light of climate change. ▪ Field testing plots which explore promising agricultural practices under current and future variability, and provide data on crop behaviour and management options which will provide improved agricultural options and knowledge for women producers under various scenarios of climate change. ▪ On-farm demonstrations of the productive benefits of any recommended change for resilience purposes to farmers, as well as the baseline crop and livestock performance data, and testing of alternative crops (in addition to staple food crops) in varied climate conditions will yield to greater knowledge for use by female farmers.
Component 3- Project Management	▪ five adaptation advisors will be recruited and trained during the first six months of the LASAP, and embedded within the SADP Team at central and district levels which will serve to disseminate context-specific adaptation guidance benefitting women at the local level. ▪ High targets and gender disaggregated indicators have been established

	to measure progress of gender equality achieved within the scope of the project and monitor female participation. The establishment of such indicators and targets will have the SADP team collect gender-specific data, and analyze and report results achieved.

See Appendix 2 titled 'Poverty Targeting and Gender' in the PDR for additional detail on gender targeting.

The SADP baseline project seeks to reduce rural poverty, and increase economic growth and productivity. The proposed LASAP project would integrate climate change considerations into these rural development efforts to ensure that losses are not incurred in face of climate variability and that long-term agricultural investments can be maintained even in light of climate change. At the heart of this project is the concept of "resilience" which is also the overarching benefit that this project seeks to yield.

On this premise, the main benefit of this project would be that agricultural production and rural economic activity would continue well into the future without being disrupted drastically by climate change impacts. As the main objective of this project is to increase the resilience of small scale agriculture to climate change impacts by promoting climate-proofed investments for agriculture-based development, as well as by enhancing the resilience of agricultural productivity under increased climate variability, the project will promote the concept of sustainable small-scale agriculture development with a long-term planning perspective. It will also foster a dynamic concept of natural resources management to take into account weather-related factors into agri-business development and food production at a downscaled level.

The adaptation benefits include: the avoided damage costs of climate induced impacts; decreased exposure to risk and improved ways of dealing with climate stimuli; capitalising on opportunities that may arise in light of climate variability (e.g. increases in average rainfall); dynamic structures both at an institutional and individual/local level to cope and respond to climate changes; improved resource management; improved planning and anticipatory interventions rather than emergency resorts to deal with climate impacts; and the removal of maladaptive practices which will be unsustainable in the long run.

The project will support the integration of climate considerations that are critical to sustain agricultural production into local AIPs and CGs. Through this integration, and using the range of technical guidance, training and awareness raising activities offered by this project, SADP beneficiaries will be able to take into account the possible medium/long-term deterioration of their asset base (soil, water, rangeland etc.) and include this as part of their long-term production planning. The integration of natural resources modification and productivity as a consequence of climate change into agricultural planning will enhance the sustainability of agricultural investments in the targeted areas, while at the same time provide information on required and suitable adaptation response measures that can respond to specific climate change threats.

This will lead to several benefits. For instance, innovative practices, technologies and infrastructures aiming to increase the resilience to climate change of agriculture-based activities along the value chain, will be identified and implemented. There will also be greater awareness and capacity at different levels on climate change impacts on agriculture and on the means to implement the associated adaptive responses. Particular attention will be dedicated to training of extension services, agricultural resource centres, sub-centres staff and local actors. This will lead to greater knowledge generation and sharing, as well as training opportunities for front line workers in the agricultural sector. The experience in adaptation leveraged in the four SADP districts can later on be the object of broader dissemination throughout the country, by integrating these practices within the scope of the current extension system.

Overall this project and its goal of increasing adaptive capacity and resilience to climate change will lead to the following associated benefits:

Economic Benefits

(a) Improved livelihoods and economies that are not susceptible to climate-induced losses;

(b) New income generating opportunities as innovative adaptation technologies and measures are identified and adopted

(c) Reduction in the risk of price volatility of agricultural goods as climate change lessens impacts on supply and production

(d) Increased stability in the agricultural economy enabling it to maintains its contribution to the GDP

Environmental Benefits

(e) Sustainable management of key natural resources by users strengthened

(f) Sustainable use of water resources

(g) Environmental knowledge disseminated among stakeholders

(h) Environmental data collected and interpreted for effective policymaking

(i) Innovations and up-scaling of sustainable agricultural activities will improve impact on ecosystem goods and services.

Social Benefits

(j) Food insecurity is reduced

(k) Women, youth and indigenous peoples are engaged in the project to find new avenues to develop livelihoods in the agricultural sector; high targets promote the high participation rate of women

(l) Social cohesion is promoted through community-based planning and participatory methods

(m) Empowerment of smallholder farmers and other stakeholders to cope with climate change related risks

(n) Reduced risk of conflicts due to food scarcity or high food prices

(o) More accessible climate data and agricultural advisory services which will support planning

(p) Institutional strengthening: more efficient government collaborations and cooperation

(q) Government more able to respond to climate change, and capable of generating and applying climate data

In SADP the economic benefits to be generated by the project are anticipated to come from new farming activities and from additional production realized through underutilized land and labour resources. The incremental benefits that will be achieved by the LASAP will be to ensure that these can stand the test of time in light of climate change.

As per the SADP PAD, it is anticipated that the SADP project will reach 5,000 to 7,000 beneficiaries during the project implementation phase. This is a conservative estimate and there are anticipated to be additional beneficiaries that will go un-counted. This will be the case particularly as institutional changes are made at LMS and MAFS and which will have trickle down impacts through policy, organisational changes, and greater capacity to serve the Lesotho people.

Community Engagement

In order to effectively operate at the community level and yield socioeconomic benefits at the local level, LASAP will be working closely with community structures and organizations.

Decentralised local organisational entities are responsible for the control of natural resources, environmental protection, and village water supply. There are also two levels of community institutions. One consists of traditional chiefs and the second are village development councils (VDCs) representing customary governance and state governance. Both the traditional chiefs structures and the VDCs reflect the traditional make-up of the community.

LASAP will be engaging various governance structures, most notably the Community Councils in the implementation of its program of work. The districts of Lesotho are broken up into constituencies, which are in turn broken up into community councils. The community councils are composed of elected councillors which reflect the democratic choices of the community and are typically highly inclusive of women[7].

Partnerships with councils will be essential as these are responsible for land allocation, economic planning, natural resource management, water supply and economic planning among others. These will be the agents that help determine where pilot activities will unfold. Within each council, councillors have the responsibility and obligation to consult with communities to produce development plans, which is why they will be particularly well-suited to coordinate local participation.

A district development coordinating committee (DDCC) is established in each district. The DDCC considers draft development plans for the district prepared by each council and coordinates such plans into a composite district development plan. SADP is actively engaged with both the district level and community council level which will simplify the integration of LASAP's activities. The relationships with the SADP team are already well established. The collaboration with these institutions will ensure that LASAP is community-driven and participatory in nature.

Other non-governmental organizations were consulted during the PPG and considered for service delivery, however it was noted that the community councils structures is far more representative of communities, democratically elected, and has the traditional structures in place to liaise effectively with local inhabitants. Although NGOs such as Serumula, Send a Cow, Rural Self Help, and World Vision may be consulted for information sharing and consultations, the community councils will be the effective partner with whom to roll out the activities.

B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

Some risks are anticipated during project implementation. Critical mitigation actions have been considered and identified to ensure effective planning and delivery and reduce any adverse impacts on the performance of the project. In this project, six major risks have been identified:

(1) Institutional conflict over ownership of project - **Probability**: Low; **Impact**: Slow down project implementation and jeopardize integration and mainstreaming.

Mitigation measure: The formulation of this project has involved a consultative approach between key stakeholders, particularly between the Lesotho Meteorological Services, Ministry of Forestry and Land Reclamation & Ministy of Agriculture and Food Security, in dealing with the overlapping areas of implementation. Clear roles and responsibilities have been carved out through the activities which will prevent confusion and conflict over roles and mandates.

(2) Political interference in selection of project sites & beneficiaries - **Probability**: Low; **Impact**: Alienation of the community resulting in low participation.

Mitigation measure: As this project is hinged on the SADP which is a well functioning, established mechanism in the project sites, challenges and politics over site selection are not anticpated. The project will use the same SADP locational & stakeholder domains and will in fact increase community participation by increasing beneficiaries.

(3) Conceptual understanding of climate change adaptation by SADP staff is low - **Probability**: Low;

Impact: Lack of support and indifference by current SADP staff on the climate change aspects of the project.

Mitigation measure: The SADP staff has fully participated in project formulation formulation and will receive climate change training to facilitate ease of climate change incorporation into SADP. It will be integrated into their current knowledge and experience.

[7] Local Government System of Lesotho. Available online at: http://www.clgf.org.uk/userfiles/1/files/Lesotho%20local%20government%20profile%202011-12.pdf accessed on April 30, 2013

(4) Overload of the current SADP agenda and activities with climate change issues and interventions - **Probability**: Low; **Impact**: Lack of support and poor implementation of project's climate change modifications on SADP protocols.

Mitigation measure: Additional financial and human resources wil be provided to support additional activities of the project so as not to encumber existing SADP

(5) Conflicts in the management of communal resources - **Probability**: Medium; **Impact**: poor interest in participation and failure to implement community interventions.

Mitigation measure: Both Ministry of Forestry and Land Reclamation & Ministry of Local Government will bring experience in participatory engagement of communities & conflict management in managing the commons. This project will also draw upon the mechanisms of the SADP which have become fairly integrated into the communities in the selected sites and use traditional as well as governmental structures (community councils, chiefs) to encourage participation.

(6) Lack of uptake of resilience technologies and approaches by project beneficiaries- **Probability**: Low; **Impact**: Dissolution of LDCF grants into the commercially oriented SADP investments.

Mitigation measure: Project staff will undertake an extensive awareness raising campaign that will include demonstrations of the economic benefits of adaptation and resilience; appropriate training will be provided to the staff and beneficiaries; technical guidance will be provided during implementation.

B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

There are several key stakeholders operating in the agricultural sector that are necessary to engage with for long-term sustainability of project achievements, and to support smallholder farmers in developing capacity to achieve a greater level of commercial viability. The five key sets of actors are:

Category of Stakeholders	Stakeholders	Roles
Major Public Service Institutions	Ministry of Agriculture and Food Security Department of Environment – GEF Focal Point Ministry of Industry, Cooperatives and Marketing Ministry of Development Planning Ministry of Employment and Labour Ministry of Forestry and Land Reclamation Ministry of Local Government and Chieftainship Ministry of Energy, Meteorology and Water Affairs especially the Department of Meteorology	Coordination, logistical and technical support, policy guidance, personnel time and capabilities, information generation, information dissemination, monitoring, beneficiaries of training and capacity building interventions
Local Institutional Structures	District Councils	Information dissemination, promote community buy-in and

	Community Councils Chief "pitsos"- open public gatherings	ownership to project, provide lessons learned, monitor experience of project implementation
Civic associations	Lesotho Farmers Union (LENAFU) & Member Associations Trade associations Producer Organizations and industry groups Women & Youth organizations	Members are beneficiaries of adaptation technologies and resilient practices; can be used as vehicles for information dissemination
NGOs	Serumula Send A Cow World Vision Rural Self-Help Development Association Lesotho Climate Network	Members are beneficiaries of adaptation technologies and resilient practices; can be used as vehicles for information dissemination
Development Partners	FAO European Commission Irish AID USAID World Bank World Meteorological Organisation	Build linkages for coordinated approaches to development work, pursue synergies, share lessons learned to avoid challenges faced in other projects
Private Sector	Domestic enterprises Service providers Agricultural input sellers	Beneficiaries of adaptation measures to strengthen livelihoods.

Two project design missions were held that included community-based consultations, meetings with government and non-governmental organizations and various producer groups under the SADP framework. Many of these stakeholders were consulted during the project formulation stage. Meetings were held with:

- Lesotho Meteorological Services
- Ministry of Agriculture and Food Security
- Ministry of Environment (GEF Focal Point)
- Ministry of Planning and Development
- Ministry of Finance
- Ministry of Forestry and Land Reclamation
- District Agricultural Officers in Botha Buthe, Berea, Mafeteng
- Representatives from Smallholder beneficiaries of the SADP through the Agriculture Investment Plan component (3 groups)
- Beneficiaries of the 1st round of the SADP competitive grants (2 groups)
- Representatives from the village Council (Botha Bothe, Berea, Mafeteng)

- Non-governmental Organizations: Lesotho National Farmers Union, Serumula, World Vision, Send a Cow, Rural Self-Help Development Association (RSDA).
- FAO
- World Bank

B.6. Outline the coordination with other related initiatives:

This project will coordinate with other interventions to avoid duplication, enhance harmonisation among development initiatives and promote cost effectiveness, where applicable within project delivery. In particular, LASAP will seek linkages where other partners will bring comparative advantage and support, and build on lessons learned. These include:

- USAID- Climate Change Adaptation in the Lesotho Highlands (2010-2014). This project focuses on the Lesotho Highlands where water is captured and stored to support crop and range activities, but also exported in large quantities to South Africa to support urban centres. As climate change will impact water resources, this project seeks to work at the policy level to respond to the potential impacts of climate change, and at the local level to explore improved management of water resources. Although this project is taking place in sites other than where LASAP will be implemented, it offers great opportunities to coordinate on climate change work, share lessons learned and best practices. Similarly as USAID will be working at the policy level, there will be useful interactions with LASAP's work at the government level to ensure that climate change risks and adaptation strategies are well coordinated and managed within government institutions.

- FAO: Strengthening Capacity for Climate Change Adaptation through Support to Integrated Watershed Management Programme in Lesotho (2013)- This project, which is under development, seeks to implement sustainable land and water management practices as well as resource conservation measures. Discussions during the project preparation phase have led to an agreement to continue cooperating at field level, through regular meetings between SADP and FAO and through the coordination of the MAFS as the main partner in both initiatives.

- FAO: Strengthening the National Marketing System for Selected Agrifood Value Chains in Lesotho (2013-2015). This project has strong linkages to SADP, one of whose tenets are to focus on improving marketing for agricultural products. As such, given LASAP's, links to SADP, there are linkages to be sought with the outcomes to this FAO project—particularly in highlighting the role of climate change and climate change adaptation in the production of agricultural products and hence their marketability.

- UNDP: Capacity Building and Knowledge Management for SLM (2008-2012 but still under implementation) The project will undertake capacity building and knowledge management work focusing on protection of the mountain ecosystems and landscapes that have great environmental and socio-economic significance. It seeks to protect water sources, prevent soil erosion, and stabilize cropping, pastoral and forest systems. This project is intended to set the scene for activities that will assure the ecosystem services that Lesotho's land and water resources provide to national and regional livelihoods, demonstrating the integration of environmental and livelihood benefits in global environmental action. An estimated 3,035,000 ha of land is intended to benefit from wide adoption and replication activities through the strengthening of the policy, economic and economic incentive framework. This project can offer various lessons learned particularly on information dissemination, knowledge management and challenges that can arise in altering current agricultural practices.

- UNDP SIP: Capacity Building and Knowledge Management for Sustainable Land Management. The objective of this project is to use SLM to land degradation, alleviate poverty and deliver global environmental benefits in Lesotho Highlands. The project supports strengthened governance of natural resources management and supports the development of extension packages on sustainable land management. As such, this proposed initiatve builds on the achievements, knowledge, capacity and lessons generated by the SIP, particularly in terms of rangeland management and SLM capacity within the extension services.

- UNEP-GEF Improvement of Early Warning System to Reduce Impacts of Climate Change and Capacity Building to Integrate Climate Change into Development Plans. This first NAPA implementation project in Lesotho focuses on early warning sytems, and as such, provides useful linkages to the proposed LASAP's interventions on agro-meteorology. Discussions with the LMS, who is implementing this project, have allowed to define activities that filled a gap that was not addressed by the EWS project. In addition, the EWS project implements alternative livelihoods pilots in a few districts in the South, including a part of Mafeteng, which is also concerned by the SADP-LASAP project. Joint missions and knowledge sharing have been pursued during project deisgn, and will continue during project implementation thanks to the coordination provided by MAFS.

C. GEF AGENCY INFORMATION:

C.1 Confirm the co-financing amount the GEF agency brings to the project:

IFAD will bring 9,296,000 in cofinancing; SADP is provinding 83% of total project costs.

C.2 How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

IFAD's operations in Lesotho have mainly been in the areas of sustainable agriculture, natural resource management, agricultural services strengthening and rural financial services. The IFAD country strategy is consistent with Lesotho's PRSP. It calls for investment programmes with the greatest potential impact on improved household food security and incomes, among rural households. The strategy emphasizes the need for a participatory process in programming and implementation, and the need to redress and reverse the continued decline in agricultural production and productivity as a result of land degradation. It recognizes the need for local capacity-building in support of the decentralization process and seeks to promote partnerships with NGOs. The LDCF project proposal is consistent with this approach.

The present proposal is also in line with IFAD's Climate Change strategy approved in April 2010. It aims to maximize IFAD's impact on rural poverty reduction in the changing context of climate change by supporting innovative approaches to helping smallholder farmers build their resilience to climate change. IFAD's engagement on climate change is centred on the promotion of a coherent approach to climate change, rural development, agriculture and food security. The present proposal is consistent with this approach.

IFAD staff to be dedicated to the implementation and supervision of the project includes:

- 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 Programme Manager for IFAD-GEF/LDCF/SCCF operations in Africa who will provide technical backstopping on environmental and climate change related issues throughout the project formulation, implementation and supervision cycles;
- the Climate Change Programme Officer in the Environment and Climate Division that will provide technical inputs and support during the project formulation and at endorsement phase;
- technical advisors in the Policy and Technical Advisory Division, support staff, and consultants at HQs and in the country.

A Country Programme Management Team composed of the above mentioned staff and including also staff of the Financial Services Division and the Legal Department will be also established to support the project design.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT & PROJECT IMPLEMENTATION ARRANGEMENT:

For this project, IFAD will act as the GEF Implementing Agency and will bear the responsibility of reporting to the GEF on use of funds and project performance, on an annual basis. The project will be nationally executed by the Ministry of Agriculture and Food Security, following similar arrangements as those established by SADP.

Project execution arrangements are intended to mirror SADP arrangements, so as to achieve maximum synergy between

the baseline and the adaptation additional component. The LDCF project will use the same project management committee (PMC) as the SADP, with the addition of the LMS as a new partner, and will function from within SADP administrative structures. The LDCF intervention will also make full use of structures and mechanisms established for SADP execution, including the project field officers, monitoring and evaluation systems and staff, technical staff and offices.

The project will also seek to develop partnerships with other key organizations, including the academic sector in Lesotho and South Africa as a means to provide additional research and capacity building in the areas of resilient agriculture.

In order to reduce administrative costs and burdens, LASAP staff (5 professionals) will be embedded in the SADP Project Management Unit. One professional will act as the LASAP coordinator and will be based in Maseru in the SADP offices, while the remaining four will be based in the districts, where they will work alongside the SADP Project Field Officers. The LASAP staff will be required to each dedicate 20% of their time to project management, monitoring and evaluation, and the remainder of their time to technical advice. LASAP staff will be placed under the supervision of the SADP Project Manager. Office space, vehicles and additional overhead costs will be covered by the SADP general operating budgets, but the LASAP will allocate some funding towards the purchasing of office equipment for the new staff.

The project funds will be transferred into the existing SADP project accounts and disbursed according to annual work plans for the LASAP portions, with the exception of funds earmarked for contributions to the AIPs and CGs, which will be pooled with other SADP resources and managed as such, but tracked separately as distinct expenditures, using SADP accounting systems. Tracking of GEF funds will be facilitated by the fact that the LDCF resources to be used for AIP and CG investments will only be drawn upon once a successful application for resilience has been submitted. Annual tracking of other GEF resources will be done through the use of annual workplans and separate expenditure reports will be produced identifying the use of GEF funds.

The project will be supervised by the SADP's Project Management Committee, following similar schedules. The LMS, in their capacity as national focal point on climate change, will be invited as a member in the PMC. Workplans, budgets and annual reporting will also be undertaken using SADP's formats, procedures and timelines. In addition, semi-annual progress reports will be shared on an ongoing basis with the Lesotho Meteorological Services, in their capacity as national focal point on climate change issues.

Supervision of LASAP will be carried out directly by IFAD as an on-going process of implementation support, in conjunction with supervision undertaken for the SADP. It is therefore envisaged that one supervision mission and one follow-up mission will be undertaken every year as per current practice under SADP. Implementation support will focus on planning, gender and targeting, procurement, financial management, M&E, partnerships, the integration of project activities within the evolving governance framework; and later in the life of the project, the achievement of outputs and outcomes. The Country Programme Manager and her/his team will maintain oversight of the supervision process with the assistance of selected specialist consultants and members of the Country Programme Management Team (CPMT).

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF

The project design is closely aligned with the original PIF and the components, outcomes and outputs have remained the same. The project title was changed from "Adaptation for Smallholder Agricultural producers (ASAP)" to "Lesotho:Adaptation for Smallholder Agricultural Producers (LASAP) in order to avoid confusion with another similarly-named programme

There are some minor differences between the PIF and the final project design. For instance, the budget allocations per component have changed. Initially, the PIF antipated that Component 1 would require 2,500,000 from GEF financing and 7,700,000 in cofinancing; Component 2 would cost 1,613,500 in GEF financing and 3,800,000 from cofinancing; and project management would require 216,500 from GEF financing. The project design budget estimates Component 1

to require 3,054,285 from GEF financing and 17,780,000 in cofinancing; Component 2 to require 1,068,571 from GEF financing and 2,920,000 in cofinancing; and project management to cost 207,142 from GEF financing and 446,000 from cofinancing (please refer to table in the annex for a side by side comparison).

The PIF estimated total costs to be 4,330,000 from GEF grant and 13,000,000 from co-financing; the project design also costs the GEF grant at 4,330,000 while the cofinancing is increased in the budget to 21,146,000. Please see Annex F for comparison.

This increase in cofinancing can be attributed to the the project design having a clearer articulation of how the project will be hinged onto SADP, and what structures and resources it can use from the existing program. The project design mission involved lengthy consultations with existing SADP staff and provided a clear picture of how LASAP will be coordinated within SADP structures. Some of the decisions made during the project design have clarified the level and commitment of cofinancing needed. These decisions include deciding that (1) the LDCF project operates in the same districts as the SADP in order to take advantage of the established baseline, awareness and delivery mechanisms, while ensuring complementarity and added value; and (2) LASAP makes use of the SADP delivery mechanisms (i.e. AIPs and Competitive Grants), while also delivering activities separately where necessary (i.e. agrometeorology applications). This will include efforts to mainstream resilience considerations within the baseline SADP activities.

The project is also different from the PIF in that some of the activities proposed in the PIF were removed in the project design for purposes of cost effectiveness, efficient delivery and greater results. For instance, an original idea in the PIF was to open a separate adaptation window into the Competitive Grants scheme. This was was not fully retained because it did not fully comply with LDCF principles. It was felt that the Grants were targeted at groups who were not among the most vulnerable since they already had productive assets and experience, and hence the preferred strategy would see a higher proportion of investments being targeted through the AIPs, that could be seen, with minimal additional support, as community-owned resilience plans especially for natural resource management. A smaller portion of the funds in LASAP will be allocated under the Competitive Grants scheme to capitalise on potentially productive resilient commercial activities. Further, climate adaptation training provided to SADP technical staff will ensure that climate resilience is reinforced in the Grants scheme.

Another idea/activity, which was explored in the PIF, was to work with NGOs under the SADP component on "technology packages", to support the dissemination of appropriate resilience-building approaches. While this was acknowledged as a potentially promising avenue for the dissemination of production techniques, the SADP delivery mechanisms appear to be a more efficient use of resources and systems for delivering LDCF funds. They have highly decentralised dissemination systems which connect to local communities. It was therefore considered that a more promising strategy to address resilience would be to work to strengthen the capacity of the already extensive network of MAFS extension through Resource Centers and Sub-Centers, to provide adaptable agriculture-relevant information to end users.

The idea of devising a system for dissemination of climate information, using marketing information systems and SMS-based applications as indicated in the PIF, was also not retained in the project design. This is due to the fact that at time of project design, the agriculture marketing system under SADP was yet to be fully developed, and that building on current extension capacity would provide a more efficient and cost-effective approach to ensuring that farmers obtain the relevant, usable and timely information – not only climate information, but translated into agricultural guidance. The outputs of the project, particularly the trickle-down effect of capacity building, will be an avenue for climate adaptation information dissemination.

The activities identified in the project design are in line with the concepts of the PIF but were not necessarily spelled out during PIF development. These were refined during the project design phase and include: the development of vulnerability and resilience fact sheets and guidelines for producers, CG groups, and local stakeholders; facilitation for community council resilience planning; training for PFOs, Adaptation advisors and other central level stakeholders; add on investments into AIPs and CGs to support community-based resilience investments; add-on investments through competitive grants to render these resilient to climate change; training for LMS in climate modelling and downscaling climate scenarios for the four target project districts; acquisition of automated agro-met stations and related training; training and delivery of production system outlook for 2030, 2050 and 2100; capacity building of trainers for extension

services at district level in Climate Risk Management and adaptive management, and agro-met applications; crop modelling and scenarios for key crops undertaken by MAFS; crop and livestock research and demonstration through field testing (MAFS), including annual yield and performance reports; provision of scolarship for 3 agrometeorology grad students, one of whom to be hired by MAFS as Agro-meteorology officer, another in LMS; conducting joint LMS-MAFS meetings and trainings on agrometeorology; climate change workshop for sub-center staff delivered by trained extension officers; and climate change awarenes raising workshops.

PART V: 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 template. For SGP, use this OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE *(MM/dd/yyyy)*

B. GEF AGENCY(IES) CERTIFICATION

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

Agency Coordinator, Agency Name	Signature	Date *(Month, day, year)*	Project Contact Person	Telephone	Email Address
Kevin Cleaver Associate Vice-President IFAD		JULY 03 2013	Stephen Twomlow	+254 20 7625076	s.twomlow@ifad.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Narrative Summary	Key Performance Indicators	Target *(Baseline)*	Means of Verification	Assumptions (A) / Risks (R)
	Goal:			
Reduce Poverty and enhance rural economic growth on a sustainable basis[8]	▪ Improvements in household asset index[9] ▪ Number of households with improved food security[10]		▪ Baseline and impact surveys conducted for SADP	(A) a key assumption to the overall SADP is that current agro-climatic conditions will continue to be favourable to agricultural production. This project is designed to reduce the risk posed by climate change to agricultural production
***Project Development Objective**:* to increase the resilience of small scale agriculture to climate change impacts by promoting climate-proofed investments for agriculture-based development, as well as by enhancing the resilience of agricultural productivity under increased climate variability.				
Outcome 1: 1. Mainstreamed adaptation in local level agricultural planning	▪ # of beneficiaries who have access to and understand the resilience related guidance, % of which are women	▪ at least 75% of AIP beneficiaries obtain and understand the resilience related guidance, by end of project, and at least 50% of those are women. ***(0)***	▪ questionnaire to project beneficiaries	(A) increased knowledge flows about climate change linkages with agriculture are sufficient to achieve a policy change in local level agricultural planning. (R) there may be some cultural resistance to adopting climate-resilient production techniques, due to perceptions of impacts on labour, among others. This risk will be mitigated through the extension services training and outreach efforts supported by the project.
Outputs: 1.1 Vulnerability mapping , analysis & related adaptation guidance included in AIP process	▪ # and quality of appropriate of guidance products produced	▪ At least 3 guidance products produced and disseminated to SADP recipients. ***(0)***	▪ Project implementation reports, guidance and technical documents	
Outcome 2: 2. Increased adaptive capacity of small-scale farming systems	▪ # of beneficiaries who feel equipped to deal with climate change and variability, % of which are women	▪ all AIP and CG investments include resilience-promoting investments (in NRM, at community level or production assets) and at least 50% of those are held by women. ***(0)***	▪ AIPs, Grant implementation reports, AIP implementation reports	(A) the amplitude and rate of climate changes is well understood by the government and beneficiaries alike. (R) there is a risk that beneficiaries will not understand or adopt non-traditional products or production

[8] as per SADP Goal
[9] as per SADP Goal-Level indicators. Note that at the time of writing, specific targets under these SADP indicators were not available.
[10] id.

Narrative Summary	Key Performance Indicators	Target *(Baseline)*	Means of Verification	Assumptions (A) / Risks (R)
Outputs: 2.1 Adaptive measures introduced to minimize climate change impacts on natural assets and sustain agricultural production 2.2 innovative practices, technologies and infrastructures aiming to increase the efficiency and resilience to climate change of smallholder production through a demand-led approach	▪ # of AIP projects implemented that promote resilience ▪ # of competitive grants projects implemented that promote resilience ▪ # of resilience-based investments channelled % of which received by women	▪ at least 75% of AIP projects promote resilience every year. ***(0)*** ▪ at least 65% of competitive grants projects promote resilience every year, with at least 50% of those received by women. ***(0)*** ▪ at least 50% of investments channelled are resilience-based and women receive at least 50% of these investments by end of project . ***(0)***	▪ CGs, Grant implementation reports, AIP implementation reports	techniques due to a perception of risk, increased labour or benefit loss. This risk will be mitigated through the production of clear guidance and awareness raising efforts. (A) In line with SADP policies, women will continue to be actively engaged in the AIP and CG processes (A) staff composition within beneficiary institutions allows for appropriate targeting of women
Outcome 3: Increased knowledge and understanding of climate variability and climate change induced threats on agriculture	▪ # of downscaled climate models and production system simulations produced ▪ # of trained extension staff who understand and apply improved climate information at field level	▪ at least 1 downscaled climate model for the northern region and at least 2 production system simulations produced by LMS and MAFS at the end of the project ***(0)*** ▪ at least 75% of trained extension staff in each district can understand and translate climate information into relevant advice, with an expected 30% of trainees being women. ***(0)***	▪ climate models, simulation reports, project implementation reports ▪ Face-to-face discussions with extension services administered at the end of the project to identify lessons learned ▪ MTE with social and gender expert facilitating discussion	(A) The assumption is that data currently available regionally or for Lesotho enables the production of realistic, credible climate models for the project districts. (R) There is a risk that climate data sharing mechanisms do not evolve during the project's duration. This risk will be mitigated through the development of joint LMS-MAFS MOUs and working protocols to enable free flowing data sharing towards the establishment of an effective agro-meteorological function.
Outputs: 3.1 Monitoring system in place to disseminate timely climate information related to agriculture 3.2 Climate and agro-meteorological information included in agricultural information system	▪ # of people trained in climate modelling and production systems outlooks, % of which are women ▪ # of people trained in climate risk management and adaptive management, % of which are	▪ At least 10 people within MAFS, LMS and the resource centers in the 4 districts are trained (with at least 5 women) by mid-term. ***(0)*** ▪ At least 4 people in each	▪ training report, project implementation reports	

Narrative Summary	Key Performance Indicators	Target *(Baseline)*	Means of Verification	Assumptions (A) / Risks (R)
	women	resource center in the 4 pilot districts are trained in climate risk management, with 50% of trainees being women. ***(0)***		
Outcome 4: Strengthened capacity of government stakeholders to reduce risks to climate-induced losses on agriculture	▪ Degree to which agro-meteorological services are integrated into ongoing MAFS operations	▪ A central agro-meteorology function is established and the 4 pilot districts benefit from increased agro-meteorological information. ***(There is no agro-meteorological function in MAFS)***	▪ Face-to-face discussions with extension services administered at the end of the project to identify lessons learned ▪ MTE with social and gender expert facilitating discussion	(A) The assumption is that data flowing from LMS is sufficient, timely and adequate to ensure the delivery of proper agrometeorology functions. (R) There is a risk that the agro-meteorology function may not be sufficiently institutionalized at the end of the project. To mitigate this risk, the project has proposed the recruitment of an existing member of the public service, to avoid the creation of an additional position, but maintains the creation of a dedicated position within both LMS & MAFS to work concurrently.
Outputs: 4.1 Capacity of Met Service and MAFS staff on the links between climate change and agriculture strengthened	▪ Availability of crop models and scenarios at end of project ▪ # of research reports produced using field testing data ▪ # of trained staff dedicated to agro-meteorological services in MAFS and LMS at the end of the project, % of which are women	▪ at least 1 model and scenario for each staple crop by the end of the project ***(0)*** ▪ at least 1 research report per year ***(0)*** ▪ at least 1 skilled person in MAFS and 1 skilled person in LMS are dedicated to delivering agro-meteorological services, with at least 1 being a woman. ***(There is only 1 person in LMS whose skills need to be formalized and updated)***	▪ crop models, crop scenarios, briefing materials, project reports ▪ research reports ▪ Training reports	
Outcome 5: Awareness and capacity of local actors	▪ # of beneficiaries who attend & understand climate change awareness raising forums, % of which are women.	▪ At least 75% of potential AIP and CG beneficiaries attend a climate change awareness raising workshop every year, and at least half of participants are women. ***(0)***	▪ meeting reports, project documents	(A) N-A (R) N-A

Narrative Summary	Key Performance Indicators	Target *(Baseline)*	Means of Verification	Assumptions (A) / Risks (R)
Outputs: 3.1 effective awareness raising & communication campaign to local stakeholders designed & implemented	▪ # of climate change workshops, meetings or other events	▪ at least 1 workshop annually in each district ***(0)***	▪ meeting reports, project implementation reports	