



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

GEF ID:	<b>8013</b>		
Country/Region:	<b>Malawi</b>		
Project Title:	<b>Climate Adaptation for Sustainable Water Supply</b>		
GEF Agency:	<b>AfDB</b>	GEF Agency Project ID:	
Type of Trust Fund:	<b>Least Developed Countries Fund (LDCF)</b>	GEF Focal Area (s):	<b>Climate Change</b>
GEF-5 Focal Area/ LDCF/SCCF Objective (s):			
Anticipated Financing PPG:	<b>\$100,000</b>	Project Grant:	<b>\$2,643,500</b>
Co-financing:	<b>\$39,500,000</b>	Total Project Cost:	<b>\$42,243,500</b>
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Knut Sundstrom</b>	Agency Contact Person:	<b>Benson Nkhoma</b>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
<b>Eligibility</b>	1. Is the participating <b>country eligible</b> ?	YES. Malawi is an LDC Party to the UNFCCC and it has completed its NAPA.	
	2. Has the <b>operational focal point</b> endorsed the project?	NOT CLEAR. A Letter of Endorsement, signed by the operational focal point and dated December 4, 2014 is attached to the submission, but only for an LDCF project grant of \$2,643,500 and a total LDCF amount -- including PPG and fees -- of \$3 million.  The PIF, in contrast, seeks a project grant of \$3 million. With PPG and fees, the request would thus exceed the total amount endorsed.	

\*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

<sup>1</sup> Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

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		<p>RECOMMENDED ACTION: Please ensure that the total LDCF amount sought does not exceed the amount endorsed by the OFP.</p> <p>02/02/2015 “ YES. The revised funding request, overall, is within the resources endorsed by Malawi's OFP (\$3 million).</p> <p>It should be noted however, that the Agency fee in Table D is lower than 9.5 per cent of the proposed project grant. Should the Agency decide to adjust the fee, the grant request should also be reduced to keep within the amount endorsed.</p>	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the <b>resources available</b> from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access	YES. The proposed grant is available from the LDCF in accordance with the principle of equitable access.	
	• the SCCF (Adaptation or Technology Transfer)?		
	• the Nagoya Protocol Investment Fund		
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF <b>results framework and strategic objectives?</b>	NOT CLEAR. The Focal Area Strategy Framework cites objectives associated with an outdated results framework of the GEF Adaptation Program (2010-14).	

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	<p><i>For BD projects: Has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).</i></p>	<p>RECOMMENDED ACTION: Please review the Focal Area Strategy Framework (Table A) against the latest results framework of the GEF Adaptation Program (2014-18) and ensure that the indicative breakdown of grant and co-financing per strategic objective is in line with the scope and focus of the proposed project.</p> <p>02/02/2015 “ YES. The proposed project would contribute towards strategic objectives CCA-1, CCA-2 and CCA-3.</p>	
	<p>5. Is the project consistent with the recipient <b>country’s national strategies and plans</b> or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p>	<p>YES. The proposed project would contribute towards the implementation of several of Malawi's NAPA priorities in the areas of water resources management, catchment management and disaster risk reduction. The project is also aligned with Malawi's Growth and Development Strategy (2011-16), Vision 2020, and the World Bank Country Strategy Paper (2013-17).</p> <p>Please refer, however, to Section 12 below regarding Malawi's national adaptation plan (NAP) process.</p>	
	<p>6. Is (are) the <b>baseline project(s)</b>, including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>NOT CLEAR. The PIF provides a clear overview of the baseline problems associated with poor water and sanitation in rural Malawi. The Sustainable Rural Water Infrastructure for Improved Health and Livelihoods (SRWIHL) project also presents a promising point of entry for carrying out priority adaptation measures.</p> <p>It is less clear, however, what specific</p>	

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Project Design		<p>climate change risks the baseline investments would face, and to what extent additional resources would be required to effectively mitigate these risks.</p> <p>RECOMMENDED ACTION: Please clarify to what extent climate change risks and appropriate adaptation strategies and measures have been incorporated into the design of SRWIHL, and to what extent additional resources would be required to ensure that climate-related risks are effectively addressed.</p> <p>02/02/2015 “ NOT CLEAR. The re-submission provides very little additional information as to the extent to which climate change risks and appropriate adaptation strategies and measures have been incorporated into the design of SRWIHL. It remains unclear what specific climate change risks the baseline investments would face; and that these would not adequately address in absence of additional resources from the LDCF.</p> <p>RECOMMENDED ACTION: Please address the previous recommendation.</p> <p>03/17/2015 “ YES. The baseline scenario has been clarified sufficiently for this stage of project development.</p>	
	7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?	<p>NOT CLEAR. Please refer to Sections 2, 6 and 8.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations in</p>	

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		<p>sections 2, 6 and 8, please revise the project framework accordingly.</p> <p>02/02/2015 “ NOT CLEAR. Please refer to sections 6 and 8.</p> <p>03/17/2015 “ YES. Please refer to sections 6 and 8.</p>	
	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>NOT CLEAR. Please refer to sections 6 and 12. In absence of a clear description of the baseline scenario and the baseline project; as well as coherence and complementarity with other relevant initiatives planned and underway; the additional reasoning and expected adaptation benefits cannot be fully assessed.</p> <p>With respect to Component 1, it is unclear whether the proposed project would introduce a new, community-based planning process or whether it would build on existing community-based plans.</p> <p>As for Component 2, the PIF describes very briefly the range of catchment management issues that the proposed project would address, but the scope of possible approaches remains very broad. Given the baseline scenario in the targeted districts, given other relevant initiatives planned and underway, and given the limited resources requested; what would be the added value of Component 2?</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations in</p>	

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		<p>sections 6 and 12, please strengthen the description of the additional reasoning and expected adaptation benefits.</p> <p>02/02/2015 “ NOT CLEAR. Please refer to Section 6 above.</p> <p>The re-submission provides a minimum of additional information regarding the proposed components 1 and 2, but it does not address the recommendations made.</p> <p>Specifically, with respect to the community-based adaptation plans proposed under Component 1, the re-submission does not answer whether the project would create a new planning vehicle, or strengthen existing community-based planning processes.</p> <p>As for Component 2, it seems catchment management committees would be established under the baseline project, and the added value of the proposed LDCF project remains unclear in this regard. More importantly, however, the PIF provides no further information as to how the proposed project would build on and complement a range of LDCF projects that carry out catchment management investments in partly the same districts, namely: (i) “Shire Natural Ecosystems Management Project’ (GEF ID: 4625); (ii) “Climate proofing local development gains in rural and urban areas of Machinga and Mangochi Districts “ Malawi’ (GEF ID: 4797); and (iii) “Implementing urgent</p>	

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		<p>adaptation priorities through strengthened decentralized and national development plans' (GEF ID: 5015).</p> <p>Finally, given the limited resources sought from the LDCF, components 1 and 2 seem quite broad in scope and it is unclear how these could achieve meaningful adaptation benefits in five different districts.</p> <p>RECOMMENDED ACTION: Please address the previous recommendations.</p> <p>03/17/2015 – YES. The revised PIF and the Agency's response clarify sufficiently the added value of the proposed LDCF grant vis-à-vis the baseline project.</p>	
	<p>9. Is there a clear description of:  a) the <b>socio-economic benefits</b>, including gender dimensions, to be delivered by the project, and  b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>		
	<p>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p>	<p>NOT CLEAR. Apart from a description of consultations that took place during the preparation of the baseline project, the PIF could provide more information regarding stakeholder engagement during the preparation and implementation of LDCF-financed activities.</p> <p>RECOMMENDED ACTION: Please describe how public participation, including of CSOs, would be facilitated</p>	

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		<p>during project preparation and implementation.</p> <p>02/02/2015 “ YES. The arrangements for public participation have been clarified in the re-submission as recommended.</p>	
	<p>11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)</p>	<p>YES. Relevant risks and associated mitigation measures have been adequately identified for this stage of project development.</p>	
	<p>12. Is the <b>project consistent and properly coordinated</b> with other related initiatives in the country or in the region?</p>	<p>NOT CLEAR. The PIF cites some of the relevant initiatives with which coordination and coherence should be sought. Further detail is needed, however, to understand how the proposed project would ensure complementarity with the six approved LDCF projects in Malawi, some of which apply similar approaches and operate in some of the five targeted districts.</p> <p>In addition, the PIF could clarify how the proposed project would build on ongoing efforts to advance Malawi's national adaptation plan (NAP) process.</p> <p>RECOMMENDED ACTION: Please expand section A.5 of the PIF in order to describe how the proposed project would seek coordination and complementarity with a significant portfolio of LDCF-financed projects in Malawi; and how it would build on ongoing efforts to advance the country's NAP process.</p>	



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		<p>02/02/2015 “ NOT CLEAR. The revised PIF provides useful, additional information regarding coordination with other relevant initiatives, but it does not fully address the recommendations made. There are three LDCF-financed initiatives “ underway or planned “ with investments in water resources management in at least one of the targeted districts (see Section 8 above). It remains unclear how the proposed project would complement these investments.</p> <p>RECOMMENDED ACTION: Please address the previous recommendation. For clarity, it may helpful to describe in a tabular format how the proposed project would complement on-going and planned initiatives in the targeted districts.</p> <p>03/17/2015 “ YES. Coordination with other relevant initiatives is adequately clarified for this stage of project development.</p>	
	<p>13. Comment on the project’s <b>innovative aspects, sustainability, and potential for scaling up.</b></p> <ul style="list-style-type: none"> <li>• Assess whether the project is innovative and if so, how, and if not, why not.</li> <li>• Assess the project’s strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</li> </ul>	<p>NOT CLEAR. Please refer to sections 6, 8, 10 and 12 above. In absence of further information regarding the additional reasoning, the expected adaptation benefits, as well as stakeholder involvement and complementarity; the potential for innovation, sustainability and scaling up cannot be adequately assessed.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations in sections 6, 8, 10 and 12; please revisit the</p>	

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	<ul style="list-style-type: none"> <li>Assess the potential for scaling up the project's intervention.</li> </ul>	<p>description of the project's innovative aspects as well as its potential for sustainability and scaling up.</p> <p>02/02/2015 " NOT CLEAR. Please refer to sections 6, 8 and 12 above.</p> <p>03/17/2015 " YES. The proposed project would enhance community-based planning and management of vulnerable catchment areas to reduce the vulnerability of local populations and livelihoods in the context of a larger baseline investment in rural water supplies and sanitation. Thanks to a blended structure where the LDCF grant would be built into AfDB's baseline initiative, and a design that builds on existing community-level engagement models, the project presents a viable strategy to ensuring the sustainability of its adaptation outcomes, along with a credible pathway to scaling up.</p>	
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		
	15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?		
	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes	<p>NOT CLEAR. Please refer to sections 2, 6 and 8 above.</p> <p>RECOMMENDED ACTION: Upon</p>	

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Project Financing	and outputs?	<p>addressing the recommendations in sections 2, 6 and 8; please adjust the grant and co-financing amounts per component accordingly.</p> <p>02/02/2015 -- NOT CLEAR. Please refer to sections 6 and 8 above.</p> <p>03/17/2015 -- YES. Please refer to sections 6 and 8 above.</p>	
	<p>17. <u>At PIF</u>: Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role?</p> <p><u>At CEO endorsement</u>: Has co-financing been confirmed?</p>	<p>YES. The indicative amount and composition of co-financing is adequate.</p>	
	<p>18. Is the funding level for <b>project management cost</b> appropriate?</p>	<p>YES. At \$120,000 the proposed LDCF funding level for project management is appropriate.</p> <p>Please refer to sections 2 and 16, however.</p>	
	<p>19. <u>At PIF</u>, is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs?</p> <p><u>At CEO endorsement/ approval</u>, if PPG is completed, did Agency report on the activities using the PPG fund?</p>	<p>YES. \$100,000 is requested, in line with the norm for projects up to \$3 million.</p> <p>Please refer, however, to Section 2 above.</p>	
	<p>20. If there is a <b>non-grant instrument</b> in the project, is there a reasonable calendar of reflows included?</p>	<p>NA</p>	

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Project Monitoring and Evaluation	21. Have the appropriate <b>Tracking Tools</b> been included with information for all relevant indicators, as applicable?		
	22. Does the proposal include a <b>budgeted M&amp;E Plan</b> that monitors and measures results with indicators and targets?		
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• The Council?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	<b>24. Is PIF clearance/approval being recommended?</b>	NOT YET. Please refer to sections 2, 4, 6, 7, 8, 10, 12, 13 and 16.  02/02/2015 â€œ NOT YET. Please refer to sections 6, 7, 8, 12, 13 and 16.  03/17/2015 â€œ YES. The proposed project is technically cleared. However, the project will be processed for clearance/approval only once adequate, additional resources become available in the LDCF.	
	25. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	<b>26. Is CEO endorsement/approval being recommended?</b>		
	First review*	January 12, 2015	
Review Date (s)	Additional review (as necessary)	February 02, 2015	
	Additional review (as necessary)	March 17, 2015	

**\* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**