



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

GEF ID:	5685		
Country/Region:	Morocco		
Project Title:	Increasing Productivity and Adaptive Capacities in Mountain Areas of Morocco (IPAC-MAM)		
GEF Agency:	IFAD	GEF Agency Project ID:	
Type of Trust Fund:	Special Climate Change Fund (SCCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-2; CCA-3;		
Anticipated Financing PPG:	\$0	Project Grant:	\$6,510,000
Co-financing:	\$28,000,000	Total Project Cost:	\$34,510,000
PIF Approval:	February 10, 2014	Council Approval/Expected:	March 21, 2014
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Knut Sundstrom	Agency Contact Person:	Rami Salman

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible ?	YES. Morocco is a developing country Party to the UNFCCC.	YES. No change from PIF.
	2. Has the operational focal point endorsed the project?	NO. A Letter of Endorsement, signed by the Operational Focal Point, has yet to be submitted. RECOMMENDED ACTION: Please provide a signed Letter of Endorsement. 02/07/2014 – YES. A Letter of Endorsement, signed by the Operational Focal Point and dated February 7, 2014, has been attached to the re-submission.	YES. No change from PIF.

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

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.
FSP/MSP review template: updated January 2013

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Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or Technology Transfer)?	YES. The proposed grant is available under the SCCF Adaptation Program.	YES. No change from PIF.
	• the Nagoya Protocol Investment Fund		
Strategic Alignment	• focal area set-aside?		
	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives ? <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>	YES. The proposed project would contribute towards objectives CCA-1, CCA-2 and CCA-3.	YES. No change from PIF.
	5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	YES. The proposed project is consistent with the vulnerabilities and adaptation measures identified in Morocco's Second National Communication. The project is also aligned with the country's National Plan against Global Warming, Plan Maroc Vert, and the National Action Plan to Combat Desertification.	YES. No change from PIF.
	6. Is (are) the baseline project(s) , including problem(s) that the baseline project(s) seek/s to address, sufficiently described and	NOT CLEAR. The proposed project would build on the IFAD-financed Programme de Developpement Rural des Zones de Montaigne (PDRZM), which	YES. No change from PIF.

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Project Design	based on sound data and assumptions?	<p>seeks to reduce the poverty and vulnerability of the rural population in Morocco's mountainous areas through increased land productivity, diversified livestock production and local marketing capacities. It is not entirely clear how PDRZM relates to the indicative co-financing figures provided in Table C of the PIF. For clarity, the PIF could also spell out the regions in which the baseline program would operate.</p> <p>While the proposed SCCF grant would promote enhanced post-harvest storage and processing technologies, as well as the deployment of alternative sources of energy; it is not clear whether any baseline investments would be carried out in such technologies through PDRZM or otherwise.</p> <p>Finally, noting that PDRZM focuses on enterprise development and marketing, it would be important to understand to what extent private enterprises and project beneficiaries could contribute towards the project, and whether such contributions could be captured in the indicative co-financing figures.</p> <p>RECOMMENDED ACTION: Please (i) spell out, in Section A.1 of the PIF, the total financing associated with the baseline PDRZM and how this relates to the indicative co-financing figures provided in Table C; (ii) indicate the regions in which the baseline project would operate; (iii) clarify what baseline</p>	

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		<p>investments, if any, are planned towards enhanced post-harvest processing and storage, and alternative sources of energy; and (iv) indicate to what extent private enterprises and project beneficiaries could contribute towards the proposed project, in-kind or otherwise, and “ if sufficient information is available “ include such contributions in the indicative co-financing figures.</p> <p>02/07/2014 “ YES. The re-submission clarifies that the overall budget of PDRMZ will be around USD 150 million over 15 years, starting with an initial investment of USD 24 million that has been counted as indicative co-financing towards the proposed project. PDRZM will target vulnerable rural populations in the provinces of Sefrou, Azilal, Tinghir and Ouarzazate. The revised PIF also clarifies the baseline situation as it relates to post-harvest storage and processing practices, as well as associated energy use. While indicative, private sector co-financing has not been identified at this stage, the re-submission provides further information regarding the potential ways in which private companies could contribute towards disseminating the climate-resilient practices and technologies introduced by the proposed project.</p> <p>By CEO Endorsement, please provide a more detailed description of the baseline scenario, particularly as it relates to the linkages between the use of natural</p>	

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		resources for agricultural production and energy; and vulnerability to the effects of climate change. Moreover, please clarify what investments will be carried out through PDRZM under the baseline scenario, particularly as it relates to reducing post-harvest losses, and specify what additional measures are required to ensure the resilience of these investments and their beneficiaries in the face of climate change. Finally, please specify, in terms of co-financing (in-kind or other), how the private sector will contribute towards the proposed project.	
	7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?	<p>NOT CLEAR. The project framework (Table B) lacks an objective. Moreover, for clarity, it may be helpful to disaggregate Component 1 into two separate components for each outcome, of which 1.1 would seem to focus on TA, while 1.2 should rather be categorized as INV. Finally, output 1.2.4 appears in fact to contain two different outputs: ecosystem restoration and training.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under sections 6 and 8, please (i) adjust the project framework accordingly, if necessary; (ii) provide, in Table B, a project objective; (iii) consider disaggregating Component 1 into two separate components around outcomes 1.1 and 1.2, of which the latter should be categorized as INV; and (iv) review output 1.2.4 and consider disaggregating it for clarity.</p>	YES. The project framework is clear, sound and appropriately detailed.

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		02/07/2014 â€œ YES. The project framework has been revised as recommended.	
	8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?	<p>NOT CLEAR. Overall, the proposed, additional adaptation measures appear relevant and additional to the baseline scenario and PDRZM. Still, given the recommendations made under Section 6 above, the additional reasoning cannot be adequately assessed at this time.</p> <p>The PIF could more clearly demonstrate that the investments proposed in enhanced post-harvest processing and storage, and alternative sources of energy address the additional cost of climate change. It is not entirely clear to what extent the post-harvest sector is in itself vulnerable to the effects of climate change and, consequently, what is meant by climate-proofing production and transformation infrastructure (see p. 5). Similarly, the PIF could elaborate on the linkages between the use of conventional sources of energy and vulnerability to the impacts of climate change.</p> <p>Finally, the proposed, additional adaptation measures should be considered in relation to any investments that private enterprises and project beneficiaries could be expected to make in more efficient and more productive natural resources management and agricultural production systems.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under</p>	YES. The Request for CEO Endorsement describes clearly the expected adaptation benefits, and the additional reasoning for the proposed SCCF grant.

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		<p>section 6, please (i) strengthen the additional reasoning. Specifically, (ii) clarify the extent to which the proposed investments in enhanced post-harvest processing and storage, and alternative sources of energy, address the additional cost of climate change; and (iii) consider the additional adaptation measures in relation to any investments that private enterprises and project beneficiaries could make in more efficient, more productive and more resilient practices.</p> <p>02/07/2014 –“ YES. The re-submission provides a stronger additional reasoning for the proposed, SCCF-financed adaptation measures. The revised PIF articulates how enhanced, climate-resilient and energy-efficient post-harvest storage and processing technologies are integral to more diversified and more resilient agricultural value chains and rural livelihoods. Without these investments, the project would not achieve its adaptation objectives. The PIF further clarifies the potential ways in which the private sector could contribute towards disseminating the resilient practices and technologies to farmers and cooperatives.</p> <p>By CEO Endorsement, please provide further details regarding the proposed income-generating activities and specify how these will address the additional cost of climate change. Moreover, please provide a breakdown of the SCCF grant between the four outputs under</p>	

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		Component 3.	
	9. Is there a clear description of: a) the socio-economic benefits , including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?		YES. The expected socio-economic benefits and gender dimensions of the proposed project are clearly described in IFAD's project design document.
	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?	YES. Public participation is adequately addressed for this stage of project development.	YES. Public participation is adequately addressed in the Request for CEO Endorsement and the project design document.
	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)	YES. Relevant risks and mitigation measures have been adequately identified for this stage of project development.	YES. Relevant risks and appropriate mitigation measures have been adequately considered in the Request for CEO Endorsement.
	12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	YES. The PIF identifies relevant initiatives with which coordination and coherence will be sought. Complementarities and coordination arrangements should be specified by CEO Endorsement.	YES. Coordination with other relevant initiatives is adequately described in the Request for CEO Endorsement.
	13. Comment on the project's innovative aspects, sustainability, and potential for scaling up. <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy 	NOT CLEAR. Please refer to sections 6 and 8 above. Given the questions raised above, the innovative aspects and potential for sustainability and scaling up cannot be adequately assessed at this time. RECOMMENDED ACTION: Upon	YES. The proposed project adopts a comprehensive approach to reducing the vulnerability of smallholder farmers in Morocco's mountainous areas. The project supports a combination of community-based planning and capacity building for effective adaptation; improved management of assets; as well

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	<p>for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</p> <ul style="list-style-type: none"> Assess the potential for scaling up the project's intervention. 	<p>addressing the recommendations under sections 6 and 8, please revisit and clarify, if necessary, the innovative aspects of the proposed project as well as the potential for sustainability and scaling up.</p> <p>02/07/2014 " YES. The proposed project adopts an innovative, integrated approach to reducing the vulnerability of the rural populations in Morocco's mountain areas. Building on a 15-year IFAD investment in rural and agricultural development, the SCCF grant would promote climate-resilient natural resources management; resilient agricultural value chains; and diversified rural livelihoods. By establishing strong linkages with farmers' associations, cooperatives and the private sector at large, the proposed project is well placed to achieve sustainable adaptation benefits with a clear pathway for scaling up successful, climate-resilient practices and technologies.</p>	<p>as value-chain development and diversified sources of income. The proposed project is fully blended within IFAD's baseline investment, and it is closely aligned with Morocco's transformational "Green Plan". As a result, the project presents a viable pathway to sustainability and scaling up.</p>
	<p>14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		<p>YES.</p>
	<p>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?</p>		<p>YES. The cost-effectiveness of the proposed design is adequately demonstrated in the Request for CEO Endorsement.</p>
	<p>16. Is the GEF funding and co-financing as indicated in Table B</p>	<p>NOT CLEAR. Please refer to sections 6, 7 and 8.</p>	<p>YES. The grant and co-financing amounts per component seem adequate</p>

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Project Financing	appropriate and adequate to achieve the expected outcomes and outputs?	<p>RECOMMENDED ACTION: Upon addressing the recommendations under sections 6, 7 and 8, please adjust the grant and co-financing amounts per component if necessary.</p> <p>02/07/2014 â€œ YES. The proposed SCCF grant and co-financing amounts per component appear adequate and appropriate.</p>	and appropriate.
	<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>NOT CLEAR. Please refer to Section 6 above.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 6, please adjust the indicative co-financing figures, if necessary, and ensure that these are consistently reported across the document.</p> <p>02/07/2014 â€œ YES. Please refer to Section 6 above.</p>	YES.
	18. Is the funding level for project management cost appropriate?	YES. At \$310,000 or 5 per cent of the sub-total for project components, the proposed SCCF funding level for project management is appropriate.	YES. No change from PIF.
	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>NOT CLEAR. A PPG of \$70,000 is requested, which is within the norm for project grants up to and including \$10 million. The PIF does not, however, provide a PPG fee.</p> <p>RECOMMENDED ACTION: Please provide a PPG fee.</p> <p>02/07/2014 â€œ YES. The revised PIF provides the correct PPG fee.</p>	YES.

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	20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?	NA	NA
Project Monitoring and Evaluation	21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		YES.
	22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		YES.
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		YES.
	• Convention Secretariat?		NA
	• The Council?		YES.
	• Other GEF Agencies?		NA
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	NOT YET. Please refer to sections 2, 6, 7, 8, 13, 16, 17 and 19. 02/07/2014 â€œ YES.	
	25. Items to consider at CEO endorsement/approval.	Please refer to Section 12. 02/07/2014 â€œ Please refer also to sections 6 and 8.	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		YES.
	First review*	January 14, 2014	March 12, 2015
Review Date (s)	Additional review (as necessary)	February 07, 2014	
	Additional review (as necessary)		

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