



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

GEF ID:	5111		
Country/Region:	Nepal		
Project Title:	Reducing vulnerability and increasing adaptive capacity to respond to impacts of climate change and variability for sustainable livelihoods in agriculture sector		
GEF Agency:	FAO	GEF Agency Project ID:	
Type of Trust Fund:	Least Developed Countries Fund (LDCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-1; CCA-2; CCA-2; CCA-3; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$2,689,498
Co-financing:	\$9,246,506	Total Project Cost:	\$11,936,004
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Junu Shrestha	Agency Contact Person:	Selvaraju Ramasamy

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes. Nepal is a LDC and has completed its NAPA.	
	2. Has the operational focal point endorsed the project?	Yes. An OFP endorsement letter dated April 5, 2012 is attached to the submission.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	Yes. FAO has expertise in the areas of food security and agriculture. It has technical capacity and experience in agriculture, and natural resources management, which is the focus of the project. FAO's comparative advantage is supported by its experience in Nepal in agriculture sector.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	NA	

	5. Does the project fit into the Agency's program and staff capacity in the country?	Yes. The proposal fits into FAO-Adapt, an organization wide framework. The project also fits into the FAO's Country Programming Framework for Nepal. The country office is well staffed to meet the requirements of the proposed project.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access	Yes. The requested amount is under per country ceiling defined under the principle of equitable access.	
	• the SCCF (Adaptation or Technology Transfer)?		
	• Nagoya Protocol Investment Fund		
	• focal area set-aside?		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	Yes.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	Yes.	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	Yes.	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	Not clear. The project involves capacity building at local to national level which would contribute towards sustainability of project outcomes. However, equally	

		<p>projects as well.</p> <p>Recommended Action: Please coordinate suitable activities with related projects in the country so that outcomes of the proposed projects may be enhanced and made more sustainable.</p> <p>1/22/2013 Coordination details with NAFSP to ensure sustainability have been provided.</p>	
Project Design	<p>11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>Not clear. The proposal provides very general information on baseline problems, such as poverty and migration. The information provided is not detailed and not specific to the regions that may be the focus of the project. Analysis should be presented on how the baseline problems will be worsened by climate change.</p> <p>Recommended Action: Please give clear information on the non-climate change related problems which are likely to be exacerbated by climate change effects. Please provide explanation on how the baseline projects address the existing problems.</p> <p>1/22/2013 Clear. Additional information provided is appreciated. Lack of adequate knowledge about modern farming, limited access to financial and natural resources, and lack of proper irrigation facilities are stated as the baseline problems in the four target districts. The project will build on five baseline</p>	

		given on their roles in reducing the baseline problems.	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	<p>Not clear. As the baseline problems linked to vulnerability to climate change and the extent to which the baseline projects fail to address these issues are not clear, it is not possible to determine the additional cost reasoning. The climate risks that the region of interest face and pose challenges to success of baseline projects are unclear.</p> <p>Recommended Action: Please provide specific information on the climate risks and the inadequacy of baseline projects in dealing with such expected risks.</p> <p>1/22/2013 Not Clear. Additional information provided is acknowledged. Section B1 states that the project will be implemented in 4 districts in two eco-zones, however Section B2 states that the project will be implemented in 6 districts in six eco-zones.</p> <p>For each component the PIF clearly describes the related baseline project and additional cost reasoning for each.</p> <p>Recommended Actions: Please clarify the information about the</p>	

		<p>2/25/2013</p> <p>The provided clarification is adequate. The project will be implemented in 4 districts.</p>	
	14. Is the project framework sound and sufficiently clear?	<p>Not clear. The proposed project is composed of 5 components.</p> <p>Component 1: Seeks to strengthen technical and institutional capacity. However it is not explained how the proposed project will assess information necessary to prepare training manuals, and determine the types of adaptation required.</p> <p>Component 2: Seeks to provide agrometeorological forecasts. Scale and extent of agrometeorological monitoring and availability of necessary infrastructure is unclear. The type and appropriateness of forecast products developed at DHM and to be disseminated at VDC level has not been explained.</p> <p>The difference between training offered to government officials through this component and component 1 is not clear.</p> <p>Component 3: Seeks to raise awareness about climate impacts. The expected output 3.2.3 is an investment activity and does not fit into this component, whose focus is on building awareness. For this specific activity, measures that would be taken to determine suitability of stress tolerant crops for different regions is not discussed. Also, a baseline project into which this activity may be</p>	

		<p>Component 4: Seeks to promote community based adaptation strategies. The description provided does not provide sufficient information on the types of production practices (farming, livestock, forestry or others) for which LAPAs will be developed. Suitability of Integrated Pest Management programme, that focus on forestry and livestock, in providing adequate baseline for the component is not explained.</p> <p>Component 5: Includes monitoring and evaluation. M&E related activities of the component should be a part of project management and cannot be a project component. Please delete.</p> <p>Recommended Actions: Please provide explanation for comments on each component. There are some overlaps in activities proposed in different components, especially related to assessments and training. Please identify regions and climate risks to be addressed within each region and streamline the activities within each component accordingly. Also, please identify and present investment and technical assistance within each component separately.</p> <p>1/22/2013 Not clear. All the components are TA. A LDCF project should have a strong investment component that utilizes TA activities in the project. It is expected that the</p>	
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		<p>larger than the TA components.</p> <p>The other explanations provided are clear and very helpful.</p> <p>Recommended Actions: Please identify investment activities in the proposed project and build a separate investment component with such activities.</p> <p>2/25/2013 The requested changes have been made.</p>	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	<p>Not clear. Please see comments for above sections.</p> <p>1/22/2013 Yes. With the additional information and clarifications provided, it is clear that the applied methodology is appropriate.</p>	
	16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?	<p>Yes for PIF stage. The proposed project will establish field schools to directly aid farmers and will work at village level to provide extension services, to develop LAPAs and to diversify their livelihood. Vulnerability of women is recognized.</p> <p>Recommended Action by CEO Endorsement: Please provide more specific information on interventions to be employed to involve communities and women in specific, and to include design elements to facilitate such interventions. Identification of agricultural practices and climate risks that women are specifically more vulnerable to would be strengthen the</p>	

	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	Yes.	
	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	<p>Not clear. The project lists civil unrest as a potential risk. It is not clear how the stated mitigation measure addresses the identified risk. The issue of political unrest extends beyond the village level and will affect national level activities planned through the project.</p> <p>Recommended Action: Unrest in the country is a major risk. Please provide sufficient details on mitigation measure that would be employed for smooth operation of the project at all levels, including interactions among involved ministries.</p> <p>1/22/2013 Yes. Satisfactory response has been provided.</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>Not clear. The proposed project will coordinate its activities with a number of agriculture development related projects in the country. However, the size and regional focus of these projects is unclear. Also, the status of the identified projects is not described, without which determination of possibility of coordination with these projects is difficult.</p> <p>As shared with the FAO directly by the World Bank, there are a number potential overlaps between the proposed project and the Nepal Agriculture and Food Security Project (also SPCR/PPCR) being developed by the</p>	

		<p>Recommended Actions: Please provide information on identified related projects so that avenues of possible coordination are clear. Please establish areas of coordination between the proposed project and the World Bank initiatives such that the proposed project complements the actions that are already in development. Please ensure that roles of the involved executing partners are clear in establishing this coordination.</p> <p>1/22/2013 Yes. Details adequate for the PIF level have been provided on coordination with the related projects in the country.</p>	
	20. Is the project implementation/ execution arrangement adequate?	<p>Not clear.</p> <p>Recommended Action: Please adjust roles and responsibilities of the executing partners depending on the results of coordination with other related projects in the country.</p> <p>1/22/2013 Yes. Key stakeholders and their respective roles have been described.</p>	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
	23. Is funding level for project management cost appropriate?	Yes. The PMC is within 5% of the total project grant.	

Project Financing			
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>Not clear. The funding and co-financing per objective may need to be readjusted based on comments for section 14.</p> <p>1/22/2013 Not clear. This section will be revisited once the comments for section 14 have been addressed.</p> <p>1/25/2013 Yes. The funding and associated co-financing has been readjusted.</p>	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	Indicative co-financing of \$8.806M will be provided through FAO and the Government.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	Yes. FAO is bringing \$7.6M to the project through the baseline projects and also in in-kind support.	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>No. Please see comments for sections 11, 13, 14, 15, 18, 19, 20, and 24.</p> <p>1/22/2013</p>	

		sections 13, 14, 20 and 24. 1/25/2013 Yes.	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	September 17, 2012	
	Additional review (as necessary)	January 22, 2013	
	Additional review (as necessary)	February 25, 2013	
	Additional review (as necessary)		
	Additional review (as necessary)		

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

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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