



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

GEF ID:	<b>8009</b>		
Country/Region:	<b>Nepal</b>		
Project Title:	<b>Ecosystem-Based Adaptation for Climate-resilient Development in the Kathmandu Valley, Nepal</b>		
GEF Agency:	<b>UNEP</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>\$150,000</b>	Project Grant:	<b>\$6,242,700</b>
Co-financing:	<b>\$15,184,000</b>	Total Project Cost:	<b>\$21,576,700</b>
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Fareeha Iqbal</b>	Agency Contact Person:	<b>Ermira Fida</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. Nepal is an LDC and has completed its NAPA.	
	2. Has the <b>operational focal point</b> endorsed the project?	Yes, a letter of endorsement from the OFP dated 19 November 2014 has been submitted.	
<b>Resource Availability</b>	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 SCCF (Adaptation or		

\*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

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	Technology Transfer)?		
	<ul style="list-style-type: none"> <li>the Nagoya Protocol Investment Fund</li> <li>focal area set-aside?</li> </ul>		
Strategic Alignment	<p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF <b>results framework and strategic objectives</b>?</p> <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>Yes. The project is aligned with all 3 of the LDCF/SCCF strategic objectives, and specifically Outcome 1.1 (reduced vulnerability of physical assets and natural systems), Outcome 2.1 (increased awareness of climate change impacts, vulnerability and adaptation) and Outcome 3.2 (development/strengthening of plans, policies and associated processes to identify, prioritize and integrate adaptation strategies and measures.</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 project is aligned with Nepal's NAPA (priorities 1, 5, 7, 8 and 9), UNDAF for Nepal, Nepal's Climate Change Policy, its National Communications to the UNFCCC, and LAPA objectives.</p>	
Project Design	<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>Yes. Kathmandu Valley is one of the fastest-growing metropolitan areas of South Asia, and has a projected increase in built-up area of 180 percent by 2030, due to population growth. Urban expansion has already resulted in damage to wetlands, rivers and natural ponds, which are negatively affecting groundwater recharge. Urban poverty is a recognized problem in the valley, so that many people have limited access to basic urban services. Climate change is expected to exacerbate the effects of these pressures. Rising mean temperatures, and an increase in the severity and/or frequency of floods and</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>droughts could lead to more slope failures, reduced water supply (including for agriculture), and higher rates of groundwater abstraction, among other impacts.</p> <p>Baseline projects include the Bagmati River Basin Project, the Kathmandu Valley Project, and the Pro-Poor Urban Regeneration Project. Appendix 1 is very useful in clarifying the ways in which the LDCF project activities are expected to be additional to baseline project activities.</p>	
	<p>7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?</p>	<p>FI, 12/15/14: A minor adjustment is requested. The Agency fee should be indicated in the PIF.</p> <p>Components and outcomes are clear. The project has 3 components: (1) enabling national government and local municipalities to integrate EbA in development planning (through identification of entry points, development of roadmaps and policy briefs, and trainings); (2) developing knowledge and awareness of EbA among communities of the Kathmandu Valley (by establishing frameworks, engaging schoolchildren in EbA project design and implementation, knowledge dissemination and awareness raising); and (3) EbA interventions to establish climate-resilient communities in the Kathmandu Valley (by developing technical guidelines on EbA for local government and CBOs/NGOs/user groups working at intervention sites,</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>designing EbA protocols, and implementing on-the-ground EbA interventions). Roughly 80 percent of the project costs will support Component 3, which includes investment activities.</p> <p>Recommended action: Please specify the Agency fee in the PIF.</p> <p>Update, FI, 3/3/15: Yes, this section is clear. The Agency fee has now been specified.</p>	
	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>Yes for PIF stage. The LDCF-supported measures will ensure that baseline efforts made in urban development, water and forestry will provide long-term benefits in addition to near-term ones, and help communities cope adequately with adverse impacts of climate change.</p> <p>By CEO endorsement (FI, Dec. 17, 2014): Please demonstrate clearly how the LDCF activities provide benefits that will address the 'additional risk posed by climate change' over and above baseline activities. For example, the BRBP baseline project already includes components on flood forecasting and early warning, improvement to urban riverbanks, and increased dry-season water availability. How will the LDCF project bring the presumably missing element of climate-resilience to these (and other) baseline actions?</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	<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>Yes. The project will be designed and implemented using a participatory approach. Appendix 3 provides a list of relevant stakeholders and their roles.</p> <p>Gender considerations will be mainstreamed into the project, and women's groups as well as women-headed households targeted for the EbA roadmaps and implementation. Gender sensitivity will be incorporated into training topics, and trainers will be required to have the skills and experience necessary to plan and facilitate gender-sensitive trainings.</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>FI, Dec. 17, 2014:  Further information is requested. Several potential risks have been identified, and mitigation measures proposed. However, risks to project sustainability have not been discussed.</p> <p>Recommended action (FI, Dec. 17, 2014):  Please also discuss risks and mitigation measures relating to sustainability of (i) the capacity built through the project, and (ii) the on-the-ground EbA interventions. How will project benefits and actions endure beyond the project lifetime?</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>Update, FI, 3/3/15:            Yes, risks to sustainability have been addressed in the Agency's response sheet as well as through updated information in Table A.4 (on Risks).</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>FI, Dec. 17, 2014:            Yes for PIF stage. Potential coordination with several climate change adaptation projects in Nepal has been briefly discussed. These include projects supported by the GEF SCCF, USAID, PPCR, BMU and others.</p> <p>By CEO endorsement:            In cases where synergies will be leveraged with other projects/initiatives, please discuss how this will be done.</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> <li>• Assess the potential for scaling up the project's intervention.</li> </ul>	<p>Yes, the project brings strong sustainability and replication/scale-up benefits. Building capacity of local government and communities, designing roadmaps, policy briefs, and raising the awareness of schoolchildren on EbA will contribute to project sustainability. The project's contribution to long-term EbA research, and knowledge management aspects of the project (including through a knowledge-sharing platform on EbA) will contribute to potential for replicability and scale-up.</p>	
	<p>14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	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?		
Project Financing	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?	Yes.	
	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? <u>At CEO endorsement</u> : Has co-financing been confirmed?	Yes. Indicative co-financing of \$15.18 million will be provided through baseline projects.	
	18. Is the funding level for <b>project management cost</b> appropriate?	Yes. Requested PMC is 5 percent of the project cost.	
	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? <u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund?	Yes. PPG has been requested and is within the norm.	
	20. If there is a <b>non-grant instrument</b> in the project, is there a reasonable calendar of reflows included?	N/A	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
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>	FI, Dec. 17, 2014: Not yet. Please address comments for Items 7 and 11.  Update, FI, 3/3/15: Yes, the project is recommended for approval. However, the project will not be processed for Council review and approval until adequate, additional resources become available in the LDCF.	
	25. Items to consider at CEO endorsement/approval.	FI, Dec. 17, 2014: Please address comments for Items 8 and 12.	
Recommendation at CEO Endorsement/ Approval	<b>26. Is CEO endorsement/approval being recommended?</b>		
	First review*	December 17, 2014	
Review Date (s)	Additional review (as necessary)	March 03, 2015	
	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.**



