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

GEF ID:	**4701**		
Country/Region:	**Niger**		
Project Title:	**Scaling up Community-Based Adaptation (CBA) in Niger**		
GEF Agency:	**UNDP**	GEF Agency Project ID:	**4790 (UNDP)**
Type of Trust Fund:	**Least Developed Countries Fund (LDCF)**	GEF Focal Area (s):	**Climate Change**
GEF-5 Focal Area/ LDCF/SCCF Objective (s):		**CCA-2; CCA-1; Project Mana;**	
Anticipated Financing PPG:	**$0**	Project Grant:	**$3,750,000**
Co-financing:	**$7,800,000**	Total Project Cost:	**$11,550,000**
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	**Knut Sundstrom**	Agency Contact Person:	**Mame Dagou Diop**

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion [1]
Eligibility	1. Is the participating country eligible?	YES. Niger is an LDC Party to the UNFCCC and it has completed its NAPA.
	2. Has the operational focal point endorsed the project?	YES. A Letter of Endorsement, signed by the GEF Operational Focal Point and dated October 3, 2011, has been attached to the submission.
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	YES. UNDP has a comparative advantage in institutional capacity building; support for local development and decentralization; and community-based adaptation.
	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. UNDP is currently implementing Niger's first NAPA implementation project. The Agency also has important programming in the areas of decentralization; crisis prevention and recovery; as well as sustainable development and the environment. UNDP has a Country Office and adequate staff capacity in Niger.

*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.

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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 proposed grant is available from the LDCF 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. The proposed project is aligned with the LDCF results framework. The project would contribute towards reduced vulnerability and enhanced adaptive capacity to the adverse effects of climate change, including variability.
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	NOT CLEAR. Table A of the PIF cites two CCA outcomes, 2.2 and 1.3. The proposed LDCF grant would predominantly contribute to reducing vulnerability through diversified and strengthened livelihoods ($ 3.1 million), with a smaller contribution towards measures to strengthen adaptive capacity ($500,000). Component 1 appears to have been matched with CCA Outcome 2.2. This does not fully reflect the proposed outputs. In particular, Output 1.C would seem to contribute towards mainstreaming adaptation into broader development frameworks, as per CCA Outcome 1.1. Component 3, on the other hand, appears to be geared towards measures to enhance adaptive capacity, which correspond to CCA-2 rather than CCA-1. RECOMMENDED ACTION: Please revise Table A of the PIF to ensure the CCA objectives, outcomes and outputs â€“ as well as the grant and co-financing amounts â€“ accurately reflect the outcomes and outputs proposed in Table B and Section B.2. **11/28/2011 -- NOT CLEAR.** Table A has been streamlined to cite only CCA Outcome 1.3 and Output 1.3.1. While the proposed project is predominantly geared towards strengthening and diversifying rural livelihoods, it still includes significant efforts to build the capacity of extension agencies, NGOs and CBOs. It

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		is not clear, therefore, why Outcome 2.2 was removed entirely from Table A. Moreover, the project is expected to result in the transfer and adoption of adaptation technologies, particularly climate risk management tools. Therefore, please consider including CCA-3 among focal area objectives, or, alternatively, provide justifications. **RECOMMENDED ACTION:** Please include CCA-2.2 and Output 2.2.1 as well as CCA-3.1 in Table A of the PIF, with associated LDCF amounts corresponding to the capacity building and technology transfer outputs under Component 1.
	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. The proposed LDCF project would contribute to NAPA priorities in (vi) the promotion of income-generating activities and the development of credit unions; (vii) water management and control; and (xiv) technical, material and organizational capacity building of rural farmers. The project is aligned with the Accelerated Development and Poverty Reduction Strategy (SDRP), the Rural Development Strategy (SDR), and the Environmental Plan for Sustainable Development (PNEDD).
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	YES. The proposed project appears to strike a sound balance between capacity building activities and concrete, community-based adaptation interventions. Under Component 2, the project would support micro projects in climate-resilient income-generating activities, small-scale irrigation, and micro-entrepreneurship. The sustainability and scaling up of such adaptation measures will be facilitated on the one hand by direct training to the beneficiaries of the micro projects. On the other hand, activities under Component 1are designed enable commune councilors and extension workers to access climate risk information and to incorporate such information into relevant development plans and programs.
	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?	NOT CLEAR. The proposed LDCF project would build on four baseline projects: (i) the UN Maradi Joint Programme; (ii) CARE Internation Adaptation Learning Programme; (iii) CARE International Capacity Development and Good Governance of Natural Resources in Southern Maradi; and (iv) UNCDF Support to Local Economic Development in the Maradi Region. The Maradi Joint Programme (MJP) forms the most comprehensive baseline initiative, both in terms of co-financing and in terms of operational linkages to the proposed LDCF project. Consequently, the PIF should clearly demonstrate to what extent MJP is vulnerable to the effects of climate change. Such a gap analysis is essential to demonstrating that the proposed LDCF grant is based on additional cost reasoning (see Section 13 below).

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Project Design		With respect to the two initiatives implemented by CARE International, the PIF suggests that these would inform the LDCF project in vulnerability assessments and strengthening synergies between stakeholders. It is unclear, however, to what extent the projects would overlap with the LDCF project in terms of targeted communes and beneficiaries. Moreover, the duration of these projects should be indicated in the PIF. Section B.3 of the PIF describes that the project will " improve the provision of appropriate and sustainable financial services" and "finance at least 1,000 climate-adaptive income-generating micro-projects in the areas of agriculture, fisheries and pastoral activities". It is unclear to what extent the LDCF project will rely on existing micro-finance services. At present, the PIF does not describe the extent to which rural communities in the Maradi Region have access to micro-finance, whether through the baseline projects or otherwise. Finally, the co-financing figures cited in Section B.1 of the PIF are inconsistent with those provided in Table C. Whereas the former amount to some $15.8 million, the latter amount to $9.3 million. RECOMMENDED ACTION: (i) Please indicate the ways in which the UN Maradi Joint Programme is vulnerable to the effects of climate change and unable to address such vulnerabilities; (ii) clarify to what extent the two CARE International projects overlap with the proposed LDCF project in terms of targeted communes and beneficiaries as well as timing; (iii) describe the extent to which rural communities in the Maradi Region have access to micro-finance services; and (iv) ensure that co-financing figures are reported consistently across the documentation. **11/28/2011 -- NOT CLEAR.** The revised PIF clarifies that, given the vulnerability of the region to drought, the Maradi Joint Programme will not achieve its development targets without integrating considerations of climate change into local development strategies. The re-submission also clarifies that the CARE International project, on which the proposed LDCF project would build, will be implemented in the Maradi region in 2010-2014. Finally, the revised PIF explains that the proposed LDCF project would build on existing micro-finance services, provided in particular through UNCDF, the Maradi Joint Programme, as well as conventional banks and micro-finance institutions.

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		The co-financing figures are still inconsistently reported in the PIF. Section B.1 provides co-financing figures for each baseline project at a total amount of $15.75 million, whereas Table C reports total co-financing of $7.5 million. Table A, in turn, places the figure at $9.3 million and Table B at $7.8 million. **RECOMMENDED ACTION:** Please ensure that co-financing figures are reported consistently across the documentation. (See also recommendations in sections 24, 25 and 26 below)
	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?	NOT CLEAR. As the PIF does not adequately describe the vulnerabilities associated with the UN Maradi Joint Programme, the additional cost reasoning cannot be fully assessed at this stage. Moreover, the nature of the financial services provided or strengthened by the LDCF project is not entirely clear. Will the project finance the full cost of the micro-projects described in sections B.2 and B.3 of the PIF, or will it complement existing sources of finance to make such projects climate resilient? In what ways will the project ensure that beneficiaries gain access to financial services to sustain and to scale up climate-resilient income-generating activities beyond project completion? (See also Section 11 above) Finally, Component 3 appears to duplicate some of the activities proposed under components 1 and 2. In particular, it is not clear how outputs 3.A, 3.B, and 3.C would add value to outputs 1.A and 2.C respectively. (See also Section 14 below) RECOMMENDED ACTION: Upon addressing the recommendations under Section 11 above, (i) please revisit the additional cost reasoning as described in Section B.2 of the PIF. In particular, demonstrate that Component 2 enhances the climate resilience of the UN Maradi Joint Programme rather than duplicating it. (ii) Kindly clarify how the project would extend or strengthen micro-finance services, including to sustain and to scale up climate-resilient income-generating activities after project completion. Finally, (iii) please remove, scale down

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		significantly, or provide strong justification for the activities proposed under Component 3. **11/28/2011 -- YES.** Section B .2 of the revised PIF clarifies considerably the additional cost reasoning with respect to the Maradi Joint Programme. The LDCF grant would support local communities in strengthening and diversifying their livelihoods in the face of climate change, thus enhancing the sustainability of the baseline program. With regard to micro-finance services, the re-submission explains that the proposed project would supplement activities financed through existing institutions and contribute towards their climate resilience. The LDCF grant will enable rural micro-entrepreneurs to develop and to access credit for climate-resilient income-generating activities. Finally, Component 3 has been removed and integrated into components 1 and 2 as appropriate.
	14. Is the project framework sound and sufficiently clear?	NOT CLEAR. Whereas Components 1 and 2 show clear complementarities, Component 3 appears to duplicate activities proposed under the former. In particular, it is unclear what concrete activities are proposed under Output 3.A and why such activities could not be merged with the activities proposed under Output 1.A. The same applies to Output 3.C, which includes similar capacity building activities. Output 3.B, in turn, appears to duplicate Output 2.C. Overall, it is unclear whether Component 3 adds any value to the proposed project and, if it does, why it could not be merged with Components 1 and 2. In addition, it is necessary to disaggregate each outcome and each output by grant type (TA or Investment) and grant amount. RECOMMENDED ACTION: Upon addressing recommendations under Section 13 above, please revise the project framework to ensure it is internally consistent and that the proposed outcomes and outputs do not duplicate each other. Consider merging Component 3 with components 1 and 2. Please disaggregate each outcome and each output by grant type (TA or Investment) and grant amount. **11/28/2011 -- NOT CLEAR.** The project framework has been revised and the project is now structured around two components.

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		Outputs 1.e, 2.a, 2.c, and 2.d should be clarified. Do the CBA micro-projects formulated and financed under Output 1.e encompass the activities undertaken under Component 2? Will the micro-projects be financed entirely through co-financing (see also pp. 12-13 in the revised PIF), in which case the wording in Table B should be changed? Outputs 2.a, 2.c, and 2.d, in turn, appear to describe the same set of activities, i.e. the introduction and development of climate-resilient income-generating activities. These outputs should be merged or more clearly distinguished. Moreover, kindly place all TA outputs under Component 1 and leave only INV outputs under Component 2, and associate the funding amounts with respective components accordingly. **RECOMMENDED ACTION:** Please (i) clarify outputs 1.e, 2.a, 2.c, and 2.d; and disaggregate between TA and INV components.
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	NOT CLEAR. Given that the additional cost reasoning and the project framework require significant clarification and restructuring, the adaptation benefits associated with the proposed activities cannot be adequately assessed at this stage. RECOMMENDED ACTION: Upon addressing the recommendations under Sections 11, 13 and 14 above, please describe the adaptation benefits associated with the proposed activities in Section B.2 of the PIF. **11/28/2011 -- YES.** The additional cost reasoning has been clarified in the re-submission and the adaptation benefits are adequately described for this stage of project development. The proposed project would, on the one hand, reduce the vulnerability of rural communities to the immediate effects of climate change on their livelihoods, notably through small-scale irrigation and enhanced water management. On the other hand, the project would introduce climate-resilient income-generating activities especially for rural women, thus reducing their dependence on agriculture as well as their exposure to extreme weather events.
	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/	NOT CLEAR. The PIF argues that the LDCF project -- and the baseline projects on which it builds -- would finance at least 1,000 micro-projects benefiting nearly 200,000 people with indirect benefits to about 500,000 people. Given that the volume of micro-finance credit to such activities would amount to $1,000,000, resources would be spread very thinly. The concrete and lasting impact of the project on its direct and indirect beneficiaries remains uncertain. In particular, it is

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	additional benefits?	unclear whether the micro-projects could improve the income of 200,000 beneficiaries by 10 per cent in a sustainable manner. The proposed project specifically targets needs of women and recognizes the knowledge and experience of women with regard to climate-resilient livelihood practices. RECOMMENDED ACTION: Please revisit Section B.3 of the PIF and clarify wherein the direct and indirect socioeconomic benefits consist; how these will be delivered to and distributed among the beneficiaries; and how these will be sustained. **11/28/2011 -- YES.** The socio-economic benefits have been adequately described in the re-submission. Notably, the revised PIF clarifies that the sustainability of the climate-resilient income-generating activities would be ensured by enabling beneficiaries to access micro-finance services. By CEO Endorsement, the project document is expected to further demonstrate that the climate-resilient income-generating activities introduced and developed through the proposed project would be supported by secure access to markets and credit beyond project completion.
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	YES. The project adopts a community-based approach, building entirely on communities' needs and priorities as identified in vulnerability capacity assessments. The project engages directly with CBOs and enhances their capacity to implement and seek funding for adaptation initiatives.
	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)	NOT CLEAR. The PIF identifies risks associated with heavy administrative red tape and limited management and monitoring capacities at the local level. Given the complexity and level of ambition of the PIF, the risks framework is minimal. There are many risks that could be identified that could adversely impact the success of implementation. For example, it is unclear how this project will avoid repeating the shortfalls identified under B1 section of the proposal. Namely, this project is quite ambitious in terms of activities, but relatively limited in geographical coverage. RECOMMENDED ACTION: Please consider the risks associated the current design of the project, namely concerning the risks of limited extension of community-based adaptation programs, and limited finance for local communities

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		and their institutions. **11/28/2011 -- YES.** The project risk matrix has been elaborated in the re-submission. Risks associated with limited extension services and finance have been identified. By CEO Endorsement, the project document should demonstrate in greater detail how the aforementioned risks will be mitigated and managed to ensure lasting results (see also Section 16 above).
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	YES. As recognized in the PIF, the proposed project targets a country and a region with several ongoing adaptation initiatives. Coordination arrangements with the ongoing UNDP-LDCF project, the Africa Adaptation Programme, the World Bank Pilot Programme for Climate Resilience, and other relevant initiatives are adequately described for this stage of project development, but further detail regarding synergies and complementarities is expected by CEO Endorsement.
	20. Is the project implementation/ execution arrangement adequate?	NA
	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?	
Project Financing	23. Is funding level for project management cost appropriate?	YES. At $150,000 and significantly below 5 per cent of the proposed LDCF grant, the funding level for project management costs is appropriate.
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	NOT CLEAR. While funding and co-financing for Components 1 and 2 are appropriate, Component 3 appears duplicative and the associated request for $1.1 million in LDCF resources is therefore not fully justified. RECOMMENDED ACTION: Please address recommendations under sections 13 and 14 above and revise the grant and co-financing figures in Tables A and B accordingly. **11/28/2011 -- NO.** While the LDCF funding per component appears appropriate, co-financing -- as provided in Table A ($7.8 million) -- is inadequate. Please increase the overall co-financing ratio to at least 3 dollars for each dollar of LDCF

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		resources.
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	At $9.3 million the indicative co-financing appears adequate. Still, for clarity, co-financing figures should be reported consistently across the documentation. RECOMMENDED ACTION: Please address recommendation (iv) under Section 11 above. **11/28/2011 --** Please increase the overall co-financing ratio to at least 3 dollars for each dollar of LDCF resources and please address the recommendation under Section 11 above.
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	NOT CLEAR. The UNDP grants associated with the UN Maradi Joint Programme and support for the PMU appear to be appropriate. There is, however, a discrepancy between the figure provided in Table C ($2.15 million) and that provided in section C.1 ($2.25 million). RECOMMENDED ACTION: Please address recommendation (iv) under Section 11 above. **11/28/2011 --** Please address the recommendations under sections 25 and 11 above.
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?	NA
	• Convention Secretariat?	NA
	• Council comments?	
	• Other GEF Agencies?	NA
Recommendation at	**30. Is PIF clearance/approval being recommended?**	NOT YET. Please refer to sections 8, 11, 13, 14, 15, 16, 18, 24, 25, and 26. As a general comment, it is advised to restructure and simplify the project, for example

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PIF Stage		focusing on Outcome 2, with a strong community-based approach, as well as on enabling replication and dissemination. **11/28/2011 -- NOT YET.** Please refer to sections 8, 11, 14, 24, 25, and 26.
	31. Items to consider at CEO endorsement/approval.	Please refer to section 19. **11/28/2011 --** Please refer to sections 16, 18, and 19.
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*	October 17, 2011
	Additional review (as necessary)	November 28, 2011
	Additional review (as necessary)	
	Additional review (as necessary)	
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* **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?	YES. The PPG is structured around four components: (i) assessment of needs and technical feasibility of adaptation options and measures; (ii) project development; (iii) stakeholder consultations; and (iv) the development of a financial plan and co-funding scheme.
	2.Is itemized budget justified?	NOT CLEAR. 60 per cent ($30,000) of the PPG would be allocated towards Component 4, including negotiations with the government counterpart; exploring multi-lateral and bilateral funding opportunities; and obtaining official endorsement letters. The cost does not appear to be justified. Moreover, LDCF resources for project preparation should be geared towards designing the substantive elements of the project, rather than developing a financial plan and co-

		financing scheme. Table E appears to be inconsistent with Annex A. The former provides 17 person weeks of local consultants at a total cost of $17,000 while latter provides 26 person weeks at a total cost of $29,000. Annex A includes a Climate Change Specialist, to be hired for 3 weeks at $2,000/week, a very high rate for a local consultant. RECOMMENDED ACTION: (i) Please re-allocate the PPG with a clear emphasis on components 1 through 3 and, if necessary, increase co-financing for Component 4. (ii) Ensure that consultants' costs are reported consistently across the documentation and, if applicable, provide justification for the high weekly rate ($2,000) for the Climate Change Specialist, preferably with reference to the UN remuneration scale for local consultants in Niger or market rates for similar assignments.
Secretariat Recommendation	**3. Is PPG approval being recommended?**	NOT YET. Please refer to Section 2 above.
	4. Other comments	
Review Date (s)	First review*	October 17, 2011
	Additional review (as necessary)	

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