



REQUEST FOR CEO ENDORSEMENT/APPROVAL
PROJECT TYPE: Full-sized Project
THE SPECIAL CLIMATE CHANGE FUND (SCCF)¹

Submission Date: April 8, 2010

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 3243

GEF AGENCY PROJECT ID: P101076

COUNTRY(IES): Philippines

PROJECT TITLE: Philippine Climate Change Adaptation Project

GEF AGENCY(IES): World Bank, (select), (select)

OTHER EXECUTING PARTNER(S): Philippine Government

GEF FOCAL AREA: Climate Change

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSP)	4/15/2008
Agency Approval Date	05/27/2010
Implementation Start	07/01/2010
Mid-term Review (if planned)	12/30/2012
Project Closing Date	06/30/2015

A. PROJECT FRAMEWORK

<p>Project Objective: The project is a pilot the development objective of which is to develop and demonstrate approaches that would enable targeted communities to adapt to the potential impacts of climate variability and change. This would be achieved by strengthening existing institutional frameworks for climate change adaptation, and by the demonstration of cost-effective adaptation strategies in agriculture and natural resources management.</p>								
Project Components	Indicate whether Investment, TA, or STA ^b	Expected Outcomes	Expected Outputs	SCCF Financing ^a		Co-financing ^a		Total (\$) c = a+b
				(\$ a)	%	(\$ b)	%	
1. Strengthening the Enabling Environment for CCA	Technical assistance	Climate risk management is mainstreamed into the work of the DENR and DA. Staff of DENR and DA as well as project stakeholders are trained and better aware of CCA Knowledge management tools on CCA developed	<ul style="list-style-type: none"> Approval of adaptation-friendly policies in the agriculture and/or ENRM sectors (such as revised rural infrastructure guidelines, revised extension guidelines, modified training curricula). DENR and DA regularly use climate screening tool to assess projects in the annual work plan (incorporated in project assessment criteria). Best-practice manual developed by the project being utilized in the design of other adaptation interventions in the country 	590,000	83	120,000	17	710,000
2. Demonstrating CCA Strategies in the Agriculture	Investment	Project stakeholders in the target regions have practical experience of	<ul style="list-style-type: none"> Irrigation infrastructure in four PIDP irrigation systems is redesigned/rehabilitated to incorporate CCA parameters 	2,944,000	4	49,910,000	96	52,854,000

¹ This template is for the use of SCCF Adaptation projects only. For other SCCF projects under Technology Transfer, Sectors and Economic Diversification windows, other templates will be provided.

and Natural Resources Sectors		<p>how to identify and design CCA measures in agriculture and NRM</p> <p>The use of methodologies such as downscaling techniques and climate scenarios to identify climate risks and design adaptation measures demonstrated.</p> <p>Improved access to risk management instruments such as weather - index based insurance</p>	<p>recommended by PhilCCAP.</p> <ul style="list-style-type: none"> Evaluation report issued on the outcome of the weather-index based insurance pilot At least 25% of farmers surveyed in the targeted areas who receive extension advice apply an element of the new extension packages developed with project support (for example, use weather data and/or climate projections in making farming decisions, use of on-farm rainwater harvesting or other soil moisture management technologies). Revised management plans for PPLS and SIPLAS incorporates Climate change adaptation activities and are being implemented. 					
3. Enhanced Provision of Information for climate risk management		<ul style="list-style-type: none"> Increased capacity of PAGASA in applying and disseminating climate risk information Increased use of models, climate databases and other climate information provided by various end users 	<ul style="list-style-type: none"> Completion of documented designs for apposite information delivery to users Documented evidence that the information has been delivered and used 	1,030,000	73	380,000	27	1,410,000
4. Project Coordination		<ul style="list-style-type: none"> Project effectively coordinated with activities regularly monitored and necessary 	Review of project progress	410,000	91	40,000	9	450,000

		adjustments made to ensure achievement of project development outcomes.						
5. Project management								
Total project costs			A4,974,000		B50,450,000			55,424,000

^a List the \$ by project components. The percentage is the share of SCCF and Co-financing respectively to the total amount for the component.

^b TA = Technical Assistance; STA = Scientific & Technical Analysis

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT (expand the table line items as necessary)

<i>Name of Co-financier (source)</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%*</i>
Government of the Philippines	Nat'l Gov't	Grant	B50,450,000	100%
Total Co-financing			B50,450,000	100%

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

C. CONFIRMED FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Project Preparation Amount (a)	Project (b)	Total c = a + b	Agency Fee	<i>For comparison: SCCF Grant and Co-financing at PIF</i>
SCCF financing	283,000	A4,974,000	5,257,000	525,700	5,782,700
Co-financing	130,000	B 50,450,000	50,580,000		25,430,000
Total	413,000	55,424,000	55,837,000	525,700	31,212,700

D. FOR MULTI AGENCIES/COUNTRIES (IN \$)¹

GEF Agency	Country Name	(in \$)		
		Project (a)	Agency Fee (b) ²	Total (c) c=a+b
(select)				
Total SCCF Resources		0		0

¹ No need to provide information for this table if it is a single country and/or single GEF Agency project.

² Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

E. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Total Estimated person months</i>	<i>SCCF (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	70	158,350	10,000	168,350
International consultants*				
Office facilities, equipment, vehicles and communications*		43,500	31,000	74,500
Travel*				
Total		201,850	41,000	242,850

* Details to be provided in Annex C.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person months</i>	<i>SCCF(\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants*</i>	136	327,080		327,080
<i>International consultants*</i>	15	180,000		180,000
Total	151	507,080	0	507,080

* Details to be provided in Annex C.

G. DESCRIBE THE BUDGETED M&E PLAN:

Responsibility for M&E will rest with the Policy and Planning Service Office (PPSO) of DENR, in collaboration with FASPO and the agencies with direct implementation responsibilities. An M&E specialist will be recruited to strengthen this function in the PPSO and to support the executing agencies, many of which do not have sufficient expertise in monitoring and evaluation. As detailed in the results monitoring framework (Annex 3), data will flow from these agencies to PPSO and FASPO, where they will be analyzed and reported. Progress reports on the project will be prepared by the PPSO and FASPO and be reviewed by the PSC. These reports will also be reviewed as part of the World Bank's supervision of the project.

The results monitoring framework, presented in a matrix, provides details of the various data sources and frequency of reporting, and identifies parties responsible for monitoring the performance of the project on a component-by-component, activity-by-activity basis. The framework includes sufficient frequency of monitoring to enable feedback of evaluation results. One of the first activities will be a baseline survey of the awareness and knowledge of climate change among proposed project beneficiaries, and their use (or not) of adaptation technologies. This survey will also measure the use and exchange of scientific climate information by the institutions that would use the information to be provided by PAGASA. Based on the findings and recommendations of periodic evaluations and the formal mid-term review, the project design or implementation arrangements may be adjusted, as needed, to ensure achievement of the targeted outcomes. A formal mid-term review would be conducted at the mid-point of the project and an end of project completion report would also be prepared.

CCA creates new challenges for the identification and measurement of suitable M&E indicators. For example, the uncertainty surrounding climate change impacts and the long-term nature of some effects can make the assessment of impacts difficult. This project is designed to demonstrate how to reduce vulnerability to extreme events, which means that accurate evaluation of the results depends on whether these events occur within the project's life.

PART II: PROJECT JUSTIFICATION

A. DESCRIBE THE PROJECT RATIONALE AND THE EXPECTED MEASURABLE ADAPTATION BENEFITS:

As highlighted in the Philippines Initial Communication to the United Nations Framework Convention on Climate Change (UNFCCC), the country's rural populations are especially vulnerable to climate change impacts because of their direct dependence on agriculture and natural resources. Poor communities are more vulnerable because they have fewer options for coping with major climate change-induced impacts, such as decreased food and water supplies. Thus, climate change impacts can cause serious disruptions to economic development and poverty alleviation, especially in poorer rural areas. The 1982-83 and 1997-98 El Nino events for instance caused a large drop in the volume of agricultural production and contributed to the sharpest falls in GDP in the past decades. Several typhoons (e.g., in 1984, 1988 and 1990) have also caused declines on the order of one percent of GDP and four percent of agricultural production. Global climate change is expected to exacerbate the natural hazards that threaten the Philippines. Projected temperature increases in the Philippines are similar to the global trend; but the impacts are expected to be more severe, with sea level rise, more intense rainfall events (and thus more floods and landslides), longer dry spells, and

stronger monsoon rainfall variability expected to have important implications for water resources, agriculture, forestry, coastal areas, public health, and human settlement. Increasing climatic variability and more frequent extreme weather events will also have serious consequences for the entire nation, as demonstrated by the high costs of recent extreme weather events and related disasters.

To address the pervasive and longer-term impacts of climate change, climate change adaptation (CCA) needs to be mainstreamed into key development processes. While climate change projections for the Philippines still contain some uncertainties, particularly with respect to rainfall in specific areas of the country, there is substantial scope to make investments more robust and more responsive to the changes that have been identified, such as the increasing risk of extreme events. Greater robustness can be realized by, for example: (a) making changes to specific physical investments (including changes in design or selection of sites); (b) making better use of climate risk information (including climate projections and forecasts on various timescales); and (c) awareness-raising and empowerment among stakeholders. The project would focus on developing practical examples and methodologies that demonstrate the benefits of mainstreaming and that would have wide application for local government programs across the Philippines. At the institutional level, the project would strengthen the enabling environment for CCA in the agriculture and natural resource management (NRM) sectors, and support the enhancement and provision of scientific information for climate risk management. It would provide support as well to instigating climate resiliency in irrigation infrastructure and extension services and to the adoption of climate adaptation measures such as rainwater harvesting, weather based crop insurance, new seeds and new technologies. At the operational level, the project would work closely with other interested and committed local governments which have substantial investments underway that are at risk from climate change.

As this project is a pilot the expected outcomes will necessarily be measured by both process and impact indicators. The main adaptation benefits will be to increase communities' adaptive capacity by improving: (a) farm management capability under conditions of climate risk; (b) access to information on weather forecasting and climate patterns; (c) access to risk management options such as weather index insurance; and (d) strengthening ecosystems resiliency. The primary beneficiaries include poor farmers who often suffer climate-related losses, and other vulnerable groups that depend on natural resources for their livelihoods

A. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL/REGIONAL PRIORITIES/PLANS:

The proposed project strongly supports national priorities as articulated in the Mid-Term Philippines Development Plan (MTPDP), the Philippines commitment under the Millennium Development Goals (MDGs), and the Initial National Communication to the UNFCCC. The MTPDP highlights, among other things, the need to reduce poverty in rural communities through agricultural development. The plan recognizes the need to adopt a holistic approach by addressing key vulnerabilities of the crop production system. Some of the most important causes of damage to agricultural productivity are climate-related hazards such as ENSO and tropical cyclones. The MTPDP also aims to enhance the protection of forests and conserve biodiversity—two objectives that, at the same time, support resiliency to climate change. Climate change adaptation is not explicitly mentioned in the Medium-Term Philippine Development Plan (MTPDP) for 2004-2010, but the Plan does emphasize mitigation of natural disasters to prevent the loss of lives and property.

The proposed project is also consistent with the goal of the Country Assistance Strategy (CAS) of supporting the Government's efforts to protect the poor from sudden economic shocks. Specifically, the CAS proposes helping to mitigate disaster and climate-related risks, including by piloting climate change adaptation measures. Economic growth in the Philippines in recent years has not fully translated into poverty reduction. The CAS highlights several contributory factors, including the effects of climate change and natural disasters, which have stretched the coping strategies of the poor, who are least equipped to deal with climate shocks.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH SCCF ELIGIBILITY CRITERIA AND PRIORITIES: The Philippines is eligible for GEF support as a signatory to the UNFCCC, which the Government signed in June 1992

and ratified in August 1994. The proposed project is also consistent with the findings and recommendations of the Philippines Initial National Communication to the Convention submitted in December 1999, and with the guidance for the Special Climate Change Fund (SCCF), including UNFCCC Decision 5/CP.9, which states that addressing the adverse impacts of climate change is the top priority for funding under the SCCF. The proposed project addresses several of the priority areas mentioned in the decision: water resources, land management, agriculture and fragile ecosystems. Furthermore, the project is consistent with the decision's support for (i) "capacity building, including institutional capacity, for preventive measures, planning, preparedness, and management of disasters relating to climate change, including contingency planning, in particular, for droughts and floods in areas prone to extreme weather events"; and (ii) "strengthening existing and, where needed, establishing national and regional centers and information networks for rapid response to extreme weather events." The Philippines' Initial National Communication to the UNFCCC includes a detailed section on adaptation, including in the agriculture sector. Identified measures include rainfall and runoff management, organic farming adjustment of cropping patterns, crop diversification, genetic development of heat-tolerant crops, legislative measures on land use, and strengthening of extension services. The Initial National Communication also addresses climate change impacts on water resources and highlighted the adaptation measures of redesigning water allocation and compensation schemes; enhancing irrigation efficiency; introducing low water-use crops and efficient farming practices; water recycling; improving flood and drought forecasting; restructuring water pricing policies; and promoting awareness about climate change. The sectoral focus of the project is very much in line with the areas emphasized in the Initial National Communication. The project seeks to improve resiliency in the agricultural and natural resources sectors, and to protect associated support infrastructure. The specific adaptation strategies and interventions proposed are also highly consistent with the recommendations contained in the Initial National Communication. The project should help to achieve the goals of increasing the resiliency of poor rural communities to climate change impacts, improving food security, and maintaining the integrity of ecological systems.

- C. **OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:** The project will have close linkages with the World Bank-supported Environment and Natural Resources Management Project (ENRMP), which is also co-financed by the GEF and executed by the DENR; and with the Participatory Irrigation Development Project (PIDP). A number of longer-term initiatives that are aimed to help strengthen CCA capacity in the Philippines, and mainstream climate risk management into key national development processes and vulnerable sectors, are planned or underway, including i) the Hazard Mapping and Assessment for Effective Community-based Disaster Risk Management (READY) Project, which is developing a systematic approach to community-based disaster risk management (DRM), climate risk management and community-based early warning systems, ii) CCA initiatives of the Provincial Government of Albay which has initiated several resolutions in support of CCA mainstreaming through local government action, iii) the Millennium Development Goals Framework (MDG-F) Joint Programme for Strengthening the Philippines' Institutional Capacity to Adapt to Climate Change, which is supported by grant funding from the Government of Spain and from GEF, with UNDP as the Executing Agency, iv) the Adaptation to Climate Change and Conservation of Biodiversity in the Philippines Project (ACCBio), funded by GTZ, with DENR as the Executing Agency, which aims to strengthen national capacity for mainstreaming CCA strategies; and v) the project on Integrating Disaster Risk Reduction and Climate Change Adaptation (DRR/CCA) in Local Development Planning and Decision-making Processes, funded by the UNDP and the AusAid and implemented by the National Economic Development Authority (NEDA), which seeks to integrate disaster risk reduction and climate change adaptation into local decisionmaking and planning processes. Close coordination among these projects has been initiated, and will continue throughout implementation via the coordination role of the National Climate Change Commission (NCCC). A partnership will also be developed with the China: Mainstreaming Climate Change Adaptation Project, which is also GEF supported and one year into implementation, to gain from its experience in implementing similar approaches to those proposed under PhilCCAP. The Asian Development Bank's proposed Philippines Integrated Natural Resources and Environmental Management (INREM) project may use GEF financing to incorporate CCA mechanisms into the project, in which case appropriate coordination arrangements would be established. The PhilCCAP project will also be linked with government initiatives, namely the DENR's Upland Development Program (UDP) which is engaged in activities that address poverty in the uplands while rehabilitating degraded watersheds. If the mainstreaming initiatives under this project are successful, DENR should be empowered to apply some of the knowledge gained to strengthen the resiliency of communities under the UDP and others not covered by the proposed Project.

- D. DESCRIBE ADDITIONAL COST REASONING:** There is currently very limited capacity to integrate climate change into the plans and programs of the Philippine government and it is expected that operational activities by relevant agriculture and natural resource management agencies will be carried out without special attention to climate change. Investments and activities in natural resources management and agriculture development, including irrigation systems, would be planned without consideration upon rising climate risks. Many of these investments might physically be affected by climate change and would not realize their long-term benefits in terms of poverty reduction and economic development and could even contribute to mal-adaptation. With the assistance of the Special Climate Change Fund (SCCF), the additional risks to these specific investments would be substantially reduced by improved planning, taking into account the best climate information and by additional investments to enhance the climate resilience of existing programs. There is substantial scope to make the investments more robust to climate risks through win-win solutions such as increasing the general robustness of physical investments; making better use of climate risk information; introduction of new technologies (such as drought tolerant seed varieties, minimum tillage, and improved soil moisture management); and awareness raising among stakeholders. These developments and investments would serve as pilot cases to application of systematic diagnosis and options analysis for climate risk management, which would include an enhanced institutional framework and planning capacity for climate risk management. These experiences and improvements would enhance the resilience of the agriculture and natural resources sectors as a whole, enabling government programs and investments to deliver their expected benefits in terms of economic development and poverty alleviation. Benefits beyond these sectors may be generated through enhanced interagency coordination and provision of scientific information for climate risk management, which could benefit all climate sensitive programs. With the SCCF, the project would strengthen the climate resilience of programs undertaken by the DENR and DA and of two particular World Bank supported investment projects, the ENRMP and the Participatory Irrigation Development Project (PIDP). The SCCF will incorporate climate resilience into existing protected areas plans; rehabilitate and protect degraded areas including riverine areas; improve forest management and sustainable livelihood and invest in aqua-silviculture and coastal areas in the ENRMP. The inclusion of climate risk management in the PIDP on the other hand will result in improved canal conveyance capacity, construction or improvement of structures for better water level and flow control, and in improved equity in water distribution, drainage water re-use, and conjunctive use of surface and ground water. The additional cost required to implement these changes is 8.36 million of which US\$4.94 million is being requested from the SCCF.
- E. INDICATE THE RISK THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MITIGATION MEASURES:** The overall project risks will be moderate. The table below outlines the risks and the mitigation measures.

Risk	Risk Mitigation Measures	Risk Rating
<i>To project development objective</i>		
Failure or delay in establishing the policy and institutional framework for adaptation, leading to difficulties in implementing demonstration measures on the ground.	Activities are well underway to mainstream adaptation at the national level and strengthen the institutional framework through the complementary projects listed in para. 42. The project also includes capacity building for NCCC, to ensure that it is well-equipped to perform its functions, including project oversight.	L
The national and local leadership may not own or mainstream the piloted CCA initiatives and tools.	The project will use existing implementation and decisionmaking mechanisms to help ensure replication and mainstreaming. Moreover, the enactment of the Climate Change Act of 2009, placing the President at head of the NCCC, and the increasing incidence of disasters due to extreme weather events, will ensure	M

	that CCA continues to be a priority in the national and local development agenda across administrations.	
Weaknesses in DENR's capability to effectively manage the program.	DENR's role will be mainly overall coordination; monitoring and implementation will be done through MOAs with the relevant departments and local governments.	M
Failure by the linked ongoing projects to scale up activities supported under this initiative.	The linkage of climate change activities with two ongoing projects ENRMP and PIDP not only leverages co-funding, but encourages scaling up of demonstration activities. Consultations were held during preparation with the relevant government agencies and officials of both projects, and as the IBRD loans represent the counterpart, there are no additional immediate fiscal constraints, which should also foster a quick uptake of activities.	M
<i>To component results</i>		
Institutional considerations: inter/intra institutional dynamics		
Lack of ownership of the expected results at the departmental and local government levels, given the large number of involved agencies.	The project emphasizes implementation of project activities by the departments that already have a mandate for CCA, and by local governments that have an interest in obtaining good results.	M
Inadequate capacity to implement key features of the project.	The DA and some local governments already have experience implementing ongoing Bank and other externally funded projects. Any weaknesses in existing capacity would be addressed through targeted technical assistance and training, especially in procurement and financial management.	M
Weak internal controls/weak or lack of internal audit function in government units.	The Bank is addressing this issue through its Grant for Strengthening the Internal Audit (IA), with the Philippine Anti-Graft Commission as its implementing agency. A Generic Internal Audit Manual (GIAM) aligned with international standards has been developed through the IDF grant. AusAid on the other hand, supported the development of the National Guidelines on Internal Control System (NGICS). Harmonization of GIAM and NGICS is currently being supported by AusAid through the Philippines – Australia Partnership for Economic Governance Reform (PEGR).	S
<i>Overall risk rating</i>		M

F. **EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:** The project is cost effective as it builds upon existing physical investments and measures that require reasonable incremental costs to strengthen resilience to climate risks, yet are expected to reap disproportionately high economic,

environmental and developmental benefits. The retrofitting, redesign and rehabilitation of irrigation infrastructures for instance is expected to improve agricultural productivity, incomes and food security particularly under increased occurrence and magnitude of climate risks and costs only a fraction of new construction that may not account for climate change. The economic and developmental benefits of improved extension services, increased access to climate information and early warning signals, adoption of new technologies (such as seeds) and of rainwater harvesting technologies far outweigh the costs of their inputs. Similarly, increasing the resilience of protected watershed and coastal areas in Penablanca and Siargao require marginal investments to existing project costs but are expected to provide wide-ranging environmental benefits with likely productivity effects.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. PROJECT IMPLEMENTATION ARRANGEMENT: No new institutional structures or arrangements will be established. The project will use existing structures to strengthen the capacity of existing institutions, and to facilitate the scaling up of activities based on best practices and proven benefits. Interagency coordination will be the responsibility of the newly established Climate Change Office (CCO) of DENR, which will also coordinate M&E. The project includes a range of activities that directly involve several national government agencies i.e., the National Commission on Climate Change, DA, NIA, DENR, & PAGASA. There would also be linkages through these agencies to NAMRIA, Manila Observatory, the Regional Meteorological Training Center at the University of the Philippines and to LGUs. The responsibility for promoting and facilitating such linkages, would depend very much on the initiatives of the newly created Climate Change/Adaptation offices of the DA and DENR, under the overall leadership of the NCCC. Primary responsibility for implementing the strengthening the enabling environment for climate change adaptation component would rest with the CCO of the DENR. The demonstration of climate change adaptation strategies in the agriculture and natural resource sectors, namely the integration of climate change adaptation in irrigation infrastructure, the enhancement of crop productivity through improved agronomic practices, weather information & awareness, the piloting of weather index-based crop insurance and the strengthening of climate change management practices for protected areas will be undertaken by the DENR, DA and their agencies. The NIA will assess and monitor the climate risks and the specific design modifications of irrigation infrastructure while the Agricultural Training Institute will be responsible for carrying out improved agronomic practices, weather information and awareness in their extension packages to integrate climate change adaptation. The Climate Change Adaptation office of the Department of Agriculture will evaluate the feasibility of developing a crop insurance scheme for rice and corn as a possible option for mitigating risks to farmers in Regions 2 and 6. The project will also strengthen the climate change management practices for protected areas in Penablanca, Northern Luzon and Siargao, Surigao del Norte.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF: The overall project design is consistent with the project concept articulated in the project identification form (PIF). However, there were some changes, which reflect the rapidly changing institutional framework for CCA in the Philippines as well as an effort to simplify the project (fewer activities), strengthen linkages among the components, and make it more cost effective. The following were the other major changes.

The project concept envisaged targeting climate-proofing investments in four ongoing World Bank projects: ENRMP, PIDP, Mindanao Rural Development Project Phase 2 (MRDP2), and the Diversified Farm Income and Market Development Project (DFIMDP). The project eventually focused only on ENRMP and PIDP, due to the fact that one of the sites for the other projects (MRDP2) did not have clear climate risks; and one of the

investment programs (DFIMDP) had been completed and many of its outputs received poor performance evaluations. Moreover, spreading project activities over too many sites would be difficult to manage.

The original project design included a separate component to address DRR/DRM-related issues. Since considerable resources are already being committed to addressing DRR/DRM in the Philippines, and in order to reduce the number of separate activities to be implemented, these considerations have been integrated into other project components and activities.

The original project design included a separate component to mainstream CCA and build institutional capacity at central agencies such as the National Economic Development Authority (NEDA). This component was not needed in its entirety, as these issues are being addressed by ongoing and planned initiatives supported by other donors. For example, modifications to the MTPDP to incorporate greater emphasis on CCA, and other national policy mainstreaming efforts, are being pursued by NEDA under the Spanish-funded MDG-F Joint Programme for Strengthening the Philippines Institutional Capacity to Adapt to Climate Change. Further, establishment of a Climate Change Office within DENR, as the central agency having oversight responsibility for climate change-related activities, and other institutional capacity building, are being supported by the German Technical Cooperation (GTZ). Therefore, the project will fill the remaining gaps and focus its mainstreaming efforts at the sector levels in agriculture and natural resource management.

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with SCCF policies and procedures and meets the SCCF criteria for project endorsement.					
Agency Coordinator, Agency name	Signature	Date <i>(Month, day, year)</i>	Project Contact Person	Telephone	Email Address
Steve Gorman			Jiang RU	202-473- 8677	jru@worldbank.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Project Development Objective (PDO)	Project Outcome Indicators	Use of Project Outcome Information
The project is a pilot the development objective of which is to develop and demonstrate approaches that would enable targeted communities to adapt to the potential impacts of climate variability and change.	<ul style="list-style-type: none"> 20% of households surveyed in the targeted areas adopt coping strategies, new technologies or improved farming practices to better cope with climate variability and extremes Among stakeholders surveyed in the targeted areas 35% have participated in or are knowledgeable of activities demonstrated by the project to reduce vulnerability or improve adaptive capacity 	Assess the success of the project in demonstrating cost effective adaptation measures to farmers, in increasing awareness on adaptation and on providing guidance on the potential for scaling up these activities
Intermediate Outcomes	Intermediate Outcome Indicators	Use of Intermediate Outcome Monitoring
Strengthening the enabling environment for climate change adaptation (Component 1)	<ul style="list-style-type: none"> Approval of adaptation-friendly policies in the agriculture and/or ENRM sectors (such as revised rural infrastructure guidelines, revised extension guidelines, modified training curricula). DENR and DA regularly use climate screening tool to assess projects in the annual work plan (incorporated in project assessment criteria). Best-practice manual developed by the project being utilized in the design of other adaptation interventions in the country 	<p>Assess whether DENR and DA management and staff have adopted CCA as part of their regular business and if not redirect the project approach</p> <p>Guide CCA mainstreaming agenda in other sectors</p>
Adaptation measures in agriculture and natural resources management are demonstrated (Component 2)	<ul style="list-style-type: none"> Irrigation infrastructure in two PIDP irrigation systems is redesigned/rehabilitated to incorporate CCA parameters recommended by PhilCCAP. Evaluation report issued on the outcome of the weather-index based insurance pilot At least 25% of farmers surveyed in the targeted areas who receive extension advice apply an element of the new extension packages developed with project support (for example, use weather data and/or climate projections in making farming decisions, use of on-farm rainwater harvesting or other soil moisture management technologies). Revised management plans for PPLS and SIPLAS incorporates Climate change adaptation activities and are being implemented. 	Assess the appropriateness of the on the ground adaptation measures piloted by the project and the potential for replication and scale up
Enhanced provision of scientific information for climate risk management (Component 3)	<ul style="list-style-type: none"> Completion of documented designs for apposite information delivery to users in Components 1 and 2 sub-projects Documented evidence that the information has been delivered and used throughout all subcomponents of Components 1 and 2 in appropriate ways to add value consistent with the original documented designs or modified according to updated designs 	Ensure that services in Component 3 required to implement Components 1 and 2 are being provided
Project effectively coordinated, with activities regularly monitored and necessary adjustments made to ensure achievement of PDO (Component 4)	<ul style="list-style-type: none"> Project Steering Committee reviews project progress on a six monthly basis as reported in the minutes 	Ensure that project implementation arrangements are working satisfactorily

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, Responses to Comments from the Convention Secretariat made at PIF)

GEF Secretariat:

1. Cost effectiveness of the project has been demonstrated (see F above)
2. Value Added of GEF Involvement: This has been described above in Sections A and D.
3. A detailed matrix is provided on the risks facing the project and the proposed mitigation measures

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT

<i>Position / Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
For Project Management	Per month	Per month	
Local			
Project Manager	2405	40	Overall project Coordination.
IEC specialist	2405	15	Lead awareness raising and communications campaign
Project Monitoring Specialist	2,405	15	Design and provide training on M&E system
International			
Justification for Travel, if any:			
For Technical Assistance			
Local			
Legal	2,405	10	Review legislation for climate change implications
Agriculture Policy	2,405	10	Review agricultural policy for climate risk
NRM	2,405	10	Review NRM policy for climate risk
Climate Information	2,405	8	Provide analytical services for climate data
KM Specialist	2,405	8	Develop KM and Learning Manual and practice
Structural Engineer	2,405	12	Guide redesign of infrastructure for CRM
Hydrologist	2,405	12	Assess water sector impacts and design interventions
Economist	2,405	9	Assess cost benefits of adaptation options
Agriculturalist	2,405	3	Assess agronomic implications
Meteorologist	2,405	4	Set up data collection stations for weather and climate data
Agric Insurance Specialist	2,405	4	Design and supervise pilot activity on insurance
Biodiversity Specialist	2,405	3	Design ecosystem interventions based on climate models
Marine/Coastal Planning	2,405	3	Design coastal and marine interventions based on climate models
Research Institute/Service Provider Support to Component 2.2	2,405	20	Competitive grant to be awarded to develop agronomic packages with CRM
Research Institute/Service Provider Support to Component 2.3	2,405	20	Competitive grant to be awarded to implement the pilot project.
International			
Climate Scientist	12,000	3	Modeling and Scenario work
Adaptation Specialist	12,000	4	Advise on international best practice
Policy	12,000	4	Advice on international best practice on mainstreaming
Decision Support Tools	12,000	4	Develop adaptation decision support tools
Justification for Travel, if any: Some specialists will need to travel to the field for the design of adaptation measures.			

* Provide dollar rate per person weeks or months as applicable; ** Total person weeks/months needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

The PPG objective has been fully achieved as the grant was used for the detailed preparation o

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY. There are no concerns that could affect the project design. Risks to the project are described in the matrix referred to above.

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
PPG COMPLETION REPORT
Philippines Climate Change Adaptation Project
TF 090241**

<i>Project Preparation Activities Approved</i>			<i>GEF Amount (US\$)</i>				<i>Co-Financing</i>
			<i>Amount Approved</i>	<i>Amount Spent To-Date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount</i>	
1.0	Consultancy Services						
	1.1	Technical Assistance for the detailed project design and preparation of the GEF- Project Appraisal Document					
		(i) Planning Specialist/Team Leader	75,148.00	73,178.73		1,969.27	
		(ii) Climate Risk Mgt. and Investment Specialist	18,912.42	17,613.06		1,299.36	
		(iii) NRM Specialist	14,069.93	13,752.09		317.84	
		(iv) Irrigation Specialist	13,438.49	13,110.55		327.94	
		(v) Social Safeguards Specialist	20,707.75	17,299.99		3,407.76	
		(vi) Environmental Management Specialist	10,448.56	9,505.41		943.15	
		(vii) Climatologist/Meteorologist	8,783.47	8,044.20		739.27	
		(viii) Agriculture Specialist	13,746.62	13,508.22		238.40	
		(ix) Agricultural Insurance Expert	6,704.87	6,704.87			
		(x) GIS Specialist	6,428.66	6,428.66			
		(xi) Disaster Management Specialist	8,574.69	8,026.16		548.53	
		(xii) Technical Advisor	7,695.11	7,695.11			
		(xiii) Finance/Economic Specialist	9,559.44	9,559.44			
		(xiv) Agricultural Credit Specialist	6,414.21	6,414.21			
		sub total	220,632.22	210,840.70		9,791.52	
2.0	Stakeholder Consultation Workshops						
	2.1	First National Stakeholder Consultation Workshop	952.89	952.89			

	2.2	Second National Stakeholder Consultation Workshop	1,001.13	1,001.13		
	2.3	Focus Group Discussion for NDCC	501.00	501.00		
		sub total	2,455.02	2,455.02		
		GRAND TOTAL	223,087.24	213,295.72	223,087.24	9,791.52

note: balance of uncommitted amount represent unutilized reimbursable expenses

* Uncommitted amount should be returned to the SCCF Trust Fund. Please indicate expected date of refund transaction to Trustee.
 NOTE: Total uncommitted amount of \$69,704.28 to be refunded to the Trustee (Recipient only requested from the Bank the amount shown in Column 1 above, the balance of the total PPG of \$283,000 was never disbursed).