



REQUEST FOR CEO ENDORSEMENT¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND:SCCF

PART I: PROJECT INFORMATION

Project Title: Strengthening the Resilience of Post Conflict Recovery and Development to Climate Change Risks in Sri Lanka			
Country(ies):	Sri Lanka	GEF Project ID: ²	4609
GEF Agency(ies):	UNDP (select) (select)	GEF Agency Project ID:	4863
Other Executing Partner(s):	Ministry of Economic Development (MoED)	Submission Date:	2013-06-04
GEF Focal Area (s):	Climate Change	Project Duration(Months)	48 months
Name of Parent Program (if applicable): For SFM/REDD+ <input type="checkbox"/>	N/A	Agency Fee (\$):	312,182

A. FOCAL AREA STRATEGY FRAMEWORK³

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
CCA-1 (select)	Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas	Output 1.1.1: Adaptation measures and necessary budget allocations included in relevant frameworks	SCCF	873,245	10,030,000
CCA-1 (select)	Reduced vulnerability in development sectors.	Output 1.2.1: Vulnerable physical, natural and social assets strengthened in response to climate change impacts, including variability.	SCCF	2,092,483	47,000,000
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)	Others		(select)		
Subtotal				2,965,728	57,030,000
Project management cost ⁴			SCCF	156090	65000
Total project costs				3,121,818	57,095,000

B. PROJECT FRAMEWORK

¹ It is important to consult the GEF Preparation Guidelines when completing this template

² Project ID number will be assigned by GEFSEC.

³ Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when filling up the table in item A.

⁴ GEF will finance management cost that is solely linked to GEF financing of the project. PMC should be charged proportionately to focal areas based on focal area project grant amount.

Project Objective:**1. Increase the resilience of communities to climate change induced hazards through integration of climate smart policies and actions into rural development planning and budgeting.**

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
1.Design, appraisal and approval processes for rural development projects and programmes integrate climate risk considerations	TA	National rural development programmes Divi Neguma and Gama Neguma integrate climate risk information and adaptation measures	<p>1.1 Climate risk assessments conducted in 12 vulnerable districts detailing climate related hazards, vulnerability hot spots and sensitive natural resources</p> <p>1.2 Climate risks incorporated in to District and Divisional Development Plans in 12 target districts</p> <p>1.3 Village Development Plans (VDPs) and Village Resource Management Plans (VRMPs) incorporate climate smart measures in all GN divisions in 12 target districts</p>	SCCF	316,105	6,180,000
2. Strengthening institutional capacities to develop and appraise climate resilient investment projects	Inv	National, district, divisional and local technical staff have sufficient technical capacity to identify and integrate climate risk considerations in designing, approving and implementing development projects under the Gama Neguma and Divi Neguma programmes	<p>2.1 Development planners, district engineers, urban and rural infrastructure planners are trained to recognize climate risk problems and apply or recommend targeted risk reduction/ risk management measures</p> <p>2.2 Develop institutional processes to review climate risks in new rural development investment</p> <p>2.3 Knowledge codified and shared to enable replication and up-</p>	SCCF	557,140	3,850,000

			scaling of climate risk management beyond Gama Neguma and Divi Neguma			
13. Implementing climate-resilient village economic development plans in vulnerable districts investment for reducing climate risks	TA	Concrete adaptation actions defined and implemented in selected vulnerable villages/ village clusters in the 12 target districts to increase resilience of rural development programmes to climatic risks.	3.1 Increasing climate resilience in rural livelihoods through climate smart VRMPs 3.2 Rural Infrastructure constructed through the Gama Neguma Programme in 60 villages incorporating climate and disaster resilience measures	SCCF	2,092,483	47,000,000
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					2,965,728	57,030,000
				Project management Cost ⁵	SCCF	156,090
				Total project costs		3121818
						57095000

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	Ministry of Economic Development	In-kind	46,065,000
GEF Agency	UNDP	Grant	11,030,000
Other Multilateral Agency (ies)		(select)	
Others	1	(select)	
Private Sector		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Co-financing			57,095,000

D. GEF/LDCF/SCCF/NPIF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant	Agency Fee	Total

⁵ Same as footnote #4.

				Amount (a)	(b) ²	c=a+b
UNDP	SCCF	Climate Change	Sri Lanka	3,121,818	312,182	3,434,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				3,121,818	312,182	3,434,000

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Estimated Person Weeks	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
Local consultants*	978.30	680,195		680,195
International consultants*	43.50	130,500		130,500
Total		810,695	0	810,695

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT COST

Cost Items	Total Estimated Person Weeks/Months	Grant Amount (\$)	Co-financing (\$)	Project Total (\$)
Local consultants*	360.00	110,850	0	110,850
International consultants*	0.00	0	0	0
Office facilities, equipment, vehicles and communications*		22,040	55,000	77,040
Travel*		7,044	10,000	17,044
Others**	Direct Project Services	16,156		16,156
	Specify "Others" (2)		0	0
Total		156,090	65,000	221,090

* Details to be provided in Annex C.

** For others, to be clearly specified by overwriting fields *(1) and *(2).

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? No

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN:

1. The project will be monitored through the following M& E activities. The M&E budget is provided in the table below. The M&E framework set out in the Project Results Framework in Part III of this project document is aligned with the AMAT and UNDP M&E frameworks.

2. Project start: A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and program advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

3. The Inception Workshop should address a number of key issues including:

- Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis-à-vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- Based on the project results framework and the LDCF related AMAT set out in the Project Results Framework in Section III of this project document, and finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- Plan and schedule PB meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first PB meeting should be held within the first 12 months following the inception workshop.

4. An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

5. Quarterly:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP/GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs will be used to monitor issues, lessons learned. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

6. Annually: Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

7. The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR

8. Periodic Monitoring through site visits: UNDP CO and the UNDP-GEF region-based staff will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

9. Mid-term of project cycle: The project will undergo an independent Mid-Term Review at the mid-point of project implementation. The Mid-Term Review will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and

timing of the mid-term review will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term review will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The LDFC/SCCF AMAT as set out in the Project Results Framework in Section III of this project document) will also be completed during the mid-term evaluation cycle.

10. End of Project: An independent Terminal Evaluation will take place three months prior to the final PB meeting and will be undertaken in accordance with UNDP-GEF guidance. The terminal evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term review, if any such correction took place). The terminal evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The LDFC/SCCF AMAT as set out in the Project Results Framework in Section III of this project document) will also be completed during the terminal evaluation cycle. The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response, which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

11. Learning and knowledge sharing: Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

12. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

13. There will be a two-way flow of information between this project and other projects of a similar focus.

14. Audit: Project will be audited in accordance with UNDP Financial Regulations and Rules and applicable audit policies.

Table 12: Monitoring and Evaluation Plan

Type of M&E activity	Responsible Parties	Budget USD	Time frame
Inception Workshop/ Annual Work Plan finalization	<ul style="list-style-type: none"> ▪ Project Board ▪ Project Team ▪ UNDP CO / RAP ▪ Hired consultant 	8000	Inception is done at project start and work plan is prepared annually
Measurements of means of verification of project results (incl. End-of-Project Impact study)	<ul style="list-style-type: none"> ▪ PMU ▪ UNDP-GEF RCU ▪ Hired consultant 	12,000	Start and at the end of project.
Measurement of Means of Verification for Project Progress and Performance (measured annually)	<ul style="list-style-type: none"> ▪ Oversight by UNDP-GEF RCU & Project Management ▪ Counterpart organizations in the field or hired consultants on an as-needed basis 	As part of project activities	Annually prior to APR/PIR and to the definition of annual work plans
APR-PIR	<ul style="list-style-type: none"> ▪ PMU ▪ UNDP-CO/ UNDP-GEF ▪ TAC 	0	Annually
Steering Committee Meetings	<ul style="list-style-type: none"> ▪ NPD ▪ UNDP CO & RAP 	0	Following Project IW and held regularly
Technical reports (TAC)	<ul style="list-style-type: none"> ▪ PMU ▪ TAC at national and district level 	As part of project activities	To be determined by Project Team & UNDP-CO/ FAO CO/RAP

	<ul style="list-style-type: none"> ▪ UNDP CO and RAP 		
Mid-Term Evaluation	<ul style="list-style-type: none"> ▪ PMU ▪ UNDP CO ▪ UNDP-GEF RCU ▪ Hired consultants 	17,000	Mid project
Final External Evaluation	<ul style="list-style-type: none"> ▪ PMU ▪ UNDP-CO ▪ UNDP-GEF RCU ▪ External Consultants (i.e. eval. team) 	17,000	At the end of project implementation
Terminal Report	<ul style="list-style-type: none"> ▪ NPD/PMU ▪ UNDP-CO/ UNDP-GEF RCU 	As part of project activities	At least one month before the project's end
Financial audits	<ul style="list-style-type: none"> ▪ UNDP-CO ▪ NPD/PMU 	10,000	Yearly
Visits to field sites (UNDP staff travel costs not included as will be charged to IA fees)	<ul style="list-style-type: none"> ▪ UNDP CO/ RAP ▪ UNDP-GEF RCU (as appropriate) ▪ Government representatives 	0	Yearly
TOTAL INDICATIVE COST Excluding project team staff time and UNDP staff and travel expenses.		USD 64,000	

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. The [GEF focal area/LDCF/SCCF strategies/NPIF Initiative](#):

1. The project is aligned with Objective CCA-1 of the updated Results-Based Management Framework for the LDCF and the SCCF: “Reduce vulnerability to the adverse impacts of climate change, including variability, at local, national, regional and global level”. Within this Objective, it aims to integrate climate change adaptation into a range of broader reconstruction and development frameworks, which makes it compliant to Outcome 1.1 of this Framework: (“Mainstream adaptation in broader development frameworks”) as well as Outcome 1.2 (“Reduce vulnerability in development sectors”).

A.1.2. For projects funded from LDCF/SCCF: the LDCF/SCCF eligibility criteria and priorities:

2. In alignment with programming guidelines for the Special Climate Change Fund (GEF/C.24/12), and in accordance with paragraph 2 of decision 7/CP.7, the proposed project is targeting climate change adaptation measures that are complementary and additional to those funded by the GEF or other bilateral and multilateral sources. The project focuses on adaptation measures in the context of rehabilitation and reconstruction of water supply, irrigation and coastal infrastructure systems, which is in accordance with paragraph 8 of decision 5/CP.7 and eligible under SCCF guidelines.

The project is consistent with the eligibility criteria for the SCCF, as laid out in GEF/C.24/12 (paragraph 40), in that the project is:

- Country-driven, cost-effective and integrated into national sustainable development and poverty-reduction strategies; and

- Takes into account national communications and other relevant studies and information.

3. Sri Lanka ratified the UNFCCC in November 1993 and submitted its Initial National Communication in 2001 and the Second National Communication in 2010. Conformity of the project with country environmental and development policies is detailed below.

Country-driven

4. The project will be housed at the Ministry of Economic Development and co-financed chiefly through the budgetary allocation of the rural development programmes it supports. A description of the two main rural development initiatives that form the project baseline is provided in the next section. The project is proposed by the Ministry of Economic Development in order to improve sustainability and climate resilience of the rural development investments; and by the Ministry of Environment to achieve a full-fledged integration of adaptation strategies in to the national development agenda. The project will work with national technical agencies to design location specific adaptation actions, and obtain their support in implementing and monitoring these actions. The project will focus on locations (districts and divisions) that demonstrate high level of vulnerability to climate change impacts as per the analysis described in Section 1 and especially those with high rates of poverty and income inequality. Districts that are emerging from conflict will receive special attention, as they demonstrate a high level of vulnerability to climate change due to geophysical characteristics and subverted human development.

Cost-Effectiveness

5. The project is cost effective chiefly due to;

-Project interventions focus on improved, risk integrated planning and coordination that will result in optimal use of local development resources, including technical expertise and finances

-Well-funded baseline projects with the financial capacity to fund the incremental cost of adaptation in the mainstreaming process

-A menu of practical, locally tailored adaptation options developed based on district level vulnerability assessments;

6. The project will serve as a catalyst to leverage additional resources, and efforts have been made to maximize co-financing from other sources (GEF/C.24/12, paragraph 25). The selected sectors (water resources management; infrastructure development; integrated coastal zone management) are in line with priorities outlined in paragraph 44 of the GEF/C.24/12 document.

A.1.3 For projects funded from NPIF, relevant eligibility criteria and priorities of the Fund:

N/A

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e.

NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

7. The project will implement priority adaptation interventions as identified by Sri Lanka's Second National Communication to the UNFCCC (MoE, 2010) and Sri Lanka's National Climate Change Adaptation Strategy (NCCAS, 2011-2016). The project supports Sri Lanka's National Climate Change Policy (MoE, 2011); Sri Lanka's Development Policy Framework *Mahinda Chintana* (Department of National Planning / Ministry of Finance and Planning, 2010); and Sri Lanka's Roadmap for Disaster Risk Management 'Towards a Safer Sri Lanka' (Ministry of Disaster Management, 2006)

8. SCCF funds will improve the resilience of on-going and future government investment in rural development in districts that are more vulnerable to impacts of climate change. The project is expected to reduce the risks of losses and damages to these investments from climate change-related shocks and stresses.

9. The project will serve as a catalyst to leverage additional resources, and efforts have been made to maximize co-financing from other sources (GEF/C.24/12, paragraph 25). The selected sectors (agriculture, water resources management; infrastructure development; integrated coastal zone management) are in line with

priorities outlined in paragraph 44 of the GEF/C.24/12 document.

10. Sri Lanka's **Second National Communication** to UNFCCC (2010) recognizes that given the predicted climate change, variability of rainfall will increase and inequality in spatial distribution of the quantum of water will become more pronounced. Average temperature is expected to increase by more than 1 degree Celsius in some parts of the country within the next 50 years, resulting in increased soil moisture evaporation, water scarcity, pest infestations, and growth in invasive species and changes in biodiversity and eco-system services. All of these will directly or indirectly affect development efforts that are currently under way, as they are targeting improved rural livelihoods based on agriculture and fisheries. To address these emerging problems, the SNC is recommending measures to increase water storage and conservation for agriculture in dry regions; adjust the design of irrigation systems to handle longer dry spells and more intensive rainfall events; and promote rainwater harvesting for communal, agricultural and domestic uses.

11. In alignment with Sri Lanka's **National Climate Change Adaptation Strategy (NCCAS)**, the proposed project represents a systematic follow-up action to Strategic Thrust 1 of the NCCAS, which is to 'Mainstream Climate Change Adaptation into National Planning and Development'. The NCCAS recognizes that climate change considerations are not yet included in most development planning and reconstruction processes, and that while many planners are aware about climate-related risks, most don't know enough about adaptation choices and measures to take resilient investment and planning decisions. This gap is addressed under Outcome 1 of the proposed project. The NCCAS emphasizes the urgency to increase financing to protect Sri Lanka from climate change impacts, and to inform and mobilize stakeholders at multiple levels of reconstruction and development planning about climate change impacts. Under Strategic Thrust 2, which is to 'Enable Climate Resilient and Healthy Human Settlements', the NCCAS emphasizes the need for an integrated approach to address adaptation priorities in land-use planning, housing, water supply and drainage. The NCCAS confirms that various mechanisms for climate-resilient settlements, such as improved construction methods, are already developed but not widely in use. It also confirms the need for participatory processes through which communities as the primary agents and stakeholders for climate change adaptation can be more systematically engaged, mobilized and trained to undertake resilient planning decisions. Under Outcome 2, the project will build a strong thrust of awareness and education to improve the understanding among, district and local planners and rural development actors on dealing with climate change. It will provide tools to identify and quantify the climate change-related risk, and introduce appropriate adaptation measures, technologies and best practices to address those risks.

12. The proposed project is compliant with Sri Lanka's **National Climate Change Policy (2011)**. The National Climate Change Policy articulates the vision of a future in which climate change will not have adverse impacts on Sri Lanka, and in which climate change adaptation and mitigation are promoted within the framework of sustainable development. More specifically, the Climate Change Policy recognizes the need to assess climate change vulnerability in the national development agenda, develop an information dissemination strategy to enhance adaptive capacities at all planning levels, and adopt multiple approaches to enhance knowledge and skills of different stakeholders to address current and emerging issues of climate change. Together with demands to strengthen institutional coordination and strategic partnerships between Ministries, these pillars of the Climate Change Policy are fully compliant with Outcome 1 and 2 of the proposed project. Outcome 3, which is focusing on concrete investments in resilient water resources, coastal zone development and agricultural planning, is fully compliant with the policy statement to minimize the impacts of climate change on water resources, promote water efficiency technologies, take timely action to minimize the effects of too much or too little water on agricultural production, and enhance the climate change resilience of natural ecosystems.

13. The proposed initiative is systematically aligned with the ***Mahinda Chintana Idiri Dekma*** (Vision for the Future), which serves as Sri Lanka's key development strategy and sets out Sri Lanka's development vision for the period 2006-2016. The development strategy sets out a broad macroeconomic framework, and within those parameters establishes 10-year policy frameworks for various sectors of the economy, including broad vision, situation analysis and strategy. It aims for an ambitious acceleration of growth through a scaling up of investment and increasing productivity. Under the ***Mahinda Chintana*** framework, the 'Gama Neguma'

(‘Village Reawakening’) Community Development and Livelihoods Improvement Programme and the Divi Neguma (‘Building Livelihoods’) Household Economy Programme represent large-scale community development and livelihood improvement programmes in rural areas. The project will be closely aligned with these baseline initiatives.

14. The project is compliant with a number of priority actions recommended by the Road Map for Disaster Risk Management ‘**Towards a Safer Sri Lanka**’ (Ministry of Disaster Management, 2006). The Road Map is a guiding document to achieve the vision of comprehensive and effective disaster risk reduction and emergency response, in line with the Hyogo Framework for Action (2005-2015). It aims to establish a culture of safety against disasters through the systematic strengthening of institutional mandates and capacities for risk reduction, and enhance the quality of disaster risk and hazard assessments. Chapter 6 of the road map (‘Mitigation and Integration of Disaster Risk Reduction into Development Planning’) emphasizes the need for dedicated projects to protect existing and future infrastructure from extreme weather events, and advance disaster mitigation in the development of new housing schemes, industrial estates, tourist resorts, coastal and water management plans.

15. Finally, the project is aligned with the **National Action Plan for Haritha (Green) Lanka** (National Council for Sustainable Development, 2009). The Green Lanka strategy was developed by the National Council for Sustainable Development in 2009 under the chairmanship of H.E. the President of Sri Lanka. The strategy has ten broad missions, including ‘Saving the Fauna, Flora and Ecosystems’, ‘Meeting the Challenges of Climate Change’, ‘Wise Use of the Coastal Belt and the Sea Around’, ‘Responsible Use of the Land Resources’, ‘Water for All’ and ‘Knowledge for Right Choices’. One mission is specifically related to climate change adaptation, but all environmental strategies for the period 2009-2016 are relevant to, and in line with, the proposed technical assistance actions that will be financed by the proposed SCCF initiative.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

Baseline Projects

Gama Neguma and Divi Neguma: Key Rural Development Programmes of the Ministry of Economic Development

Total funding for Divi Neguma in target districts 2013-2016: USD 32 million

Total funding for Gama Neguma in 60 villages 2013-2016: USD 14 million

16. Gama Neguma (translated as ‘Village Reawakening’) and Divi Neguma (translated as ‘Livelihood Uplifting’) are large-scale community development and livelihood improvement projects under the *Mahinda Chintana* framework. Both programmes are implemented by the Rural Development branch of the Ministry of Economic Development and have a community focus. Gama Neguma was launched in 2006, and has an annual budget of around USD 100 million. It focuses on construction of rural roads, culverts and bridges (40%), development of minor irrigation schemes (30%), provision of water supply (15%), common buildings and recreational areas (8%) and investments in sanitation (7%). The programme follows a successful World Bank funded predecessor programme (Gemidiriya – ‘Village empowerment’) which has focused primarily on rural poverty alleviation in the central and southern parts of Sri Lanka. In recent years, the programme integrated the Eastern, North Central and North Western Provinces aiming to reconstruct the economic base of formerly conflict affected districts. Its most enduring contributions have been concreted rural roads and community water supply schemes for drinking water.

17. Gama Neguma is rooted in the vision of a community driven development model: It assists communities to identify their priority needs and design village development plans for implementation. The required funds are directly provided to community-based organizations in each district. In 2012 Gama Neguma disbursed Rs. 1 million (approx. USD 8000) each to 13,100 (out of 14022) GN divisions in 20 districts⁶ for rural infrastructure on the theme of ‘one project per village’. This amounts to an annual budget of USD 104.8 million. Each infrastructure project should be completed within the year, and could also be co-financed by local authority, community or private sector financing.

18. ‘Divi Neguma’ or Livelihood Uplifting, which is a sister programme of Gama Neguma, focuses on the establishment of one million “household economy units including home gardening, animal husbandry, fisheries and domestic industry covering all villages on the island” (MoED, 2011). Divi Neguma has an annual budget of around USD 60 million, which is invested in household-level agricultural production (60%), fisheries & animal husbandry (20%) and the rehabilitation of cottage industries (20%).

19. Gama Neguma and Divi Neguma have been successful establishing rural infrastructures and providing some livelihood support for rural communities across Sri Lanka. However, it is clear (as explained in Section 1.1.4) that the lack of climate risk integration has undermined the sustainability of certain investments. There is no consideration of climate resilience in financing of new communal infrastructure, rehabilitation of water supply and storage systems, promotion of small-scale irrigation systems and the improvement of agricultural production systems etc. This can lead to a long-term situation in which a substantive part of reconstruction and development progress is set back by climate change-induced hazards, such as the effects of sea level rise (salinization of soils and groundwater; coastal erosion and inundation; disappearance of mangrove greenbelts and wetlands), longer dry spells and drought periods, more intense tropical storms, and accelerated soil erosion. Recognizing these risks, the proposed SCCF project will integrate principles of climate-resilient land-use planning, climate resilient construction of physical infrastructure, climate-resilient water resources management and ecosystem-based adaptation into the continued rollout of new investment projects under the Gama Neguma and Divi Neguma programmes.

EU-funded Support to Reconstruction and Development in selected Districts in North and East Sri Lanka

Total funding for six districts overlapping with project target districts: USD 11.03million

20. In conflict affected areas a number of state-and-donor funded initiatives are implemented to regain missed opportunities in the Northern Province and Eastern Province and position these provinces for an ‘economic take-off’ based on their untapped natural resources. To date, these large-scale investment programmes/projects have achieved substantive progress in the fields of demining, resettlement, and restoration of basic facilities (such as electricity grids), road reconstruction, and a gradual normalization of civil administration. That said, considerations of climate risk resilience in the development of housing schemes, communal water supply and coastal infrastructure have yet to be addressed. Recognizing these risks, the proposed SCCF project will integrate principles of climate-resilient land-use planning, climate resilient construction of physical infrastructure, climate-resilient water resources management and ecosystem-based adaptation into the continued rollout of new investment projects in conflict-affected areas. In the climate change vulnerability analysis of districts, a number of conflict affected districts were ranked high, this includes four out of five districts in the Northern Province, Batticaloa in the Eastern Province, and adjacent Moneragala district, Anuradhapura, Polonaruwa and Puttlam in the North-Central and North-Western Provinces.

21. A multi-agency UN initiative providing ‘Support to Reconstruction and Development in selected districts in the North and East’ is parallel complementary project implemented through the same Ministry- MoED. The

⁶ Five districts if the Northern Province were excluded from Gama Neguma due to the absence of local GN level representatives and CBOs. They will be included in 2013 Gama Neguma Programme

EU-funded project with a full budget of €59 million is implemented through five UN agencies⁷ and the IFC. The project will implement in seven districts, namely Ampara, Batticaloa, Mannar, Vavuniya, Anuradhapura, Puttalam and Moneragala. The overall objective is poverty reduction in North and East Sri Lanka and specific objectives are to make a substantial contribution to the transition from post-conflict relief and reconstruction to sustainable development by supporting selected districts in North and East Sri Lanka, in alignment with their local development plans, through pursuing three specific but interconnected objectives: To support poverty reduction and the provision of basic infrastructure and services for vulnerable populations; to support local economic development; and to strengthen local governance. In this, this project complements the efforts of the proposed climate change adaptation initiatives by building adaptive capacity-related social and physical infrastructure in these districts. Six of the seven EU-SDDP project districts overlap with selected SCCF-project districts.

22. UNDP implements the 'Livelihood Development and Local Governance Strengthening' component of the EU-SDDP Project. There are two distinct interventions: 1. Livelihood related skills and infrastructure improvement; 2. Support to improve development planning capacity in district, divisional and local government levels in the target districts.

Climate related problem project seeks to address

23. Sri Lanka is on a path to rapid economic development after 30 years of conflict. The *Mahinda Chintana, Sri Lanka's Development Strategy and Framework*, outlines a range of investments in human settlements, urban development, water supply, livelihoods, community development and health infrastructure totalling almost a trillion Sri Lankan rupees by 2016. Two projects led by the Ministry of Economic Development embody the spirit of rural development envisioned in the Mahinda Chintana. The government has pledged over US\$ 145 million annually for these programmes and are investing in expanded local extension services to ensure effective delivery. Amidst this massive drive for investment and infrastructure planning is a renewed concern about the effects of climate change, which is expected to have substantial impacts on human settlements and the country's development trajectory. Climate change is expected to undermine the hard-won gains in Sri Lanka's post-conflict reconstruction and development over the long term, and exacerbate a range of problems the country is already grappling with (such as over-extension of groundwater in dry areas, deforestation and soil erosion).

24. Climate-related impacts related to the country's conflict-area reconstruction and rural development programmes include an increased frequency and intensity of floods and landslides causing extensive asset loss/damage and displacement of people, particularly the poor, women and children; Increased frequency and intensity of droughts exerting greater pressure on freshwater resources, and making drinking water shortages more frequent and severe (particularly in the Dry and Intermediate Zones); and gradual sea level rise, salinity intrusion in to water supply schemes and agricultural lands. At present, none of the rural development programmes are systematically integrating climate risk considerations into their design. Human settlement and community infrastructure planning in Sri Lankan context largely ignores climate change-related hazards, especially in relation to the availability of too much and too little water and the projected changes in temperature. Awareness about the impacts of climate change on human settlements is limited among the public, technical service providers, as well as government agencies.

25. In the preferred situation, livelihood related investments of government will support longer term resilience of the target populations to climate-related risks. Rural development programmes such as Divi Neguma and Gama Neguma, will be better targeted to address the differentiated vulnerability created by the interplay of exposure, sensitivity and capacity to adapt. Projects that are geared towards rehabilitation of conflict stricken and highly vulnerable parts of the country, will consider climate risks in their design and implementation, ensuring long term sustainability of development gains under anticipated impacts of climate change. Future phases of Gama Neguma and Divi Neguma will be based on substantial assessment of sub-

⁷ UNDP, UNOPS, UNICEF, FAO and ILO

district level climate related risks to the objectives of rural development

The barrier analysis conducted during PPG identified a number of informational, technical and institutional capacity barriers to realising the preferred situation;

1) Information and technical capacity:

Climate risk assessments are not practiced systematically as part of the planning and decision-making routine, especially at the district level.

26. The use of climate risk assessment tools is rare even at technical departments such as Coastal Conservation, Agriculture and Irrigation. There are no tools or related skills currently available with district and divisional planning officers who are tasked with implementing rural development programmes. Participatory Rural Appraisal - PRA is practiced for community needs assessments leading to village development plans VDPs and Gama Neguma projects, but these tools ignore new challenges posed by climate change.

27. District-level hazard profiles (at the Disaster Management Centre) and climate change vulnerability maps (done through the project preparatory grant for this project) are currently available. However, more localised risk information has to be generated in order to enable district planners to design locally appropriate adaptation interventions. Cost-benefit analysis of alternative adaptation options need to be considered. As a result, District and Divisional Development Plans prepared by the respective planning departments do not incorporate cost-effective and bankable climate risk management measures. Similarly, the process followed in developing Village Development Plans (VDPs) and Village Resource Management Plans (VRMPs) does not consider current or future climatic risks, including related economic costs and benefits to livelihood, infrastructure or natural resources availability at village level. VDPs are formulated through community consultation process that does not involve any kind of risk, economic and vulnerability assessment for climatic hazards or other disasters. Some climatic hazards that cause regular damage and displacement are reflected in development plans, but there is no regular review of climatic risks and remedial actions integral to the planning process.

28. Information to support adaptation planning such as climate resilient infrastructure controls or guidelines on crop selection remains confined to the technical Ministries and Departments that develop them. This technical information (including estimates of the costs and benefits of options) is not available to planners in a form that can be readily applied in rural development decisions.

There is limited technical skills and knowledge of the climate risk assessment methods and adaptation planning.

29. Planning departments and its officers alone do not possess the capacity to conduct risk assessments nor related cost-benefit analysis of probable adaptation options and design interventions. District planners should have access to technical information generated by Ministries, departments and even academia. Key Ministries that drive rural development remain unaware of cost-effective climate risk reduction strategies that could be applied to improve climate resilience and long term sustainability of investments. Opportunities to develop such skills and knowledge necessary for integrating climate risks into the rural investments, broader climate risk management and adaptation planning, including economic valuation of adaptation options are almost non-existent. Lack of systematic training on climate risk assessment and adaptation planning methods was recognised as a key barrier to integrating climate risk management into on-going rural development programmes. This is particularly relevant to the cadre of officials at Ministry of Economic Development; Departments of Agriculture, Agrarian Development, Fisheries, Livestock and Irrigation; divisional and district planning secretariats. This is equally relevant to the local mobilisers that are tasked with updating Village Development Plans (VDPs) and Village Resource Management Plans (VRMPs) and therefore inability to identify and address local climate risk-related issues lead to poor local planning.

2) Institutional capacity:

Institutional silos are a common characteristic of an organisational set up at national, district and village levels in the country precluding adaptation planning and decision-making that demands more cross-sectoral approaches.

30. Urgent need to adapt to mounting risks of climate change exerts pressures on the key institutions to work across the sectors and departments, especially technical departments and planning units. Currently, even if relevant climate risk information is generated at certain technical departments no inputs have been provided to the key decision-making ministries. Due to a lack of effective institutional coordination, sustainable natural resource management solutions that are devised at technical departments are not disseminated widely enough to be assimilated into national-level projects such as Gama Neguma and Divi Neguma. There are limited working collaboration between the planning departments and technical agencies and research partners. Neither is there any established institutional mechanism to enable the planners to call on academia or non-governmental organisations as need arises. Multi-disciplinary rural development planning is a recognised need but yet lacks a solid platform in any district.

31. Although some measures with inherent adaptation value have occasionally been implemented there are no deliberate adaptation practices that have been designed to specific socio-economic, geographic and agro-ecological conditions and introduced.

32. Financing for climate risk reduction activities, related to natural resources management or natural hazards, are still considered additional investment in development programmes and projects. Planners are aware that climate risk integration can really improve sustainability of built infrastructure or productivity of agriculture investments. However, budgets for Gama Neguma or Divi Neguma do not incorporate the additional costs required due to a lack of appreciation of cost-benefit of such investment.

33. A rapid assessment of capacity needs was conducted during the project preparatory grant phase to determine individual and institutional capacity-related barriers specific to this project. Capacity needs were assessed at Ministry of Economic Development and its district, division and village level rural development delivery mechanism; and in other related Ministries such as Agriculture, Agrarian, Livestock, Aquatic Development and Environment through interviews, workshops and questionnaires. This is summarized in Annex 04.

B. 2. [incremental /Additional cost reasoning](#): describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated [global environmental benefits](#) (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

Outcome 1: National rural development programmes *Divi Neguma and Gama Neguma* integrate climate risk information and adaptation measures in 12 vulnerable districts

SCCF Budget: US\$ 316,105

Co-finance

UNDP through EU-SDDP : US\$ 3,030,000

MoED through Divi Neguma : US\$ 3,150,000

Baseline situation:

34. Divi Neguma and Gama Neguma programmes led by the Ministry of Economic Development (MoED) are the main rural development initiatives of the Government of Sri Lanka. As explained above, Divi Neguma or Livelihood Upliftment has an annual budget of around USD 60 million, which is invested in

household-level agricultural production (60%), fisheries & animal husbandry (20%) and the rehabilitation of cottage industries (20%). Investments are made at household level, in improved home gardening (through provision of seeds, planting material and farm implements), in small farms (through planting material and implements) in livestock and small ruminants (through provision of animals) and cottage industries such as yoghurt making, basket weaving and pottery (through provision of simple machines or tools).

35. Gama Neguma or Village Upliftment invests approximately USD 8000 every year for a selected development activity in every Grama Niladhari (GN) division (a GN is a defined administrative unit that includes one village or a cluster of several small villages). This support is channeled mainly in to rural roads, rural water supply and rehabilitation of irrigation schemes. Other projects include school sanitation projects,

36. The Government has pledged over Rs. 20 billion (US\$ 154 million) annually for these programmes and is investing in expanded local extension services to ensure effective delivery. Gama Neguma and Divi Neguma planning is done through the district and divisional planning units supported by village-level team of extension officers. For example, to implement and monitor these rural development programmes the MoED has appointed a graduate officer to each of the 14,022 GN divisions in Sri Lanka. This resident officer will report to the Divisional Secretary on Gama Neguma and Divi Neguma implementation in each village.

37. Amidst this massive drive for investment and infrastructure planning is a renewed concern about the effects of climate change-expected to have substantial impacts on human settlements and the country's development trajectory⁸.

38. However, at present, neither Divi Neguma nor Gama Neguma is integrating climate risk considerations into their design. Development planning in Sri Lanka largely ignores climate change-related hazards, especially in relation to the availability of too much and too little water and the projected changes in temperature. Awareness about the impacts of climate change on rural development in Sri Lanka is limited among district and divisional planning departments, technical service providers including local authorities and grassroots level extension officers of the government.

39. In conflict affected districts, even higher levels of investments are being made in rural development, without adequate risk assessment. The EU-funded 'Support to Reconstruction and Development in selected Districts in North and East Sri Lanka' (EU-SDDP) will invest USD 56million in seven districts through multiple UN agencies to develop community livelihood and related physical, social and governance infrastructure. The UNDP component of the joint-UN project in the north and east supports improved decentralised development planning and will work directly with District and Divisional Planning Departments to support a sustainable automated service delivery system in the four target districts, of which three overlap with SCCF districts. In this regard, UNDP will support the district and divisional secretariats to establish the District Information Centres to own a transparent, validated information base, starting at village level and including a projected household survey. This baseline initiative will support district and divisional secretariats to improve gathering and sharing data for more informed development planning. This information platform will be strengthened with climate risk-related information at village, division and district level through the proposed project.

40. The current, target driven and delivery focused method of programme execution in the Ministry of Economic Development emphasizes short term results. There is limited scope for planners and programme administrators to take a long term view of sustainability of interventions. There is little information being generated on climate vulnerability and impacts at national, district and sub-district (Divisional) level. There are no trained officers to conduct risk or vulnerability assessments in districts or sub-district areas that are currently facing climate related hazards. There is little experience and data generated in effective

⁸ Sri Lanka's Second National Communication to UNFCCC (2010) and the National Climate Change Adaptation Strategy (2010-2014)

management of climate risks and cost-effective adaptation strategies.

41. The UNDP supported Disaster Risk Management (DRM) Programme has developed district-wide hazard profiles for key natural disasters – drought, coastal hazards, landslide, lightening, cyclone and flood. Coastal hazards include storm surges, coastal erosion, sea level rise and tsunamis. These hazard profiles and associated GIS maps were launched by end of 2012 and further developed in to risk and vulnerability profiles. The maps were developed with technical input from related national agencies and their respective GIS units. Accordingly, the Department of Agriculture developed the drought hazard map; the Department of Coast Conservation- the coastal hazard map; the Department of Irrigation - the flood map; Department of Meteorology - the cyclone hazard map and the National Building Research Centre - the landslide map. These maps will provide a basis for climate change vulnerability mapping within districts using a hazard-based approach. UNDP's Disaster Risk Management Programme, under the Ministry of Disaster Management, is developing disaster-resilient building codes and infrastructure controls with key academics in the field. The Ministry will promote the use of these building codes through Local Authorities and District Disaster Management Committees. These include codes for roads, bridges, school buildings, public buildings, homes and irrigation systems.

Adaptation alternative:

42. The aim of Outcome 1 is to integrate climate change considerations into the design and rollout of the new phases of *Divi Neguma* and *Gama Neguma* which will be implemented post-2013. By working with district and divisional planning units, SCCF financing will promote and disseminate tools and controls for climate resilient rural development planning in large-scale baseline programmes. Using the hazard maps and profiles created for each district by the Disaster Management Centre and the vulnerability assessment conducted during PPG, this outcome will develop climate risk profiles for each district detailing;

1. Geographical and spatial exposure to climate impacts including their economic costs and benefits of alternative adaptation options
2. Location of climate sensitive natural resources (expert opinion and district consultation)
3. Location and density of vulnerable populations (district consultation and ground verification)

43. In the 12 target districts, district and sub-district (divisional) level climate change risk assessments, including consideration of economic costs/benefits (with a focus on agriculture and water resources) will be conducted and vulnerability maps developed with planning units. This will support the identification of climate sensitive areas within district and divisions in order to tailor adaptation actions to particular locations of greater exposure to risks and vulnerability. Outputs and activities under Component 1 will directly support the selection of villages Component 1 will support the identification of 05 Grama Niladhari (GN) Administrative units (in a cluster of villages displaying similar risk characteristics), in each district to implement concrete adaptation actions as outlined under Component 3. The selected GN Units would already be targeted for investment in livelihoods, infrastructure and food security through the baseline projects described above.

44. Activities under Output 1.2 will operationalize a multi-sector task force to review local adaptation needs and strategies. This includes a review of technical norms and cost-benefit analysis of proposed adaptation actions to inform the project's adaptation investment under Component 3. These adaptation guidelines will improve sustainability of rural development investments in each target village. This will be achieved by supporting planners to overcome the current deficit in tools and methods for improved and climate resilient rural developing planning.

45. Local, divisional and district officers responsible for Gama Neguma and Divi Neguma will receive practical training and accumulate experience of applying of climate risk and vulnerability assessments, including economic estimation of the costs/benefits of adaptation under Outputs 1.1 and 1.2. The activities will be carried out with the participation cooperation of technical departments that support livelihood initiatives of Divi Neguma, such as the Departments of Agriculture, Agrarian Services, Livestock

Development, Minor Export Crops and Small Industries. Other ongoing UNDP programmes, such as the Capacity Building Programme on the Economics of Adaptation, conducted in partnership with USAID, Asian Development Bank and Yale University will provide technical assistance support to Sri Lanka in realizing these outputs.

46. Water resources conservation and rational use is prioritised by adaptation strategy in the context of agriculture. Therefore, water resources related adaptation actions will receive special consideration in the project. This includes incorporating into Divi Neguma, a range of water conservation measures that could be adopted in home gardens and small farm plots; and in to Gama Neguma investments in village irrigation systems and water supply schemes and flood control projects. An analysis of water availability, issues and irrigation infrastructure in each focal district prepared through consultative workshops by a water resources specialist is presented in Annex 8. These adaptation recommendations will also be analysed in terms of their costs and benefits through Output 1.2 prior to their implementation.

47. The concrete adaptation actions that will be incorporated in to Gama Neguma and Divi Neguma are derived from SNC and NCCAS; and the outcome of consultative workshops (Please see Annex 6) The main recommendations of expert and stakeholder consultation is summarised in Table 04 below. Under Component 1, Output 1.2 these adaptation actions will be prioritised through economic (cost-benefit) analysis. Guidelines for implementation –such as crop recommendations and infrastructure controls for climate resilience will also be produced by Output 1.2 to support actual implementation.

48. Addressing barriers related to better extension services to support farmers, Outputs 1.2 and 1.3 include activities to build the knowledge base of rural service providers. Output 1.2 looks at updating the agrarian services crop recommendation list. Updated climate resilient crop recommendations will then form an integral part of training programmes in Outcome 2 (Output 2.1.2) providing village extension officers with necessary knowledge on crops suited to specific agro-ecological regions under current climatic variability.

49. Village level extension officers will implement Output 1.3, specifically activities 1.3.2 and 1.3.3 under the guidance of technical experts hired by the project, and inputs from technical departments in the district. This will provide an exposure to practically applying climate risk assessment and planning tools in the field.

50. As a result of Output 1.3, existing village development plans (VDPs) and village resource management plans (VRMPs) will be updated with climate risk information generated by Output 1.1. The community-level assessments will be conducted with villagers, local administrators and Divi Neguma/Gama Neguma mobilisers so that actions could be supported through regular rural development finance. While risk assessments carried out in output 1.1 will provide a broader view of risk and vulnerability in a district; this Output will conduct community-based vulnerability and risk assessments at *GN level* especially targeting Village Development Plans. Principles of climate-resilient land-use planning and results from climate change-related assessments (such as agriculture water stress or sea level rise scenarios and corresponding suggestions for salt tolerant crops and alternative agriculture management practices) will be integrated into VDPs and VRMPs. Through this process village adaptation needs and technology requirements will be assessed, and inform the planning of new phases for Gama Neguma and Divi Neguma programme.

51. Integrating climate risk assessment and adaptation planning tools to village and district planning processes in Output 1.2 will result in robust multi-year plans that includes preparedness, contingency and risk transfer mechanisms. Such plans, as opposed to the normal development planning (which is simply a physical development needs analysis) will demonstrate greater sustainability and resilience of development investment. It will ensure that climate change-related risks and hazards are recognized before communal infrastructure is constructed in hazardous zones, and that new physical infrastructure has sufficient structural integrity to withstand extreme weather events. It will ensure that investments in livelihood, especially farming, enable communities to withstand climate variability/ and provide income

during periods of climatic uncertainty.

Outcome 2: National, district, divisional and local technical staff have sufficient technical capacity to identify and integrate climate risk considerations in designing, approving and implementing development projects under the Gama Neguma and Divi Neguma programmes

SCCF Budget: US\$ 557,140

Co-financing: MoED Divi Neguma: USD 3,850,000

Baseline situation:

52. In the capacity assessment conducted during project preparation with district planners and assistant commissioners, lack of awareness and training on climate change and climate risk management emerged as a key capacity gap (see Annex 03). This, coupled with a lack of simple, practical climate risk assessment tools (and training on their use) has resulted in development projects and programmes that do not consider impacts of current or future climate-related risks in their design and implementation.

53. Training opportunities in climate risk management, especially practical on-the-job training for national and district planners, technical officers of Local Authorities and extension officers of technical Departments such as Agriculture, Agrarian, Livestock, Fisheries, Irrigation are non-existent. The need for training and new technology for climate adaptation emerged as the top capacity needs at an assessment conducted with district planners and technical departments.

54. In the baseline projects of MoED and UNDP, there is no provision for climate risk assessment tools, or climate risk management training to any officials associated with implementation. This is true of national officers, district planners, divisional planners and Village administrators and mobilisers. Training of its officers in any aspect (even in the core business of livelihood improvement or rural infrastructure) is not an integral part of these programmes. This is because the programmes 'borrow' required technical expertise from related government Departments which are expected to invest in the capacity of their own cadre. However, these technical agencies in turn, do not fully evaluate climate-change related risks in their own sectors as yet. There is no training available at any government institution on managing current or future climate risks to development, especially agriculture-centered rural development.

55. Some district and national planning officers avail themselves of the 10-day certificate course on Disaster Risk Reduction offered free of charge for public officials by the Sri Lankan Institute of Development Administration (SLIDA). SLIDA is the country's best known public sector training institute affiliated to the Ministry of Public Administration and Home Affairs. While the course deals with disaster risk and vulnerability assessment, GIS-based tools and disaster impact assessment of infrastructure projects, it does not introduce concept of climate change, climate-related risks and climate risk assessment tools and methods. There is no discussion of community-based risk assessment, economic valuation of impacts or climate adaptation planning tools in the programme.

56. Currently UNDP's Project for DRR through Partnership has established a number of linkages to training institutes including universities, the Green Building Council (which brings together construction sector professionals –builders, architects and designers) and the International Water Management Institute (IWMI) headquartered in Sri Lanka. The IWMI has conducted and published research on rehabilitating village irrigation systems in a sustainable and climate-resilient manner. The organisation has expert capacity to develop master trainers' on effective agricultural water management in village systems.

57. Baseline projects are affected by a lack of coordination at both national and district level. This includes linkage between Ministry of Finance and National Planning, and implementing Ministries- such as Ministry of Economic Development (for Gama Neguma and Divi Neguma) and Ministry of Public Administration (for EU-SDDP). Coordination is also weak between the implementing ministries and Ministry of Environment and Ministry of Disaster Management, where much of the knowledge pertaining to climate hazards are generated and stored.

58. Gama Neguma and Divi Neguma projects have no processes for learning and experience sharing among districts and within districts. Processes for community learning have not yet been established by the Ministry of Economic Development, or district planning departments despite professed interest. This is partly due to financial constraints (such as budgets for community travel and small workshops) and lack of technical support to package knowledge in a manner that is easily up-taken by the community.

Adaptation alternative:

59. SCCF-funded technical assistance will develop individual and institutional capacities to support the government with integrating climate change risks into development planning and monitoring, well beyond the lifetime of the SCCF financed project. The key programmes (which will focus on technical, functional and operational aspects of capacity development) in Output 2.1 are designed to increase capacity within national, district and local implementing arms of the target development programmes- Divi Neguma and Gama Neguma. The training programmes will be integrated in to the practical roll out of Component 1 as much as possible, limiting classroom -type seminar time. The aim is to create a knowledge and experience base within the development planning sphere for climate risk assessment and adaptation planning and establish it as an institutional practice among the key target government organisations. Trained officials will be used as trainers for future replication of the approach to other districts. SCCF financing will create opportunity for training in regional countries for planners and programme managers. The main recipients of the capacity building outputs will be;

1. Multi-disciplinary Divi Neguma Task Force based at the Ministry of Economic Development
2. Directors and Assistant Directors of Planning of 12 target districts
3. District officers representing technical line Ministries especially Agrarian, Agriculture, Coast Conservation, Fisheries, Irrigation and Livestock
4. Officials of Divisional Planning Unit of 12 districts
5. Grama Niladhari (Villager Administrator) and Graduate Officers/ village mobilisers in 12 districts
6. Extension officers for livestock, agrarian services and agriculture related to 12 districts
8. Other interested public sector officials (SLIDA Programmes)

60. Output 2.1 aims to directly support targeted officials of the 12 districts (at district and sub-district level). The activities under Output 2.1 will seek to create a 'pool' of individuals at different levels of implementation, familiar with climate risk assessment tools and methods. This includes community or village-level mobilisers, divisional planning officers, district planning officer in the 12 target districts. At SLIDA SCCF funds will be used to expand the scope of the current Disaster Risk Reduction in Development course to include climate risk (including sector- and project level economic cost/benefit analysis) assessment and management. SCCF funds will be used to hire specialist services for curriculum development to include climate risk and economic assessment tools in this on-going course. Public sector officials trained through other project specific outputs will be engaged as resource persons. This course will be accessible to district planners and officers of any Ministry or Department as a refresher, professional training programme.

61. Improved in-service training of technical agencies that provide advice and inputs to Gama Neguma and Divi Neguma is also envisioned in Output 2.1. The aim again, is to broaden the experience of climate risk assessment and adaptation planning in the target districts. In-service training programmes will benefit from the practical application of risk assessment tools and adaptation planning in sectors that are currently experiencing a high-level of vulnerability to climate change related impacts.

62. It is understood that training alone will not create the required capacity within an agency or department. The required institutional processes have to be established to complement training. Output 2.2 will strengthen those institutional processes, especially at national level to inform the next programming cycles for Gama Neguma and Divi Neguma or their successors in the Ministry of Economic Development. The Output aims to develop and institutionalize a 'subcommittee' of technically competent officials and experts within the National Divi Neguma Task Force (already convened at the Ministry of Economic Development) to advise the programming of new phases of current development projects/ or new rural

development initiatives. Training of members of the task force nationally and internationally will enable them to apply climate risk assessment methods and tools the formulation and appraisal of development projects and programmes of the Ministry of Economic Development. The subcommittee will include members from the Ministry of Environment and Disaster Management Centre, in addition to the technical experts and national officers in charge of Divi Neguma and Gama Neguma. Exposure visits to project sites will demonstrate practical application of risk assessment/ adaptation planning on the ground. This field experience provides space for this task force to derive lessons from and monitor project implementation.

63. The lack of awareness of adaptation options is addressed in Output 2.3, through youth volunteer corps, community exchange visits and media exposure for successful adaptation practices. The youth volunteer corps will be established in secondary schools engaging students between 16-19 years, to support monitoring of project. The youth corps, supported by the graduate village mobiliser in each GN, will engage in collecting soil, water samples for scientific analysis, keeping reports on local environmental quality and biodiversity as indicators of good adaptation practice. Partnership with UNICEF and other organization supporting youth empowerment and mobilization will be further explored during the implementation phase.

64. Exchange visits for community –based organizations under Output 2.3 will generate new interest among communities in the same district, or non-project target districts facing similar climate change issues; and generate new investment proposals from the corresponding Divisional Secretariats to District Planning Units. Case studies on successful practices are important to update the NCCAS of the Ministry of Environment. Such case studies will be broadly disseminated through media outlets to facilitate broader adoption and replication, including the Adaptation Learning Mechanism to maximize outreach

Outcome 3: Concrete adaptation actions defined and implemented in selected vulnerable villages/ village clusters in the 12 target districts to increase resilience of rural development programmes to climatic risks

SCCF Budget: USD 2,091,860

Co-finance:

UNDP EU-SDDP: USD 8,000,000

MoED (Gama Neguma and Divi Neguma Budgets for target districts): USD 39,000,000

Baseline situation:

65. A number of baseline projects are currently investing in livelihood, rural assets and infrastructure development without adequate risk reduction measures to counter climate change and variability; and associated hazards. A considerable number of people have been reached out by Neguma investment programmes. A political significance of these post-conflict rehabilitation works is enormous. Therefore, the baseline investments are primarily driven by short term and immediate results of relief and recovery of the people who bore the brunt of the consequences of the conflict. However, no consideration has been given to sustain these important investments in the face of climate change.

Gama Neguma and Divi Neguma have a country-wide reach with projects in every village. For example, Divi Neguma in 2011 reached over 2 million beneficiaries through its home garden improvement project distributing inputs such as seedlings, farming equipment, livestock, and equipment and supplies for small enterprises. Gama Neguma in 2012 delivered in 13100 GN divisions in the country (except in Northern Province) creating rural infrastructure prioritized through village development plans.

66. This assistance is delivered with very little consideration of climate change impacts on the local area. Although there is some attempt at tailoring input packages to suit agro-climatic conditions, generally the same package of seeds and implements would be delivered to districts with different climatic and soil conditions. Results of the programme in terms of real productivity increase, change in household consumption and or/ income are not measured. Instead, progress of the programme is measured in terms of the number of households reached and number of assistance ‘packages; delivered. For instance, by July 2012 Divi Neguma had distributed 240,000 vegetable plants; 387,582 fruit plants and 272,291 coconut seedlings in 25 districts.

67. Rural investments through Gama Neguma include the rehabilitation of irrigation schemes, communal wells and hand-pumps, and communal drainage and sanitation services in schools. The integration of water efficiency and water mobilization measures into these projects (such as rainwater harvesting, buffer capacity in irrigation systems, communal water tanks and reservoirs, or the promotion of drought resistant crops), as well as flood protection measures (such as the elevation of hand-pumps, rehabilitation of buffer zones and emergency drains) is limited to non-existent. In addition, there is no connection between present investments in communal water supply and the ecosystem services that can provide in situations of too much or too little water. Especially, in the coastal belt, up to 300 meters inland of the coastline, ecosystems are heavily degraded and partly fail to serve purposes of flood control, water retention and natural filtration. Rural roads, culverts and bridges are constructed without adequate assessment of the increase in climate-related disasters such as landslides and floods. Rural buildings such as clinics, schools and pre-schools are constructed with little review of climate related threats such as drought impacts to water supply, flash floods and landslide or subsidence. Rural buildings rarely consider risks of natural hazards and extreme events that can pose serious threats to stability of structures and human safety.

68. In the EU-SDDP project investment in rural livelihoods, primarily target improved farming methods and value added rural industries. However, climate risk reduction activities are not incorporated in to these baseline interventions. There is very scant mention of environmental and disaster risk management in project implementation through government and non-government agencies. Some of the key activities implemented by UNDP under the EU-SDDP's livelihood component are; 1) improved agricultural value addition (technology, starter capital, training etc) 2) strengthened extension services and 3) Developing producer groups for effective marketing. The project document outlines that the districts targeted for support are already under environmental pressures due to the demands for land and natural resources, and are prone to drought or flooding. In light of this assessment, the project will be guided by environmentally-friendly and disaster-risk-sensitive considerations. For example, it includes activities for promoting environmentally-friendly livelihood practices such as sustainable land use and organic farming techniques. However, the project does not place this 'environmentally-friendly' intervention within a framework of climate risk analysis, therefore they would be adopted as one-size-fits –all approach across project districts and would not consider necessary additional measures for increasing resiliency.

69. Although, Sri Lanka is not a water scarce country overall, it needs to manage its natural resources effectively to ensure future food and water security and maintain critical ecosystem services in a changing climate. Already, the availability of both ground and surface waters for human needs and ecosystem services is reduced, due to declining water quality in all climatic zones, and declining water quantity in the dry and intermediate zones. The use of water saving methods and rainwater harvesting is extremely limited, and principles of climate-resilient Integrated Water Resources Management (IWRM) are rarely implemented due to lack of awareness and capacity of agriculture extension services. With increasing temperature and changing weather patterns, there will be inevitable changes in the physical, chemical and biological composition of coastal greenbelts, dune systems, and wetlands. This, in turn, will limit the protective functions these ecosystems can provide to protect community settlements and livelihood assets from the effects of flooding, drought and sea level rise. Soil and land management are other weak areas where regulations, guidelines and extension services have failed to make necessary changes in land-use in home-gardens and farmlands. Divi Neguma support for home garden productivity does not mandate soil conservation measures. Therefore, support packages are distributed with little advice or incentive to improve soil fertility and moisture that is important to counteract to increasing rates of evapotranspiration and greater aridity conditions in most of the target districts.

Adaptation alternative:

70. SCCF assistance will be integrated with the implementation of Gama Neguma and Divi Neguma in 12 districts, selected through the vulnerability analysis conducted during the PPG and under Outcome 1, related stakeholder consultations and review of climate vulnerability with district planning officers⁹.

Phase 1: 2013-2015

Geographical Cluster 1: Puttlam, Kurunegala, Mannar and Anuradhapura

Geographical Cluster 2: Hambantota, Moneragala, Badulla, Ratnapura and Batticaloa

Phase 2: 2014-2016

Geographical Cluster 3: Vavuniya, Mulaitivu, Kilinochchi

This proposed sequence and geographic clustering of interventions fully follow the implementation cycle of the targeted baseline project (investments through Divi Naguma and Gama Naguma programmes). This particular order of interventions was discussed and agreed at the consultation meetings with the purpose to maximize the effectiveness and secure the project results.

71. The three clusters represent climate risk and vulnerability hot-spots in Sri Lanka. According to the vulnerability index developed during PPG and disaster statistics of the past 20 years, nine of the selected districts are highly vulnerable to climate change and the other three – Kurunegala, Batticaloa and Moneragala- are high-to-moderately vulnerable. However, during consultations with the district planners it emerged that these three districts already demonstrate high level impact to current climate change (drought and flood mainly) and have low development status, and therefore qualify for intervention under the project.

72. Building on tools and planning exercises conducted under Component 1 and supported by training and capacity-building elements under Component 2, this component will deliver concrete adaptation measures in the sectors of agriculture, water management, irrigation, fisheries and coastal zone. SCCF funds will be used to demonstrate concrete adaptation actions that will be implemented along with Gama Neguma, Divi Neguma and EU-SDDP support to communities. This support will be delivered at GN Division with support from divisional and district planning departments, based on the village development plans (VDPs) and village resource management plans (VRMPs) developed in Output 1.3.

73. Gama Neguma and Divi Neguma cover the infrastructure rehabilitation and rural development respectively. Similarly, the SCCF introduces two clusters of adaptation measures tailored around these two baseline investments and coinciding with the scope and development objectives of the target investments. For example, a first cluster of the rural livelihood related adaptation measures under the Output 3.1. include 3.1.1. climate resilient, farm based agronomic measures that promote water and soil conservation (e.g. contour systems, terracing, and other measures of conservation agriculture that promotes soil and water productivity and builds resilience); 3.1.2. intercropping and crop/livestock diversification, introduction of the local varieties and breeds that withstand increasing pressures of prolonged droughts and aridity; 3.1.3. mangrove restoration to protect lagoon systems and coastal districts

74. The second cluster of the infrastructure related adaptation measures under the Output 3.2. include 3.2.1. Protection of local watersheds and catchment forests to reinforce water retention and filtration functions essential for flood control and securing stability of rural infrastructure, farms and settlements; 3.2.2. Introduction of simple engineering solutions (e.g. elevation structures, location selection, buffers etc) to protect rural infrastructure (roads, bridges, culverts) from floods and landslides; 3.2.3. improve building code and engineering standards to protect from flood risks and ensure thermal comfort during the dry periods.

75. None of the above has been considered by the baseline investments and represents necessary

⁹ District Planning Directors attended a stakeholder workshop conducted during project preparation. See Annex 03 for details

adjustments in the face of anticipated climate change impacts associated with increased climate variability and volatility of flood and drought events. SCCF funds will be used to demonstrate concrete adaptation actions that will be implemented along with Gama Neguma, Divi Neguma and EU-SDDP support to communities as detailed in the table below;

Adaptation benefit of SCCF investments in target villages

Baseline Project	Baseline Activity	Adaptation value added through SCCF-funds
Divi Neguma/ EU-SDDP UNDP Community Livelihood Development Support	Home garden development through supply of seeds, planting material, simple farm tools and technical support	<ul style="list-style-type: none"> - Increase species mix by providing seeds of local hardy vegetable and fruit species to spread climate risks; - promote multipurpose trees (providing food, fuel and fodder); - Integrate water storage and conservation measures: run-off ponds, eyebrow bunds and pitcher irrigation, drip irrigation for farms and home gardens; - Introduce soil conservation, soil moisture protection and soil enriching techniques to minimize negative impacts of dry spells; - Improve garden diversity and monitored programme for garden maintenance training and tools on IPNS and IPM.
	Small commercial farms < 1 hectare supported with planting material and implements such as hoe, spade, shovel, axe,	<ul style="list-style-type: none"> - Address soil erosion in vegetable farms, small holder tea plots and home gardens; - Introduce a mix of hardy and high value perennials to supplement farmer income (arecanut, cinnamon, vanilla, pepper in wet and intermediate zones; and cashew, timber in dry zone); - Support and increase high value fruit production, especially locally adapted varieties of banana, papaya, pineapple and mango, and coconut cultivation to increase farm capital accumulation for better climate shock absorption; - In some areas climate controlled (protected agriculture / greenhouses) for very high value crops such as cut flowers, greenhouse vegetables; - Integrate water storage and conservation measures: run-off ponds, drip irrigation etc.
	Livestock farming by supply of poultry and small ruminant stock (goats) and financial support to construct pens	<ul style="list-style-type: none"> - Cross bred more resilient livestock to improve household nutrition and income; - Training in livestock and other farming options preferred by community as means for breed diversification (goat keeping, inland fish rearing); - New fodder management techniques to secure fodder availability during the dry seasons; - Introduction of drought tolerant fodder species in home gardens;

	Coastal Fishery supported by provision of nets, canoes and insulated boxes for fish selling	<ul style="list-style-type: none"> - Restore and protect mangrove belts as a measure of coastal protection and specifically to protect fish breeding sites - Construct freshwater ponds to improve water quality in lagoons; - Fish/ shrimp ponds in near coast areas especially north and east to ease pressure on natural systems.
Gama Neguma/ EU-SDDP UNDP Community Livelihood-related Infrastructure Development Support	Rural water supply schemes and Community wells/village tanks for agriculture	<ul style="list-style-type: none"> - Improved infiltration near groundwater source –well or tube well; - Ensure infiltration of ground water to well source/catchment; - Better salinity barriers to protect inland streams (structural and biological); - Flood proofing of water supply schemes located in flood prone areas; - Protect catchment and watershed of village irrigation sources; - Improved domestic rainwater harvesting - Improve reservoir storage by regular maintenance/ de-silting with community participation. -
	Rural roads- road rehabilitation generally involving laying concrete on existing gravel or tarred surfaces. Culverts, small bridges etc	<ul style="list-style-type: none"> - Conduct a risk assessment of flood/landslide conditions of the area before new road construction to minimize exposure; - integrate the costs of slope stabilization /in road expansion projects; - Protect earth cutting and embankments in landslide prone areas; - facilitate roadside drainage Raise concrete roads in flood prone areas; - Larger culverts and deep drains in flood prone areas. -
	Multipurpose buildings including markets, preschools and clinics	<ul style="list-style-type: none"> - Conduct risk assessment to minimize exposure by selecting the locations that are not in in a landslide or flood prone location; - In flood and landslide prone locations, incorporate prescribed building safety measures; - Incorporate rainwater harvesting where applicable; - In coastal locations (east, south east) put in place measures to protect from cyclones gale winds.

75. Activities in Output 3.1 are designed to strengthen Divi Neguma and EU-SDDP’s livelihood support to conflict communities. The project will build resilience to climate change in farming and land management practices in households targetted by both programmes, in areas identified as having high levels of climate risk.

Homegardens are already considered climate resilient to the extent they contain a diverse range of crops

and a mix of species that can withstand variability¹⁰ and broaden the pool of crop failure risks. By upgrading Divi Neguma agricultural support programme to include incentives for water conservation and soil conservation, SCCF funds will promote home gardens that can withstand higher levels of climate-related variability expected in the future. Concrete adaptation actions delivered on the ground include;

- Soil conservation measures such as live fences, terraces, trenches and contour drains to prevent erosion caused by intense rainfall. To protect soil moisture during drought, practices such as mulching, organic matter addition will be promoted. These will be applied in home gardens and small farms adjacent to the household, in which Divi Neguma will invest in providing primary support such as seeds, agricultural tools, livestock and perennial crop planting material. A sustainable methodology to implement and monitor soil conservation in homegardens and small farms was deliberated during PPG and presented in Annex 09 of the project document.
- Water conservation at household and community level include roof-water harvesting in to ponds and cement tanks, carving out small agricultural water harvesting ponds, micro irrigation, recycling of household grey water, rehabilitating community ponds and village tanks.

76. For Divi Neguma households, this would mean project-supported investment in establishing/improving these resource management practices. Financial support would be provided through registered CBOs such as a Farmer Organisation with an established accounting system, and monitored by village level agrarian development officer. Households targetted through the EU-SDDP project will be similiarly supported to improve agriculture related natural resources management. Activities 3.1.2 will build on the crop recommendations developed under Output 1.2, and the training received by village extension officers in Output 2.1, to promote climate sensitive cropping/farming practices. This includes drought and flood resilient rice and annual crops; promotion of traditional crops bred with improved resistance to climatic extremes; revival of integrated systems of crop-livestock; perennial high value crops (fruit, timber, spices) in home gardens; and protected agriculture for specialised markets. These interventions will demonstrate the adaptation benefit of climate-smart farming through selection of resilient crops, resilient livestock breeds, diversifying farms to broadbase risk, ensuring income through perennials and livestock if crop loss occurs and ability of traditonal varieties to withstand climatic stresses.

77. Activities under 3.1.3 are designed to support coastal communities living by; and living off brackishwater systems. Lagoon-based coastal livelihoods are increasingly at risk from rising salinity, drought and flood. The activity aims to improve coastal natural resource management, based on recommendations of the Village Resource Management Plan. Concrete adaptation activities will include dune rehabilitation, mangrove area conservation and restoration and management of lagoon system with community based fishing organisations. These activities will support the longer term sustainability of coastal livelihoods dependent on brackishwater fish and prawn. The improved natural resources will help maintain the balance of the fragile ecosystem which supports these communities; it will also provide a naturl bufffer against flood and coastal erosion exacerbated by climate change. Target households/communities will benefit from Divi Neguma baseline support for fisheries such as fishing tackle, ice boxes and small canoes etc.

78. The table above, and Annex 1 of the project document provides an overview of recommended adaptation actions that could be integrated in to Divi Neguma and EU-SDDP's livelihood support work. However, this broad menu of actions will be tailored to each location through risk-integrated VDPs and prioritisation based on economic and technical feasibility (conducted in Output 1.2). These adaptation actions were developed through PPG consultations, , the sectoral adaptation action plans of the Ministry of

¹⁰ Marambe et al; Farmer Perception and Adaptation to Climate Change in Home Gardens of Sri Lanka. Faculty of Agriculture, University of Peradeniya 2011

Environment¹¹ and disaster management guidelines developed for infrastructure and roads. The actions have been reviewed by an expert panel that includes water resource professional, agriculture specialists, crop scientists, civil engineers involved in protecting structures against disaster risk during PPG. The actions have been endorsed by the Ministry of Economic Development as practical and applicable in their rural development programmes.

79. In Output 3.2, concrete adaptation measures recommended in the above table will be integrated in to Gama Neguma investments in irrigation rehabilitation, rural water supply, roads and rural buildings in 60 villages in the target districts. These include The integration will be based on community-based risk and vulnerability assessments conducted through VDP and VRMP processes; and guidelines developed in Output 1.2. In each district 5 villages with high climate risk will be identified to implement adaptation actions. SCCF funds will be used, additionally to the Gama Neguma allocation per village project, to ensure sustainability and climate resilience of planned infrastructure development in each location. Climate resilience measures such as wide culverts, side drains, gabions and bunds will be built in to rural roads built through Gama Neguma or EU-SDDP, buildings such as markets, schools and community halls will be designed according to standards set out by the Disaster Management Centre for common climatic hazards. Irrigation infrastructure will be climate-proofed by protecting catchment areas, preventing erosion in to storage reservoirs and increasing storage depth of village tanks where possible. All these measures will support rural communities to withstand better the impacts of flood and drought.

80. The actual ground level work will be sub-contracted to community based organisations such as Farmer Organisations (FO), Women's Societies and other CBOs that will be supported through project, and approved by the Ministry of Finance. The sub-contracting procedure will follow Gama Neguma guidelines established by the Ministry of Economic Development.

B.3. Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF). As a background information, read [Mainstreaming Gender at the GEF.](#):

81. The baseline rural development projects of the MoED targets poor households in every village, as part of the post-conflict recovery and rural development. The aim is to bring families out of welfare and into the productive mainstream through livelihood focused asset building. In Divi Neguma, one of the key initiatives is to increase home garden production and intensifying cultivation in small farms. Gama Neguma targets rural infrastructure aimed at providing improved access (roads, culverts and bridges), improved services (water, health) and improved irrigation (village tanks, anicuts and canals) to boost rural economy.

82. As such, the baseline projects deliver benefits at both household, community and village-unit level. SCCF funding will support improved planning and implementation of these development actions, ensuring that benefits reach rural communities living in areas that are already threatened by increased climate change and variability.

83. In the target districts, economic benefits of the project include cost-effective climate-proofing of infrastructure and service provision in rural areas. This translates into roads with safety features in landslide prone, or flood prone areas; buildings that can better withstand flood or storm surges; water supply services that integrate catchment conservation and salinity barriers; village irrigation schemes that have new and traditional sustainability features etc. Economic benefits at household level would include increased household income through climate resilient home-garden development; engaging in livestock and inland fish

¹¹ Seven Sectoral Plans are under development. These include agriculture and food security; water resources; health; infrastructure; coastal; urban planning and disaster risk reduction. Climate Change Secretariat, Ministry of Environment 2012. Under review

breeding to broad-base risk of annual crop farming; developing climate resilient cottage industries and small farm models of mixed annuals and perennials (timber, fuel wood and fruit/spice). Land-use planning at district and division (and village) and soil conservation at household level are important aspects added-on to the baseline projects through SCCF funding. This will ensure both sustainable use of scarce land resources and improved soil fertility and quality in home gardens. These adaptation measures will target 12 districts and cover 6,070 hectares of land in home gardens and small farms in highly vulnerable parts of Sri Lanka. Average household income in target districts amounts to US\$1,500 annually. Through these direct adaptation investments at farm and household levels the project will achieve an increase in household income by at least 20%. Over 100,000 people will directly benefit from climate resilient soil and water conservation measures, crop and livestock diversification, improvements in irrigation and water supply systems.

84. The project through its financing of climate adaptation-oriented natural resource conservation will also protect stream catchments, mangrove forests that support fish breeding and vegetative belts for erosion control. These interventions will have positive impact on local livelihood resource base and deliver important environmental benefits.

85. In terms of social benefits, at household level families will see increased production and household income, better nutrition through home gardens and livestock production, families will have access to skills development for cottage industry, and family income increasing would prevent indebtedness, out-migration for labour and migration to urban areas. At the community level, the project would deliver skills for village organization development and village development planning, including climate risk assessment at village level. Over 500 target beneficiaries, individuals that include national officers of the key target ministries and departments, technical personnel, community mobilisers and women groups will benefit from specifically tailored technical capacity and skill building trainings aimed at improved climate risk assessment, adaptation planning and implementation. Additionally, 60 villages with 15,000 families/households will benefit from climate resilient infrastructure such as rural roads, roads, culverts and buildings as a result of climate proofing and improved disaster risk reduction efforts directed at Divi Neguma and Gama Neguma infrastructure rehabilitation investments. The project will establish 30 village supplementary irrigation tanks, create 1000 farm ponds for rainwater harvesting and build 2000 domestic rainwater harvesting units.

86. The specific concerns and needs of women will be addressed through project interventions in areas of village development planning; as well as through livelihood development. The majority beneficiaries of the baseline livelihood development project are women. Women currently receive more support through the home garden, livestock and cottage industry segments of Divi Neguma while men are recipient of small farm development support where commercial crops are encouraged. Already women are engaged in identifying needs at household level and taking the needs up to village-level service providers in order to obtain support and benefit from Divi Neguma.

87. Women's participation and their role in village development planning are already entrenched in the implementation modality of Gama Neguma. This is particularly so in identifying and prioritizing development needs for the village. Due to women's intervention, health and sanitation needs are prioritized in many villages. The project will support women (and men) to identify and categorize climate risks and prone areas, provide awareness of future climatic change and associated risks and support communities to develop village plans that circumvent such risks. At least 50% of all project beneficiaries will be women.

B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

The key risks to project objectives and measures to mitigate those risks include the following:

88. The proposed project will be successful if it can successfully facilitate a shift in thinking within

national government entities (Ministry of Economic Development, Department of National Planning), district/divisional administrations and local authorities that the integration of climate change adaptation with reconstruction and development planning makes economic sense in the long term. The greatest risk here is inertia within key stakeholders towards change, and a preference to prioritize speed over quality of infrastructure investments. Especially in the target oriented development programmes in the Ministry of Economic Development, it will be a challenge to adjust mindsets to focus on quality and not just quantity of inputs and investment.

89. This risk will be mitigated by creating highest political and geographic visibility for local-level adaptation activities, which are closely connected and co-branded with the reconstruction efforts undertaken by the Ministry of Economic Development. Involvement of the National Planning Department and Finance Ministry will ensure that there is a financial incentive for district planning secretariats to propose annual plans which take climate risk issues into account. Media reports, ministerial communications, videos and widespread dissemination of project-related lessons will provide incentives and positive feedback to local authorities for doing things differently. UNDP, through its track record working with local NGOs and CBOs in the target areas of the proposed project, has already established a network of partners who have been engaged in disaster risk assessments and community action for disaster risk reduction.

90. In addition, even among technical departments that recognise climate change risks, coordination and cooperation needs to improve. Coordination is strengthened through project activities in Outcome 1 and 2, and again in the implementation modality where national and district-wise advisory groups will be set up to support planning.

91. In terms of environmental risks, unfavorable climatic conditions may occur during the project life cycle and impact on the investments made by the project. This is especially relevant for Component 3 which deals with tangible investments in community-based water resources management and the rehabilitation/restoration of ecosystem-based adaptation services in climate risk hot spots. An important assumption is that these climatic extremes will remain within local coping ranges, and that existing institutions and community groups will rapidly absorb and act on the new skills, technical approaches and knowledge acquired. A detailed risk analysis was conducted during the PPG phase and risks and mitigation measures that emerged are outlined in the risk and mitigation table below.

Risks to Project Delivery and Countermeasures Identified

Description of Risk	Impact and Probability¹²	Risk Management Strategy	Owner	Date Identified
1. Strong focus on hardware delivery in rural development programmes of MoED without climate risk assessment and ‘soft’ interventions for capacity building	I= 3 P=4	The project funds mainly aims to overcome this deficit in current rural development planning and implementation through activities in component 1 and 3	MoED	June 2012
2. Impacts of climate change are not assessed at district or local level making it difficult to design for location-specific adaptive actions	I=3 P=3	At the PPG stage an assessment of vulnerability at district level was conducted and verified by district planning officials. Similar exercise has to be	MoED, UNDP and MoLG	June 2012

¹² Range 1-5, where 5 is highest

		conducted at sub-district level and village-level during project implementation. Each infrastructure project will have its own risk assessment		
3. Simplified risk assessment methodologies are not available for training purposes	I=2 P=3	Project funds will be invested to design and train officials in simplified risk assessment methodologies. There is sufficient funding for this activity	UNDP	June 2012
4. Inter-agency coordination and data sharing is weak and could hamper effective delivery	I=3 P=2	The TAC established under the project management arrangements will try to overcome this risk. Technical agencies will be engaged directly in implementing and monitoring project activity	MoED UNDP	June 2012
5. Continued financing for climate risk assessment and adaptation does not continue after the project	I=3 P=2	Demonstrating the cost-effectiveness of adaptation interventions is part of project activity in Component 3. This, coupled with exposure visits to project districts by officials of Ministry of Finance and National Planning Department will ensure continued financing for climate risk reduction	UNDP MoED	June 2012
6. Future maintenance of community structures created/ modified through SCCF funds	I=3 P=3	The project will be adding value and climate resilience to investments already planned and carried out through baseline projects. In that sense, the investments are sustained through the maintenance agreement of the baseline activity. Community infrastructure is either maintained through the Local Government (roads, buildings, markets) or by the CBO (Farmer Organisation/ Women's Organisation). In terms of household-level investments such as home gardens, small farms	MoED	May 2013

<p>7. Building codes and guidelines developed through the project are not adopted by planners, architects and local authorities</p>	<p>I=2 P=3</p>	<p>future maintenance will be part of the monitoring programme of village level extension officers; and beneficiaries will be incentivized to up-keep investments in soil and water conservation (see Annex 9 for details) This project will work with other related donor-funded initiatives in disaster risk reduction and local service delivery improvement to ensure that building codes and design guidelines are integrated in to practice. Working with the Green Building Council the project will ensure that climate smart planning and climate risk reduction is fully integrated in to regular training programmes for builders, planners and architects.</p>	<p>MoED MoLG</p>	<p>June 2012</p>
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B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

92. At National level the project’s main stakeholders are Ministry of Economic Development, Ministry of Public Administration, Ministry of Environment and the Divi Neguma Task Force.

93. The project will be implemented through the Rural and Regional Development Units of the Ministry of Economic Development. The Project Board will include an official from the Climate Change Division of the Ministry of Environment. The Secretary, MoED will appoint a National Project Director to manage project activities and head the Technical Advisory Committee or National Divi Neguma Task Force¹³. The Task Force will have representation from the national ministries and departments representing sectors important to rural development. This includes National Planning Department and Ministry of Local Government.

At district level, the project’s main stakeholders are;

- The District Secretary (Chief Administrator) of each target district
- -Director Planning of the District Planning Secretariat
- -District Divi Neguma Task Force for technical support and oversight

At sub-district level

- Divisional Planning Units
- Village level mobilisers
- Grama Niladhari (GN) Officers of GN units where Component 3 activities will be implemented
- Agrarian Extension Officer of GN units where Component 3 activities will be implemented
-

94. Project activities will be implemented by community-level organizations that already exist in villages. New community groups will not be formed. Project implementation at grassroots, including the actual implementation of baseline investments will be handled by Farmer Organizations, Rural Development Societies and Women’s Societies which exists in every village. This is the implementation mechanism for Divi Neguma, Gama Neguma and EU-SDDP as well. There are well-established mechanisms and government norms through which these communities based organizations can directly engage with the Divisional or District planning units, handle money and provide accounts. Therefore special/new norms and procedure for engagement implementation is not necessary for project implementation.

95. CBOs through which project activities are carried out consist of target beneficiaries. Therefore community voices could be expressed through participatory implementation of the planned adaptive actions. CBOs will be part of the Divisional Project Committee and give in out in to the technical design of the adaptation actions.

96. During the PPG, MoED consulted with a range of other officials including officials of the Ministry of Finance, National Planning and Directors of district planning units of all 25 districts. A summary of these workshops and meetings is in Annex 5 of the UNDP project document. The table below summarizes the key stakeholders involved in project development and implementation; and their role in the project..

Roles of Key Stakeholders

Stakeholder	Project-relevant responsibility/role
<i>Ministry of Economic Development</i>	
Minister of Economic Development	Policy guidance and implementation directives to support project execution nationally and in districts

Secretary, Ministry of Economic Development and Secretary, Ministry of Finance	Policy and financial guidance on project implementation structures and disbursement method. Will be the chair of the National Project Steering Committee and leadership to the project
Additional Secretaries for Rural Development and Regional Development, Ministry of Economic Development	Implementation support to the project support unit in the Ministry of Economic Development
Director, Divi Neguma, Ministry of Economic Development	The key administrators of the project implementation. These directors will support the day to day activities of the project support unit and provide technical guidance to district-level directors
Director, Gama Neguma, Ministry of Economic Development	
Regional Directors, Ministry of Economic Development	Provide implementation support in the relevant districts/district clusters under their purview. These Directors will play a coordination role and will be especially important in capacity building and up-scaling lessons to non-project districts
<i>Other National Ministries and Departments in the Task Force</i>	
Director, Climate Change Division, <i>Ministry of Environment</i>	The Ministry of Environment will provide policy direction and guidance for the project; and ensure that interventions are in line with the proposed adaptation strategies and environmental management policies. The Ministry will play a key role in the project technical committee and National project Steering Committee
Director, Policy Planning Division, <i>Ministry of Environment</i>	
Ministry of Finance	The key policy and budgetary decisions are made here. Assistance of the Ministry of Finance is sought to upscale and fund some urgent and pertinent adaptation actions that will be field tested through the project.
Ministry of Agriculture	Both ministries will play key roles in the project technical committee and National project Steering Committee. They will be implementing partners of the Project
Ministry of Local Government	
Department of Agriculture	These are technical Departments that are already working closely with the Ministry of Economic Development in implementing Divi Neguma and Gama Neguma. They will play a key role in the Divi Neguma Task Force, which is the project's technical advisory committee. These Departments will provide technical support through their research and development; technical extension and advisory services. They will be members of the project's technical committee
Department of Minor Export Crops	
Department of Livestock Development	
Department of Agrarian Development	
Disaster Management Centre	
Coast Conservation Department	
National Aquatic Development Authority	
Department of Small Industries	
<i>Multilateral Agencies funding rural development projects</i>	
World Bank	Funds and implements a number of projects for reconstruction of former conflict affected districts of Sri Lanka, including community infrastructure development and rehabilitation. Some lessons from the World Bank's environmental safeguards programme were incorporated in designing adaptation in community infrastructure built through Gama Neguma

UN Food and Agriculture Organisation	Works widely with agriculture and fisheries sectors, especially in conflict affected districts.
GEF Small Grants Facility	SGP through its network of local organisations has worked in designing and field testing community0-based adaptation models in different agro-ecological zones of the country through GEF and Ausaid funded projects. These projects have proved to be strong building blocks on which large scale adaptation actions for Gama Neguma and Divi Neguma have been designed.
<i>International Organisations with climate adaptation experience consulted during the PPG</i>	
International Water Management Institute	A large international research organisation headquartered in Sri Lanka and has produced large amounts of research on river basin management, small tank rehabilitation and water quality in Sri Lanka. IWMI will be a key knowledge generation, research dissemination and training partner of the project
Practical Action	An international NGO working with appropriate technology, community development and local solutions. Practical Action implemented some of the first community-based adaptation projects in the country testing out salinity-resistant rice varieties and drought management through agronomic changes.
Ethical Tea Partnership	An international network that certifies tea products based on community and environmental standards. In Africa the ETP has conducted a number of climate change adaptation projects with tea growers and will support the project to implement some of these activities in tea growing vulnerable districts such as Ratnapura.
Community Based Organisations such as Farmer Organisations (FO), Fishery Development Organisations, Rural Development Societies (RDS) and Women's Societies	These exist in every village in differing forms of organisational capacity. These organisations are the grassroots targets for the baseline projects and the mechanism through which rural development investment is conveyed in to villages. Many of these societies/organisations can handle direct contracts from government, have their own bank account and are registered with the Divisional Secretary.
<i>Academia and Training Institutes consulted during the PPG</i>	
University of Peradeniya	Conducts research on agricultural adaptation, crop management, agronomic practices and supports the Department of Agriculture to issue seasonal forecasts with crop recommendations etc
University of Moratuwa	This is the country's largest engineering university and is already engaged directly with the Disaster Management Centre on disaster-proofing infrastructure. University can provide expert inputs to integrating these standards and codes in to Gama Neguma and other development programmes.

Sri Lanka Institute for Development Administration (SLIDA)	The key training institute for local/district administrators, planners and officials. The Project will integrate climate risk assessment training in to the current disaster management programme delivered through SLIDA
Other	
Green Building Council of Sri Lanka	The Green Building Council brings together private sector construction industry, academics, and engineers and architects to promote concepts of energy, water, and land use efficiency, disaster management and local materials in construction. In the project the council will support training on climate resilience in building design and construction by integrating with regular green building training programmes.

B.6. Explain how cost-effectiveness is reflected in the project design:

97. Cost-effectiveness analysis of this project is based on the review of several alternative risk reduction measures to build resilience of communities facing climatic hazards. Plausible alternatives considered during the design of this project are described below, with an analysis of their cost effectiveness in relation to the proposed project strategy and resilience results it aims to deliver.

1. Investment in infrastructural climate risk reduction

98. Protecting rural and urban infrastructure from climate-related hazards involves mostly structural and engineering interventions related to disaster risk reduction; for drought and coastal erosion, some ecosystem level risk reduction methods are proposed such as protecting or re-foresting catchments, and in the case of coastal area, protecting sand dunes and beaches.

99. Naturally the cost of engineering solutions is high. Flood proofing a rural road can cost over 50% of the original estimated cost depending on the severity of risk and ground conditions. Landslide-proofing a rural road on mountainous terrain could cost over 70% of the original estimate.¹⁴

100. The project will introduce climate risk management in infrastructure as part of climate-resilience building in the Gama Neguma programme. However, this investment is delivered through village development plans and improved district development plans, based on already funded infrastructure through Gama Neguma budget.

101. Channeling project investment entirely in to infrastructure-based solutions will not support adaptation needs related to livelihood that come up through VDPs. Focusing on infrastructure risk reduction alone would be the most high-cost approach to the project. In addition, investing heavily on infrastructure risk reduction would have limited the scope of the project- both in terms of resilience results and geographic spread. There would be less financing available for risk-integrated planning and capacity building for a broader scope of rural development needs.

2. Increased livelihood diversification and off-farm employment creation

102. Diversifying the livelihood base is considered an important risk reduction strategy for rural agricultural communities, especially ones that are heavily dependent on rainfall for crop cultivation. Promoting multiple sources of food and income has proven to be a successful strategy in remote rain-

¹⁴ Disaster Management Centre, expert committee for infrastructure design controls

dependent farming areas in Sri Lanka.¹⁵ However these strategies are still based on agriculture- such as fishery, livestock keeping or increased perennial crops such as fruits, spices and timber.

Due to the lag in infrastructure, roads and electricity primarily, rural industry remains very low and employment opportunity in industrial sector is negligible in the target districts.

103. Even agricultural based income diversification is rife with lack of basics- technology, information and markets. This gap is being addressed by the EU-SDDP in their focal districts, by encouraging agriculture value addition, small industrial units for processing, producer groups for marketing, and micro-finance for start-up capital. ,

104. The baseline project of Divi Neguma is highly focused on improved agricultural production. During PPG consultations, it emerged that while diversification is necessary, improved productivity of land should be the key focus of the project. Investment in diversification also requires baseline investment in social mobilization, technology supply and infrastructure such as roads, markets etc that cannot be funded through SCCF finances. Therefore, income diversification as a strategy for adaptation is not the focus of this project, although SCCF funds will support baseline initiatives related to rural industry of Divi Neguma and EU-SDDP to improve their resilience through activities outlined in the table above, and Annex 1 of the project document.

3. Investing in improved early warning systems for common climate-related hazards

105. Early warning systems for flood, landslide and drought are necessary to protect rural development investments from climate-related hazards. Failure of early warning is attributed to large scale crop failure and losses during the past three years.

106. Renewed interest in EWS in Sri Lanka in years following the Indian Ocean Tsunami 2004 resulted in sophisticated coastal warning towers for possible tsunami threat. However, more regular hazards such as flash floods, landslides and drought have not received the requisite attention or funding. The Department of Meteorology issues bad weather warnings based on satellite readings but there is no indication of severity or duration of rainfall. It is impossible at present to warn of localized flash floods, or even river floods with sufficient advance notice for people to protect crops or other livelihood assets. Prediction of drought with any level of accuracy is near impossible with present levels of technology and could even lead to mal-adaptation if not backed by technical and information support at village level. Of the three common climatic hazards, only landslide warning is carried out with a level of scientific accuracy. Landslide EWS based on rainfall data and risk maps developed by the National Housing and Building Research Organization. But even this warning is issues through mass media and mobile communications networks, and does not have a local relay system that reaches the most remote and vulnerable people.

107. In a combined effort to reduce agricultural losses due to shifting seasons, Department of Meteorology and the Department of Agriculture is currently looking at developing seasonal forecasts to assist farmers adjust cropping cycles. The initiative is being supported by the SAARC Meteorological Centre based in Dhaka.¹⁶ However this effort is still at preliminary stages, and cannot yet precisely forecast the rapid shifting of climatic conditions within a season.

108. Generating and disseminating early warning, while technically challenging, is just one aspect of adaptation. The more important aspect lies in how communities would use this information to transform their agricultural activities. This requires high levels of competence among grassroots extension services

¹⁵ Nissanka, S.P., B.V.R. Punyawardena, K.H.M.S. Premalal and R.O. Thattil, 2011. Recent trends in annual and growing seasons' rainfall of Sri Lanka. Proceedings of the International Conference on the Impact of Climate Change in Agriculture. Faculty of Agriculture, University of Ruhuna, Mapalana, Sri Lanka. December 20, 2011. Pages 249-263

¹⁶ The SAARC (South Asian Association for Regional Cooperation) has been established by common agreements of the governments of South Asia to share Meteorological data, research and information across the region.

to support farmers with information. Such extension support systems are not in place in farming districts, especially project target districts with low human development.

109. EWS as an adaptation action is a high-investment with limited effectiveness given the current context of technology limitations and grassroots dissemination practice. Its impacts would have been limited geographically and sustainability would be questionable given the drawback in capacity at national and sub-district level in terms of technically adept personnel. In this light, EWS were not considered for financing under the SCCF project. However, by building the capacity of grassroots level mobilisers and extension services to reduce climate change risk in their local areas; the project supports local capacity for better preparedness in high risk areas.

The project's cost-effectiveness is further improved by the below outlined factors;

-Project interventions focus on improved, risk integrated planning and coordination that will result in optimal use of local development resources, including technical expertise and finances.

110. Project target districts were selected through systematic analysis of climate risk and vulnerability across all 25 districts of the country. For more cost-effective implementation selected districts have been organized in to three geographical clusters. The clustering recognizes that vulnerability and risk span across administrative boundaries, making it possible to address a localized hazard situation that could spread over divisional or district boundaries. Geographical clustering will support cost-effective delivery and management of project interventions, especially planning, risk assessment and training outputs/activities. Clustering will also ease monitoring challenges (travel, personnel and time) at the MoED-based Project Management Unit.

111. Component 1 proposes to modify existing local guidelines for agriculture and infrastructure development using climate risk information generated at district and divisional levels. The project will later use this information to implement concrete adaptation actions in Component 3. Relevant technical agencies mandated to manage irrigation, agriculture, coastal zone and water resources will be engaged in risk assessment, adaptation needs identification and prioritizing through cost-benefit or multi-criteria analysis. This is cost effective because by exposing district-level technical officers to these exercises the project will build local capacity to evaluate climate risks in the future; create trainers for other districts and also enable these officers to prioritize risk reduction activities in their own sectoral plans for the districts. Furthermore, by introducing economic tools such as cost-benefit analysis, multi-criteria analysis to prioritize adaptation options within district development plans, the project supports faster integration of these tools in to regular planning processes. This includes the programmes technical departments such as Agrarian Services, Agriculture, Coast Conservation and Irrigation in each district.

-Well-funded baseline projects with the financial capacity to fund the additional costs of adaptation in the mainstreaming process

112. This project is designed to be fully integrated in to the main rural development programmes of the Ministry of Economic Development. The project therefore lends its financial and technical support to bring in climate change smart elements to the existing Gama Neguma and Divi Neguma programmes. The project will use the same implementation and monitoring platforms established by the MoED at national, district and sub-district levels. The second baseline initiative is a livelihood development project implemented in seven conflict affected district with EU-support. This project is based in the Ministry of Public Administration and will be implemented through the district and divisional secretariats.

-A menu of low-cost, no-regrets adaptation options developed based on rigorous climate risk assessment and local vulnerability mapping.

113. The project will promote a menu of low cost adaptation measures that will support farmers face current climate variability and future uncertainty. The approach of conservation agriculture coupled with reinforcement of ecosystem services through water, land, catchment and coastal protection serve as strong

risk reduction measures with established sustainability outcomes beneficial for both farmer and the ecosystem.

Structural risk reduction through enforcement of hazard zonation, building codes and guidelines and land-use controls of Disaster Management Centre is promoted for rural infrastructure projects financed by Gama Neguma and EU-SDDP. In carrying out these risk reduction measures, the project will work with a range of partners (mentioned in section 2.6 below) whose initial work in the areas of disaster risk mapping, natural resources mapping, guidelines and codes, community based ecosystem restoration will contribute information and experience to the project.

B.7. Outline the coordination with other related initiatives:

114. In the PPG phase it has been verified that SCCF financed activities are not duplicated through any other project. Currently, there is no project in Sri Lanka looking at integrating climate change adaptation and climate risk management into large-scale, rural development projects, whether government or donor-funded. A few pilot scale climate change adaptation are currently implemented at community-level through local NGOs.

115. There are a number of parallel development projects and programmes being implemented, especially in conflict affected districts of the north and east. The Ministry of Economic Development acts as liaison for the majority of development-oriented donor projects, including all projects implemented in the northern and eastern provinces. As such coordination can be achieved simply through implementation out of the same Ministry. At national level, the Minister of Economic Development calls a quarterly meeting of all donor-funded projects and programmes under the Ministry.

116. In addition, there are projects such as the UNDP-funded Road Map for Disaster Risk Management, and ADB-funded National Climate Change Adaptation Strategy that seek to define and integrate risk reduction measures in to the development process. The implementing approach to the project has been designed to coordinate with these different projects and programmes as far as possible, to minimize overlap and maximize knowledge sharing. At national level coordination between technical agencies and SCCF project is ensured through the technical advisory committee for climate change (see implementation arrangements below).

117. At district level, the District Secretary calls a DCC (District coordination committee) meeting every month. At this meeting, progress of all projects and programmes are presented and discussed. The DCC is chaired by the senior-most Member of Parliament representing the district and co-chaired by the District Secretary. At both these meetings progress of Gama Neguma and Divi Neguma are presented, providing an opportunity to share project learning, and also seek further avenues of integration in to development activities.

118. Some development activities (irrigation rehabilitation and coastal zone development) fall within the mandate of each respective Ministry/ Department. Such initiatives will be coordinated through the national and district level Divi Neguma Task Force established and operationalized through the project.

119. The project will coordinate specifically with the projects and programmes listed below through the relevant technical department or government agency, represented in the national Technical Advisory Committee;

- The SPA-funded and IFAD-supported project '**Participatory Coastal Zone Restoration and Sustainable Management in the Eastern Province of post-tsunami Sri Lanka**' (2008-2015), While the initial emphasis of this seven-year project is on the development of scientifically-based, low-cost, community-based approaches to rehabilitating three key coastal ecosystems – mangroves, coastal lagoons, and sand dunes – at specific sites in the Eastern Province, it provides a very good platform to share lessons

and enable replication of its approach in other vulnerability hot spots along the coast. The SCCF project will build on the experiences and techniques demonstrated by this project and expand the reach of community-based adaptation through participatory ecosystem restoration to additional vulnerability hot spots on the selected coastal districts. This will be achieved by including the Coast Conservation Department (CCD) the implementing agency in to the National Task Force, and Task Force of coastal districts.

- The World Bank-funded **North East Local Services Improvement Project (NELSIP)** seeks to improve the delivery of local infrastructure services by Local Authorities (LAs) in the Northern Province and Eastern Province of Sri Lanka. The first component of the project is related to infrastructure service delivery: The objective is to improve the quantity and quality of public goods delivered and maintained by local authorities, which includes the rehabilitation of rural roads, drains, culverts and bridges, public buildings, markets and fairs, waste disposal sites, rural water supply schemes, parks, recreation facilities and libraries, nursery schools, playgrounds, and dispensaries- all of which are closely related to deliverables of Gama Neguma. The project is implemented through the Ministry of Economic Development.
- The Road Map for Disaster Risk Management Project (UNDP funded) at Ministry of Disaster Management that has formulated district-wise hazard profiles for flood, drought, landslide, tsunami, coastal erosion and inundation, and cyclone. The Project is currently working on building codes for disaster resilience. The project tried and tested disaster-risk incorporated village development planning in several villages of the northern and eastern provinces.
- GEF-SGP's **Community-Based Climate Change Adaptation Project** which implements pilot scale adaptation projects across the country. The project has used community-level risk assessment tools and a number of locally modified adaptation strategies to overcome climatic hazards in several high-risk agro-ecological zones. Seven CBA projects were implemented by and another five are in the pipeline. Project locations were based on a desk review of vulnerability to current climatic trends by an expert panel. In each location the primary focus is to increase communities' adaptive capacity through long and short term interventions in improving natural assets linked to livelihoods such as soil quality, improved tree cover and access to water. The SCCF-project borrows heavily from water-management and land management experience of these CBA projects.

C. GEF AGENCY INFORMATION:

C.1 Confirm the co-financing amount the GEF agency brings to the project:

UNDP as GEF agency brings a confirmed co financing amount of USD 11.03 to the project.

C.2 How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

120. The project is fully harmonized with the priorities of the current UNDP Country programme and the approved UNDAF 2013-2017. The UNDAF pillar for Environmental Sustainability, Disaster Risk Reduction and Climate Change supports UN agencies to work with government agencies and National Planning Department (NPD) to improve resilience of natural eco systems and human habitation to disasters; and preserve environmental resources including water, biodiversity and coasts. The project is aligned with the priorities identified under Outcome 4.1 of the UNDAF: *Policies, programmes and capacities to ensure environmental sustainability, address climate change mitigation and adaptation, and reduce disaster risks in place at national, sub-national and community levels.* The project's objectives and outcomes are consistent with Indicators 3 and 5 of UNDAF Outcome 4.1. Indicator 3: No of sectors and Ministries with climate change concerns mainstreamed; Indicator 5: No of pilot projects on Climate Change mitigation and Adaptation with focus on women's groups and youth.

121. The project is corresponds to the priorities identified in the current Country Programme Document of UNDP. The UNDP CP for 2013-2017 has two focus areas; one of which is Environmental Sustainability and Resilience. UNDP support in this area is central to the fourth UNDAF outcome on environmental sustainability, climate change and disaster risk reduction. UNDP will support policy development and technology transfer, and strengthen institutions to integrate information from environmental assessments, hazard and vulnerability profiles, and climate

impact studies. Climate concerns will be mainstreamed in agriculture, water, infrastructure, tourism and coastal sectors, with a focus on vulnerable groups.

122. The ESR (Environmental Sustainability and Resilience) team have four full time staff members, including Assistance Country Director (ACD), Programme Analyst and two programme associates. This team, backed by procurement and human resources –related personnel at UNDP will support project set up (including hiring of consultants and setting up office for project support unit), implementation and monitoring. In UNDP, the MSU (Monitoring Support Unit) will provide additional quality assurance to the project including annual work plans and periodic results monitoring.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

123. The GEF Implementing Agency is UNDP and the National Implementing Partner is the Ministry of Economic Development. A Project Board will be set up chaired by the Secretary, Ministry of Economic Development or his designate. The Department of National Planning, Ministry of Public Administration, Ministry of Environment, Ministry of Local Development and UNDP will be permanently represented on the Board. Potential members of the PB are reviewed and recommended for approval during the PAC meeting. Representatives of other stakeholders can be included in the Board as appropriate. The Project Board (PB) is responsible for providing strategic guidance and making management decisions for the project, in particular when guidance is required by the Project Manager, through the National Project Director, as further detailed below.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

124. The Project Board (PB) is responsible for providing strategic guidance and making management decisions for the project, in particular when guidance is required by the Project Manager, through the National Project Director, as further detailed below.

125. The project proposes that a sub-committee to National Divi Neguma Task Force (see implementation arrangements below) provide technical advisory services to the project. This sub-committee will be called Technical Advisory Committee on Climate Change. It will consist of representatives from Departments that have a direct link with implementation and adaptation actions identified in Component 3 through Divi Neguma and Gama Neguma. Their main role would be to provide guidance on integrating adaptation strategies in to development programmes and monitor their implementation in districts through respective extension officers. The advisory committee will also recommend specific research activities to be carried out by research partners to the project, Universities of Peradeniya, Moratuwa and IWMI. The national Task Force will work through District level Task Forces in the 12 target districts, as further detailed below.

126. A Project Management Unit (PMU) will be established in the Rural Development Unit of the Ministry of Economic Development. Under the Project Board, the PMU will coordinate the project's operation on a day-to-day basis with the government agencies and district planning units of the target districts. The Climate Change Secretariat (CCS) of the Ministry would play a key supporting role, providing the PMU with technical backup in the form of a full time environmental management officer (EMO). This EMO will work with the project management unit, specifically to ensure national climate adaptation priorities are meaningfully applied in the districts. The EMO, by will be nominated by the Director, Climate Change Secretariat, Ministry of Environment and report to the National Project Director in the duration of the project.

127. *Contractors:* The implementation of project components will be supported by contractors, selected according to UNDP procurement rules. The Government Implementing Partner may contract other entities, defined as Responsible Parties, to undertake specific project tasks through a process of competitive bidding. In the case of community base organisations supplying implementation support under Component 3, they need to

be registered as legitimate CBOs by the Finance Ministry, enabling them to handle funds up to USD10,000. However, if the Responsible Party is another government institution, Inter Governmental Organisation or a United Nations agency, competitive bidding will not be necessary and direct contracting will be applied. Confirmation of direct contracting will need to comply with criteria, such as comparative advantage, timing, budgeting and quality. If direct contracting criteria cannot be met the activity will be open to competitive bidding.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF

128. During the extensive PPG process the following adjustments and points of emphasis affecting project design were made:

- The geographical focus of the project has shifted from its previous confinement to the northern and eastern provinces, to cover wider array of geo-physical, agro-climatic zones in Sri Lanka. This change was necessitated following the vulnerability analysis conducted during PPG, which showed climate risk and sensitivity to be spread over a diverse range of topographical and agro-climatic regions. The current selection of target districts reflects this diversity, capturing the most climatically sensitive and socio-economically deprived areas of the country. This makes the approach more strategic in terms of up-scaling and replicating in other districts.
- The shifting of geographical, therefore project investment focus, from northern and eastern provinces to 12 districts in different regions, is also more in line with current government strategy for poverty reduction. This strengthens alignment with the development planning focus of investing in districts with higher levels of poverty and marginalization. The districts selected are all high priority for poverty alleviation and identified in UNDP's recent Human Development Report (2012) as being the most backward districts in the country. Naturally most of the north and east, and peripheral districts are included.

129. There has been no major change in the project components or budgetary allocations. However the project strategy in terms of outcomes and outputs have been amended to reflect the current context in which the project will be implemented; i.e supporting the government's rural development and poverty alleviation programmes across all districts of the country. The changes listed below are merely a re-organization of the original PIF strategy, keeping its broader Objective and Framework intact. The current project strategy reflects the operational structures and planning priorities of baseline projects, enabling smooth implementation and seamless integration of the SCCF-funded outputs in to these projects. The project strategy is organized in to a) planning, b) capacity development and knowledge sharing and c) investment-related components following the rationale of the original PIF.

Changes in Project Outcomes and Outputs:

1. Outcome 1 has been reformulated to read: *National rural development programmes Divi Neguma and Gama Neguma integrate climate risk information and adaptation measures*. This is changed from the PIF Outcome 1 of: *Reconstruction and development programmes in the Northern Province and Eastern Province integrate climate risk information and adaptation measures*. This change reflects the above-mentioned change in project geographical focus from purely post-conflict district related; to broader national development context in which both Gama Neguma and Divi Neguma are implemented.
2. Output 1.1 has been reformulated in the project strategy. The PIF Output 1.1 Integrated map-based assessment of climate-related hazards, vulnerabilities and climate-sensitive natural resources available in all districts of the Northern Province and Eastern Province is presented as Output 1.1 Climate risk assessments conducted in 12 vulnerable districts detailing climate related hazards, vulnerability hot spots and sensitive natural resources. When the PIF was submitted hazard maps and vulnerability assessments at district level were not available. However, during the 2012 the Disaster Management Centre has published district hazard profiles for every common natural hazard including flood, drought, cyclone, coastal erosion, sea level rise and landslide. The PPG conducted a climate change vulnerability assessment. Therefore, the output was reformulated to reflect the need for sub-district level risk assessments to facilitate planning.
3. Output 1.2 has been removed from the project framework as this activity is being carried out under a related project "Operationalizing Road Map for Disaster Risk Management" implemented by Ministry of Disaster

Management and supported by UNDP. However the incorporating these climate resilient building codes and infrastructure guidelines in to rural development is addressed in Activity 1.2.3

4. Output 1.3 in the PIF has been reformulated. The original Output 1.3. *Land use plans for key resettlement and infrastructure programmes in the Northern Province and Eastern Province revised on the basis of climate scenarios to reduce damages from climate-induced hazards* is an activity under the current Output 1.3 which is *Village Development Plans (VDPs) and Village Resource Management Plans (VRMPs) incorporate climate smart measures in all GN divisions in 12 target districts.*
5. Output 1.2 of the present strategy is *Climate risks incorporated in to District and Divisional Development Plans in 12 target districts.* This reflects the planning processes at play at district/ sub-district levels in the context of rural development, especially baseline projects of Gama Neguma and Divi Neguma.
6. Outcome 2 in the PIF has been reformulated. In the PIF, Outcome 2 was *Design, appraisal and approval processes for provincial and communal development plans integrate climate risk considerations.* In the present strategy Outcome 2 reads as: *National, district, divisional and local technical staff have sufficient capacity to identify and integrate climate risk considerations in designing, approving and implementing development projects under the Gama Neguma and Divi Neguma programmes.* The change is reflects the shift in project focus to better align with government's rural development planning framework; and also reflects capacity needs that emerged during PPG consultations (and capacity assessment conducted during PPG)
7. Output 2.1 has been re-organised as *Development planners, district engineers, urban and rural infrastructure planners are trained to recognize climate risk problems and apply or recommend targeted risk reduction/ risk management measures.* This does not indicate any significant change in envisaged activities, but merely a fine tuning of the PIF output to reflect the current baseline projects and their delivery mechanisms. The PIF Output read as *2.1.Provincial councils, local authorities, district planning units and officers of the Ministry of Economic Development, Finance Commission, Central Environment Authority and National Housing Development Authority trained to recognize climate risk problems in new investment projects and apply and/or recommend targeted risk reduction and risk management measures*
8. Output 2.2 of the PIF has been changed. The PIF Output of *Training programme for structural engineers, urban and rural infrastructure planners and teaching staff from technical colleges and vocational training institutes on climate-resilient construction, land use and water resources planning* is now amalgamated with Output 1.1 which addresses all training needs. The current output *2.2 Develop institutional processes to review climate risks in new rural development investment* was developed to address coordination issues between national planning, Finance Ministry, Technical Departments of the government and Ministry of Economic Development.
9. Output 2.3 has been added to the strategy to address awareness related barriers that emerged during PPG consultations and to raise the profile of the project at the highest levels of bureaucracy and financial planning in Sri Lanka
10. Outcome 3 in the PIF: *Investment programme defined and implemented to increase the resilience of communal development plans from climate change-induced risks* has been reformulated. In the current framework Outcome 3 is defined as; *Concrete adaptation actions defined and implemented in selected vulnerable villages/ village clusters in the 12 target districts to increase resilience of rural development programmes to climatic risks.* This reflects a re-phrasing of the PIF outcome to accurately reflect results under the current Component 3; but also reflects re-organisation of the project strategy in terms of deliverables.
11. The current Outcome 3 has two outputs, both dealing with investments in climate resilience building at household/village level. This deviates from the PIF's composition of outputs, which included risk-integrated village planning and investment both. In the current strategy risk integrated village planning comes under Component 1 and Output 1.3.

130. Finally changes have had to be made to Table A – Focal Area Strategy Framework reflecting reorganization made to this framework by the GEF/LDCF Council directly preceding PIF approval. In the PIF the outcome on “Mainstreamed Adaptation in Broader Development Frameworks” fell under Objective 2,

however it now falls under Objective 1. Similarly in the PIF, the Output on “Vulnerable physical, natural and social assets” also fell under Objective 2 but also now comes under Objective 1.


PART V: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):
 (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Mr. Khampadith KHAMMMOUNHEUANG	Director General of the Department of Water Resources and GEF OFP	MONRE	06/06/2011

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Adriana Dinu, Officer-in-Charge, and Deputy Executive Coordinator UNDP/GEF		June 4, 2013	Keti Chachibaia, Regional Technical Adviser	+6681137259 5	Keti.chachibaia@undp.org

PROJECT RESULTS FRAMEWORK:

This project will contribute to achieving the following Country Programme Outcomes ¹⁷ as defined in CPD: 4.2 National stakeholders better able to develop and implement policies and programmes on climate change mitigation and adaptation.					
CPD Outcome Indicator: 4.2.1.Number of pilot projects on climate change mitigation and adaptation with specific involvement of women’s groups and youth					
Primary applicable Environment and Sustainable Development Key Result Area: Promote Climate Change Adaptation					
Applicable SOF (e.g. GEF) Strategic Objective and Framework: Special Climate Change Fund					
Applicable SOF (e.g. GEF) Expected Outcomes: Outcome 1.1: Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas Outcome 1.2: Reduced vulnerability to climate change in development sectors					
Applicable SOF (e.g. GEF) Outcome Indicators: Indicator 1.1.1 No. of adaptation actions implemented according to planning frameworks (NAPA, CAS, UNDAF, PRSP, disaster risk reduction strategies, government development plans, and other) (Number) Indicator 1.2.2 Economic losses through effective climate resilient infrastructure (US\$) Indicator 1.2.6 Water availability for agriculture (% of population)					
	Indicator	Baseline	Targets	Source of Verification	Risks and Assumptions
Project Objective: Increase the resilience of communities to climate change induced hazards through integration of climate smart policies and actions in to development planning and budgeting.	No of sectoral adaptation strategies identified by the project approved and budgeted by the Departments of Agriculture, Agrarian Development, Coastal Conservation and Ministry of Economic Development	< 05	>20 strategies and their associated actions implemented	Adaptation Assessment for Third National Communication by Ministry of Environment Reports of the National Task Force for Climate Change Adaptation MoE	Lack of incentive and direction for agencies to incorporate climate change adaptation in to sectoral development plans Lack of inter-agency coordination

¹⁷ Country Programme Document 2013-2017 from which these outcomes and indicators were derived in in final draft awaiting government endorsement
GEF5 CEO Endorsement-Approval-November 2011.doc

	Climate risk assessment is an integral part of development planning at national and district level	n/a climate risk assessment is non-existent	Climate risk assessment included in planning processes for VDPs, district development plans and Gama Neguma/Divi Neguma national Programmes in 12 vulnerable districts	Annual reports of MoED	Resilience viewed as an outcome of preparedness rather than planning
Outcome 1: National rural development programmes Divi Neguma and Gama Neguma integrate climate risk information and adaptation measures in 12 vulnerable districts	No of Gama Neguma and Divi Neguma projects modified through climate risk assessments at GN and Divisional Level	0	> 150 Gama Neguma Projects > 5 Divi Neguma Strategies including -crop selection for home gardens -perennial crops for small commercial farms -livestock choice -water and soil management incentives -inland/freshwater fishery	Divi Neguma and Gama Neguma Monthly and Annual Progress Reports at district and DSD level Adaptation Assessment for Third National Communication by Ministry of Environment Progress reports (quarterly and bi-annually) of Gama Neguma and Divi Neguma	MoED programmes are highly target driven focused on inputs. This attention to achieving hard targets could hinder the integration of processes that promote adaptation and address climate risk Some climate risks may prove difficult to ameliorate at a micro-level
Outcome 2 National, district, divisional and local technical staff have sufficient technical capacity to identify and integrate climate risk considerations in designing, approving and implementing projects	Number of staff (disaggregated by gender) within national, district, divisional and local planning units in 12 vulnerable districts reported to apply climate risk assessment tools and	0	National officers of NPD, MoED, MoF = 20 Technical agencies and department= 50 District Planning and Samurdhi officers= 75 Village Mobilisers= 300	Training protocols and attendance lists Individual capacity assessment reports Task Force Meeting reports Participants feedback post training	Lack of simplified risk assessment methodologies and awareness of climate risks in planning units and local authorities Retaining trained staff in these key planning and technical positions after project completion

<p>under the Gama Neguma and Divi Neguma programmes</p>	<p>methods to new rural investment projects</p> <p>No of stakeholder groups reporting enhanced awareness of climate change risks and adaptation measures at national, district and village levels</p>	<p>0 (lack of awareness has been reported as a major barrier during stakeholder consultations)</p>	<p>Local Authority Technical Officers =120 Trainers trained =15</p> <p>Key stakeholder groups listed below report higher level of awareness measured by before and after survey-Officers of National Planning, Ministry of Finance and Ministry of Economic Development -Divi Neguma Task Force at National and District level -District Planning Units -Divisional Planning Units -Village mobilisers-communities in risk prone GN units</p>	<p>Perception survey to measure awareness of risks and adaptation options</p>	<p>Field exposure visits will be well attended by government officials</p>
<p>Outcome 3: Concrete adaptation actions defined and implemented in selected vulnerable villages/ village clusters in the 12 target districts to increase resilience of rural development programmes to climatic risks</p>	<p>% increase in annual income of farmers (disaggregated by gender) as a result of project introduced adaptation measures implemented in home gardens and small farms</p>	<p>annual income = or <USD1500 in target farm households¹⁸</p>	<p>15% increase against baseline by 2015</p> <p>20% increase against baseline by 2016</p>	<p>District Divi Neguma Task Force meetings</p> <p>Project Board Meeting minutes</p> <p>Updated VDPs and Divisional Development Plans</p> <p>Baseline and end of project survey of target DSDs</p>	<p>Tested pilot actions could be replicated at a larger landscape level</p> <p>High level of community participation in assessing risks, planning interventions and monitoring impact</p> <p>Incentives for land and water</p>

¹⁸ District wise baselines to be established through indicator development activity in Output 1

	<p>Total value of community driven rural infrastructure built following building codes and construction controls and guidelines for climate and disaster risk reduction</p>	<p>0</p>	<p>> USD 2.25 million At least 50% over the baseline value of Gama Neguma Investment in five villages per districts</p>	<p>Field visits Case studies incorporating economic valuation of infrastructure risk reduction</p>	<p>management are accepted by Divi Neguma recipient households Cost of climate-proofing community infrastructure is not prohibitive</p>
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ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Criteria Question	Comment	Response	Revisions in the Document
<p>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>	<p>More information regarding communities and local governments that will benefit from the project and clear description of the concrete adaptation benefits is expected by the CEO endorsement.</p>	<p>Section B3 on socio-economic benefits have been expanded further and now it provides more detailed information about number and type of direct beneficiaries, including types of economic, social, including gender and environmental benefits of the project.</p> <p>Economic benefits at household level would include increased household income through climate resilient home-garden development; engaging in livestock and inland fish breeding to broad-base risk of annual crop farming; developing climate resilient cottage industries and small farm models of mixed annuals and perennials (timber, fuel wood and fruit/spice). Land-use planning at district and division (and village) and soil conservation at household level are important aspects added-on to the baseline projects through SCCF funding. This will ensure both sustainable use of scarce land resources and improved soil fertility and quality in home gardens.</p> <p>These adaptation measures will target 12 districts and cover 6070 hectares of land of highly vulnerable parts of Sri Lanka. Average household income in target districts amounts to US\$1,500 annually. Through these direct</p>	<p>Section B3</p>

		<p>adaptation investments at farm and household levels the project will achieve an increase in household income by at least 20% Over 100,000 people will directly benefit from climate resilient soil and water conservation measures, crop and livestock diversification, improvements in irrigation and water supply systems.</p> <p>At the community level, the project would deliver skills for village organization development and village development planning, including climate risk assessment at village level.</p> <p>Over 500 target beneficiaries, individuals that include national officers of the key target ministries and departments, technical personnel, community mobilisers and women groups will benefit from specifically tailored technical capacity and skill building trainings aimed at improved climate risk assessment, adaptation planning and implementation.</p> <p>Additionally, 60 villages with 15,000 families/ households inhabitants will benefit from climate resilient infrastructure such as rural roads, roads, culverts and buildings as a result of climate proofing and improved disaster risk reduction efforts directed at Divi Neguma and Gama Neguma infrastructure rehabilitation investments.</p> <p>At least 50% of all project</p>	
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		beneficiaries will be women.	
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ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF/LDCF/SCCF/NPIF RESOURCES

<i>Position Titles</i>	<i>\$/ Person Week*</i>	<i>Estimated Person Weeks**</i>	<i>Tasks To Be Performed</i>
For Project Management			
Local			
Project Manager	462	192	<ul style="list-style-type: none"> • Facilitate the day-to-day functioning of the PSU; • Coordinate the distribution of responsibilities amongst team members and organize the monitoring and tracking system of all cluster services; • Manage human and financial resources, in consultation with the Project Board and National Project Director to achieve results in line with the outputs and activities outlined in the project document; • Plan the activities of the project and monitor progress against the initial quality criteria; • Mobilize goods and services to initiative activities, including drafting TORs and work specifications; • Develop TORs and support recruitment of project national and international consultants • Develop project monitoring and reporting protocols linked to project outcome indicators • Support implementing partner to convene project board meetings and technical advisory committee meetings • Lead the PSU and carry out regular meetings in all target districts to support implementation • Carry out quarterly and bi-annual project monitoring and report to Project Board, UNDP and MoED on progress • Produce annual Project Implementation Reports • Oversee budget disbursement and financial progress monitoring with the implementation partner. • Develop TORs and provide support for mid-term and final evaluation studies • Report and provide feedback to UNDP-GEF and the Project Board on project strategies, activities, progress, and barriers; • Manage relationships with project stakeholders including donors, NGOs,

			government agencies, and others as required.
Assistant Project Manager	125	84	<ul style="list-style-type: none"> • Administer Project Board meetings in coordination with the National Project Director • Establish document control procedures • Compile, copy and distribute all project reports • Provide logistical support to the Project Manager, and national/international consultants in organising training events, workshops, and seminars • Assist international, short-term consultants by organizing their travel schedules, arranging meetings with different stakeholders, and booking hotel accommodations • Prepare monthly leave records for the project staff and long-term national/international consultants • Assist in the preparation of the Annual Work Plan (AWP)
Admin and Finance Assistant	137	84	<ul style="list-style-type: none"> • Prepare financial status reports, progress reports and other required financial reports • Process all types of payment requests for settlement purpose including quarterly advances to the partners • Prepare periodic accounting records by recording receipts and disbursements (ledgers, cash books, vouchers, etc.) and reconciling data for recurring or financial special reports and assist in preparation of annual procurement plan • Prepare reports and documents as per specified formats, project, or programme plans and general reference documents as well as general administrative/financial or specialised tasks related to the project which may be of a confidential nature within the assigned area of responsibility • Assist in the timely issuance of contracts and assurance of other eligible entitlements of the projects personnel, experts, and consultants by preparing annual recruitment plans • Provide substantive support to the Project Manager for overall implementation

International			
Justification for travel, if any: Quarterly visits to support the Provincial Sub-PSUs. Regular monitoring and evaluation visits, particularly during Year 1 (project baseline) and in advance of annual, mid term and final reporting and evaluation events.			
For Technical Assistance			
Local			
1. Risk Assessment Tools and Maps/ training support	700	172	<ul style="list-style-type: none"> - Gather and pool data from hazard profiles, disinventar, census, divisional secretariats and social services to support the international consultant on risk and vulnerability profile development - Agree on indicators for risk analysis - Support in data analysis and risk profile development DSD level for 12 districts -- Produce a guideline for updating of risk and vulnerability profiles in each district - Work with the international consultant on Risk Assessment Tools to design simple tolls for use in planning of water resources, infrastructure and agriculture. - Work with the international consultant on Risk Assessment Tools to design simple tools for use in planning of water resources, infrastructure and agriculture. - Design and devise training programmes together with the international consultant - Support in conducting risk assessments in target districts through Gama Neguma and Divi Neguma - Coordinate learning exchange visits with other countries in the region using similar tools - Conduct TOTs at divisional level in 12 districts on risk assessment methodology
2. GIS Mapping expert	650	32.3	<ul style="list-style-type: none"> -Data collection and processing under the guidance of Risk Assessment Tools consultant and international consultant - conduct field visits to central districts to verify data - Produce all maps based on data gathered - Ensure quality of maps and data produced
3. Crop Scientist	650	60	-Review Agrarian Development

			<p>Department's crop recommendations for agro-ecological regions</p> <ul style="list-style-type: none"> -Gather information on all climate-related crop research from the key research institutes in Sri Lanka -Prepare a revised crop recommendations manual for Divi Neguma, focusing on the specific risks faced by selected districts -Conduct a review exercise of these recommendations with district and national experts -Prepare a final draft of the amended crop recommendations
4. Local planning specialist	700	30	<ul style="list-style-type: none"> - Provide guidance to project on integrating climate resilience in to local governance and district planning - Provide an analysis (document) on mainstreaming entry points and monitoring of such mainstreamed activities, especially in district and village development plans - Conduct field visit to the 12 project districts and conduct workshops and review meetings with district planning secretariat and local authorities - Provide expert guidance to district planning directors to formulate climate resilient land use plans -Update district land use plans and/or develop 5 year district development plans with land-use considerations
5. Participatory Risk and Vulnerability Assessment	700	40	<ul style="list-style-type: none"> -Support project to develop climate risk integrated village development plans -Work with village-based graduate officers to revise existing VDPs and VRMPs with climate risk information -Ensure community-based consultation for this process - Ensure that each VDP and VRMP should be whetted by the Divisional Secretariat and related technical agencies -Ensure that VDP priorities are realistically budgeted -Prepare VDPs for all GN units in each of the 12 focal Ministries
International			
1. Risk Assessment Specialist	3,000	21.5	<ul style="list-style-type: none"> - Conduct a capacity assessment of national and district planning staff - Recommend the best climate risk assessment tools to cover sectors of water, agriculture and infrastructure - Determine data needs, software and hardware needs to use these tools - Work with relevant technical departments

			<p>to translate data and simplify the tools for everyday use by non-technical planning staff</p> <ul style="list-style-type: none"> - Design capacity building programmes with technical sector-agencies and support in the delivery of training of trainers - Field test simplified tools in project target districts.
2. Infrastructure Resilience Specialist	3000	10	<ul style="list-style-type: none"> - Support technology transfer for design of adaptive strategies and actions in infrastructure sector with special emphasis on rural structures supported through Gama Neguma - Support technology transfer for design of adaptive strategies and actions disaster-proofing structures and services against climatic hazards - Support local consultants to initiate demonstrative models in target districts against flood, drought, landslide, coastal erosion and salinity - Ensure building codes and risk assessment tools developed in component 1 are compatible with climatic risks (current and future) and could be easily integrated in to rural development initiatives - Evaluate training needs in the infrastructure sector - Support local consult to develop training curricula through national universities and Green Building Council
3. Mid-term and End of Project Evaluation	3000	12	<ul style="list-style-type: none"> -Conduct independent evaluation of project progress and results -Ensure that project is on track to achieve the set out objectives, and is in line with SCCF overall objectives - Review the functioning of project management and implementation structures -Review budget and disbursement modality -Provide a report on midterm progress, implementation, results and recommendations for improving project approach and results
Justification for travel, if any: Frequent travel to project sites and meetings of the district planning committees.			

* Provide dollar rate per person week. ** Total person weeks 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.

YES. THE OBJECTIVE OF THE PPG PHASE WAS TO PRODUCE A PROJECT DOCUMENT, THAT PROVIDES SUBSTANTIVE DETAIL ON TECHNICAL AND MANAGERIAL ASPECTS OF THE PROJECT; CONFORMING TO UNDP AND GEF STANDARDS. THE FOLLOWING WAS ACHIEVED DURING THE PPG PHASE:

1. TECHNICAL DEFINITION AND CAPACITY NEEDS ASSESSMENT WAS CARRIED OUT BY CONSULTANTS AND OFFICIALS OF THE MINISTRY OF ECONOMIC DEVELOPMENT/MINISTRY OF ENVIRONMENT. IN THE PPG PHASE A DETAILED VULNERABILITY ANALYSIS ACROSS THE 25 DISTRICTS OF SRI LANKA WAS CARRIED OUT TO DETERMINE TARGET DISTRICTS BASED ON SECONDARY DATA AND EXPERT ANALYSIS. THE ANALYSIS RESULTED IN CLUSTERS OF VULNERABILITY (LOW, MODERATE, HIGH AND VERY HIGH) AND SUPPORTED THE SELECTION OF 12 TARGET DISTRICTS. A CAPACITY NEEDS ASSESSMENT SURVEY WAS CONDUCTED DURING THE PPG THAT COVERED 08 KEY INSTITUTIONS ENGAGED IN DEVELOPMENT PLANNING AND EXECUTION AT NATIONAL LEVEL; AND 50 INDIVIDUALS REPRESENTING DISTRICT PLANNING SECRETARIATS. DESK REVIEWS OF CLIMATE CHANGE STRATEGIES INCLUDED THE NATIONAL POLICY ON CLIMATE CHANGE, THE INITIAL AND SECOND NATIONAL COMMUNICATIONS, NATIONAL CLIMATE CHANGE ADAPTATION STRATEGY, HARITHA LANKA AND ENVIRONMENTAL ACTION PLAN FOR SRI LANKA. IN TERMS OF GOVERNMENT POLICY ON RURAL DEVELOPMENT THE PPG TEAM REVIEWED NATIONAL POLICY DOCUMENTS INCLUDING THE 10 YEAR DEVELOPMENT FRAMEWORK (MAHINDA CHINTANA VISION FOR THE FUTURE), 2012 BUDGET SPEECH ON DIVI NEGUMA, CENTRAL BANK ANNUAL REPORTS OF 2011/2010 AND MINISTRY OF ECONOMIC DEVELOPMENT ANNUAL PROGRESS REPORTS FOR 2009,2010 AND 2011.

2. INSTITUTIONAL AND IMPLEMENTING ARRANGEMENT, MONITORING AND EVALUATION SET UP HAS BEEN DEFINED DURING THE PPG. PROJECT LOGICAL FRAMEWORK WITH IMPACT ORIENTED INDICATORS AND QUANTITATIVE TARGETS HAVE BEEN DETERMINED IN BROAD CONSULTATION WITH THE KEY TECHNICAL EXPERTS AND GOVERNMENT STAKEHOLDERS, ESPECIALLY THE MINISTRY OF ECONOMIC DEVELOPMENT AND MINISTRY OF ENVIRONMENT. DIRECTORS OF PLANNING SECRETARIATS IN THE 12 TARGET DISTRICTS PARTICIPATED IN A WORKSHOP TO FINALISE IMPLEMENTATION ARRANGEMENT AND MODALITY AT DIVISIONAL AND VILLAGE LEVEL

3. STAKEHOLDER CONSULTATIONS HAVE BEEN CONDUCTED DURING THE PPG. THESE WERE ARRANGED THROUGH MINISTRY OF ECONOMIC DEVELOPMENT SUPPORTED BY THE TEAM OF PPG CONSULTANTS. THERE HAVE BEEN 3M MAIN PPG WORKSHOPS, 05 ROUNDTABLE DISCUSSIONS BETWEEN KEY PARTNERS, AT LEAST 20 BILATERAL DISCUSSIONS WITH TECHNICAL AGENCIES SUCH AS ENVIRONMENT, DISASTER MANAGEMENT, AGRICULTURE, COAST CONSERVATION, LIVESTOCK AND FISHERIES, AS WELL AS WITH DISTRICT PLANNING UNITS. FIELD VISITS WERE CONDUCTED TO LOCATIONS OF EXISTING COMMUNITY BASED ADAPTATION PROJECTS.

4. FINANCIAL PLANNING FOR THE PROJECT ACTIVITIES AND PROJECT MANAGEMENT HAS BEEN COMPLETED WITH SUPPORT FROM MINISTRY OF ECONOMIC DEVELOPMENT. CO-FINANCING DEFINITION INCLUDES A DETAILED ASSESSMENT OF SCOPE AND FINANCIAL ENVELOPE OF THE GOVERNMENT'S MAJOR INVESTMENTS THROUGH DIVI NEGUMA AND GAMA NEGUMA PROGRAMMES; AND THE UNDP-FUNDED COMPONENT OF THE EU-SDDP (SUPPORT TO THE RECONSTRUCTION AND DEVELOPMENT OF THE NORTH AND EAST) PROJECT.

5. ARTICULATION OF THE PROJECT'S OBJECTIVE OUTCOMES, OUTPUTS AND ACTIVITIES IS INCLUDED IN THE PROJECT DOCUMENT WITH CLEAR ANALYSIS OF THE ADAPTATION ALTERNATIVE AND COST-BENEFIT. A LOGICAL FRAMEWORK WITH CLEAR IMPACT INDICATORS HAS BEEN INCLUDED. ALIGNMENT OF THE PROJECT WITH OTHER UN ACTIVITIES AND WITH THE GOVERNMENT'S NATIONAL ADAPTATION STRATEGIES, INDICATING HOW THE PROJECT WILL VALUE TO THESE.

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

N/A

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

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>				<i>Cofinancing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
Technical Definition and Capacity Needs Assessment	Completed	25,000	24,433	567	0	25,000
Institutional arrangements	Completed	10,000	7,585	2,415	0	10,000
Stakeholder consultation	Completed	18,000	9,807	8,193	0	18,000
Financial planning	Completed	7,000	2,409	4,591	0	7,000
PPG Management	Completed	0	0	0	0	
	(Select)					
	(Select)					
	(Select)					
Total		60,000	44,234	15,766	0	60,000

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.12/01/2013

