



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	9199		
Country/Region:	Bhutan		
Project Title:	Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscape and Community Livelihoods		
GEF Agency:	UNDP	GEF Agency Project ID:	5713 (UNDP)
Type of Trust Fund:	Multi Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-2; CCA-3; BD-1 Program 1; SFM-2;		
Anticipated Financing PPG:	\$450,000	Project Grant:	\$13,967,124
Co-financing:	\$41,900,000	Total Project Cost:	\$56,317,124
PIF Approval:	September 14, 2015	Council Approval/Expected:	October 01, 2015
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Fareeha Iqbal	Agency Contact Person:	Srilata Kammila

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	<p>FI, 8/10/15: CCA: Not quite. The PIF only identifies alignment with CCA-1 (reducing vulnerability). However, it is also aligned with CCA-2 (building adaptive capacity) and with CCA-3 (mainstreaming adaptation in development planning).</p> <p>The project is aligned with BD 1 (Program 1) and SFM-2.</p> <p>Recommended action: Please include CCA-2 and CCA-3 in Table A of the Datasheet.</p>	

¹ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
		<p>FI, 8/14/15: Yes, the project is now aligned with relevant LDCF, BD and SFM objectives.</p>	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	<p>Yes. Climate change adaptation activities are aligned with Bhutan's NAPA and 11th Five Year Plan (FYP). Biodiversity and SFM elements are aligned with the 'Bhutan for Life' initiative, National Biodiversity Strategic Action Plan, and Bhutan's 11th FYP. Bhutan's REDD+ Readiness project is currently underway.</p>	
Project Design	3. Does the PIF sufficiently indicate the drivers ² of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	<p>FI, 8/10/2015: Yes for PIF stage. The project will enhance the resilience of agricultural communities to climate change and other stresses, strengthen biological corridor networks, increase forest area under sustainable management, and improve the financing structure for biological corridor management.</p> <p>It has high replication potential both in terms of extending the work to other parts of the corridor system and in applying successful adaptation approaches in other dzongkhags that face similar circumstances.</p> <p>The project is innovative in integrating efforts in biodiversity conservation, increased forest cover, poverty reduction, rural development and climate change adaptation within a large national project. For example, it will identify measures for realignment of the corridor system based on potential risks posed by climate change, and will mainstream biodiversity considerations in over 100,000 ha of agricultural landscape.</p> <p>By CEO Endorsement: Please consider measures to sustain the efforts this project will make towards integrating climate resilience in biodiversity and</p>	

² Need not apply to LDCF/SCCF projects.

PIF Review

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		forest related actions in Bhutan. This could be done through formal inclusion of climate change related issues in PA/forest management plans and frameworks, and capacity building activities, for example.	
	4. Is the project designed with sound incremental reasoning?	<p>FI, 8/13/15: Not yet. All SFM projects are required to provide an estimate of the additional carbon benefits (tCO₂e) that are expected to ensue from implementation of the project (in Table F, Line 4 of the Datasheet). Please also provide an explanation in the PIF on how this figure was derived.</p> <p>FI, 8/14/15: Yes, the project is expected to result in carbon benefits of 53.5 million tCO₂e, now included in Table 4. This indicative figure is an estimate for 350,000 ha of directly affected forest area with an average carbon density of 153 tC/ha (based on the 2011 global carbon mapping by Sassan Saatchi of Caltech's Jet Propulsion Lab, available at: http://rainforests.mongabay.com/deforestation/2000/Bhutan.htm)</p> <p>Update: FI, 9/8/15: Upon further review by GEF Sec, the carbon benefit figure of 53.5 million tCO₂e was found to have been incorrectly estimated. Agency has provided a revised, indicative figure of 3.084 million tCO₂e in carbon benefits through avoided deforestation.</p> <p>By CEO Endorsement: Agency is requested to provide refined calculations for the estimation of carbon benefits.</p>	
	5. Are the components in Table B sound and sufficiently clear and appropriate to	<p>FI, 8/13/15: Adjustments and further information requested. 1) Please change the "type of Trust Fund" selection at the top of</p>	

PIF Review

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	<p>achieve project objectives and the GEBS?</p>	<p>p.1 of the Datasheet to "Multi Trust Fund", not LDCF.</p> <p>2) In view of sustainable agriculture being a priority for Bhutan, suggest including 'agriculture' in the title by changing it to: "Enhancing the Sustainability and Climate Resilience of Agriculture, Forests and Community Livelihoods."</p> <p>3) Please simplify the project objective as follows: "Operationalizing an integrated landscape approach through strengthening of biological corridors, sustainable forest and agricultural systems, and building climate resilience of community livelihoods."</p> <p>4) Please provide the approximate number of beneficiaries for the LDCF-financed activities.</p> <p>5) Integration of the two elements is rather weak, with Components 1 and 2 focusing on BD, and Components 3 and 4 mostly on LDCF. Integration of the GEFTF/BD and LDCF elements could be enhanced by combining Components 1 and 3, both focused on institutional capacity development at the national/sub-national level. The institutional framework needs to be clarified and bring together the two elements (agriculture and forest/BD sectors) at the national level to enable a coordinated and integrated landscape approach. There can still be distinguished targeted outcomes and outputs specific to biological corridors and climate resilience of community livelihoods.</p> <p>6) On Component 4, the linkage between the suggested agriculture practices and biodiversity benefits needs to be further articulated and explained. As it stands now, the SLM benefits are clear but not BD.</p>	

PIF Review

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		<p>FI, 8/14/15: Yes, all comments of 8/13/15 of this section have been satisfactorily addressed.</p> <p>By CEO Endorsement: - Please provide details on how climate resilience considerations will be used to guide realignment of biological corridors. - Please provide information on how many and which dzongkhags will be supported through LDCF funding. Are the communities living in the PAs and BCs vulnerable to climate change, and will the project be assisting with their adaptation needs, or will the LDCF-supported communities be in other areas?</p>	
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	<p>Yes for PIF stage. Communities will be engaged in project design, and a gender analysis matrix will be applied to develop livelihood interventions.</p> <p>By CEO Endorsement: Please provide details on measures to ensure gender mainstreaming, and how the project will benefit vulnerable groups such as children and the elderly.</p> <p>The application of the HCVF concept is noted and its potential for wide stakeholder involvement. An outline of the process conforming to HCV Network best practice would be expected by CEO Endorsement.</p>	
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> • The STAR allocation? 	Yes. Bhutan is flexibly allocating \$2.63 M of its GEF-6 STAR	

PIF Review

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		BD and LD resources to the project to support Biodiversity. \$1.31 million has been requested in SFM incentive financing.	
	<ul style="list-style-type: none"> The focal area allocation? 		
	<ul style="list-style-type: none"> The LDCF under the principle of equitable access 	Yes.	
	<ul style="list-style-type: none"> The SCCF (Adaptation or Technology Transfer)? 		
	<ul style="list-style-type: none"> Focal area set-aside? 		
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	<p>FI, 8/13/2015 Not yet. Agency is requested to address comments for Items 1, 4 and 5.</p> <p>FI, 8/14/2015: Yes.</p> <p>Notes: FI, 8/31/15: Received submission from Agency on 8/31/15 with co-financing split across LDCF and GEF TF in Table B as requested. Project is now ready for WP inclusion.</p> <p>FI, 9/8/2015: Agency was requested to provide revised estimates of carbon benefits for the project. This has been done.</p> <p>By CEO Endorsement: 1) Please see comments for items 3, 4, 5 and 6, above.</p> <p>2) As Components 3 and 4 of this project are based on the technically-cleared GEF LDCF Project ID 5872 (Climate-</p>	

PIF Review			
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		resilient Villages), please fully address all comments that had been provided for CEO endorsement stage in the review sheet for Project ID 5872 by CEO Endorsement stage for this project. 3) Please also discuss how the heightened inter-agency coordination needs that this multi-focal area project requires will be addressed.	
Review Date	Review	August 13, 2015	
	Additional Review (as necessary)	August 14, 2015	
	Additional Review (as necessary)	September 08, 2015	

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)		
	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	• GEFSEC		
	• STAP		
	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		
	Additional Review (as necessary)		

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.