



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

GEF ID:	4631		
Country/Region:	Burundi		
Project Title:	Watershed Approach to Sustainable Coffee Production in Burundi		
GEF Agency:	World Bank	GEF Agency Project ID:	127258 (World Bank)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	LD-1; BD-1; BD-2; SFM/REDD+-1; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$4,200,000
Co-financing:	\$21,500,000	Total Project Cost:	\$25,700,000
PIF Approval:		Council Approval/Expected:	November 01, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Jaime Cavalier	Agency Contact Person:	Paola Agostini

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	September 14, 2011 Yes CBD1997, CCD 1997	
	2. Has the operational focal point endorsed the project?	September 14, 2011 Yes, a letter of endorsement from Mr Murengerantwar dated September 01, 2011 is available.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	September 14, 2011 Yes, the WB has major watershed management projects, has supported sector reformation and is identified in the PRSP as the lead donor for Agriculture and Rural Development interventions.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	September 14, 2011 There is no non-grant instrument.	
	5. Does the project fit into the Agency's program and staff capacity in the country?	September 14, 2011 Yes, WB has office and staff presence in the country.	

Resource Availability	Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> the STAR allocation? 	September 14, 2011 The STAR allocation is CC \$2.0 million, BD \$1.5 million and LC \$1.07 million = \$4.57 million GEFTF requested funds total \$3.534 million.	
	<ul style="list-style-type: none"> the focal area allocation? 	September 14, 2011 Funds are flexible between FAs.	
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 	September 14, 2011 CCA: YES. The requested grant is within the resources available from the LDCF under the principle of equitable access.	
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 		
	<ul style="list-style-type: none"> Nagoya Protocol Investment Fund 		
	<ul style="list-style-type: none"> focal area set-aside? 		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	September 14, 2011 MFA: Yes. CCA: YES. The project is aligned with the LDCF/SCCF results framework.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	September 14, 2011 MFA: The link to BD-1 on new and existing PAs is not clear within the project description; also SFM/REDD-1 does not appear to have any related outputs or explained in the project overview. CCA: YES. The project contributes towards CCA-1 by strengthening vulnerable physical, natural and social assets in response to climate change	

		<p>September 19, 2011 MFA: Additional information provided. Cleared.</p>	
	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>September 14, 2011 MFA: Yes the 4th CBD report outlines plans including reform the agriculture sector, implementation of SLM and SFM practices and addressing under-represented ecosystems in the PA network.</p> <p>CCA: NOT CLEAR. The proposed project contributes towards sustainable land management, including the rehabilitation of degraded areas and the protection of critical ecosystems. While such activities are identified in the Burundi NAPA, the document also identifies specific regions in which adaptation measures should be prioritized.</p> <p>RECOMMENDED ACTION: Please elaborate on how the proposed project is aligned with the regional priorities established in the NAPA.</p> <p>09/19/2011 -- CCA: YES. The alignment of the proposed project with the Burundi NAPA has been clarified in the revised PIF. The project would address the country's priorities in woodlot preservation and reforestation of stripped zones as well as the establishment and protection of strategic buffer zones around the lakes of Bugesera.</p>	
	<p>10. Does the proposal clearly articulate how the capacities developed, if any.</p>	<p>September 14, 2011 MFA: No. Capacity building and</p>	

	of project outcomes?	<p>and 3 but lacks detail on how this will be carried out and with whom. The WB SEA identifies low human resource and technical capacity within the authorities as well as low technical capacity among smallholder farmers; please provide detail on how the project addresses these two elements.</p> <p>CCA: NOT CLEAR. While the PIF maintains that the project contributes to the technical capacity of beneficiaries to implement adaptation measures in the targeted watersheds as well as to the mainstreaming of climate change considerations in the coffee sector, such capacity building measures are not clearly reflected in the project results framework (Table B).</p> <p>RECOMMENDED ACTION: Kindly clarify how the project contributes to the capacity of stakeholders to sustain and to scale up climate resilient land and water management practices.</p> <p>September 19, 2011 MFA: Additional information provided. Cleared.</p> <p>09/19/2011 -- CCA: YES. The revised PIF proposes a capacity building program for climate change adaptation as well as the strengthening and restoration of traditional SWLM knowledge for adaptation.</p>	
	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on	<p>September 14, 2011 MFA: No the baseline is not clearly described. The two IDA projects are identified and their overall components</p>	

Project Design		<p>to necessary what they contribute to the baseline. Please extract and detail those elements of the IDA projects that are relevant to the proposal.</p> <p>CCA: NOT CLEAR. As it stands the PIF does not describe the extent to which the targeted beneficiaries, production systems and watersheds are vulnerable to the effects climate change nor the extent to which the baseline projects fail to address such vulnerabilities.</p> <p>RECOMMENDED ACTION: Kindly provide information of the current and expected climate change effects in the targeted regions; describe the vulnerability of the intended beneficiaries, production systems and targeted watersheds; and demonstrate the extent to which the baseline projects fail to address such vulnerabilities.</p> <p>September 19, 2011 MFA: Additional information provided. Cleared.</p> <p>09/19/2011 -- CCA: YES. The revised PIF explains that climate change is likely to result in more frequent droughts and greater fluctuation in water availability in the Bugesera District. The PIF maintains that present measures to increase agricultural productivity do not adequately consider the effects of climate change, including variability.</p>	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project		

	alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>September 14, 2011 MFA: The incremental benefits are not clearly described “ there is a lack of a clear project-specific baseline and clear description and quantification of project activities. The key drivers of deforestation are not clear “ only 2.3% of land is for pure coffee with the majority for mixed cropping “ please elaborate on the relationship between coffee and other crops in terms of expansion in forest areas.</p> <p>09/21/2011 -- CCA: NOT CLEAR. As the PIF does not adequately describe the climate change risks associated with the baseline project, it does not demonstrate that the proposed project would be based on additional cost reasoning. Moreover, as this criterion applies in particular to Component 4, a description of the indicative activities to be financed under this component is required.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations in Section 11, please provide a description of the indicative activities to be financed under Component 4 to demonstrate that these are based on additional cost reasoning.</p> <p>September 19, 2011 MFA: It is accepted that full project details will only become clear after project preparation, however it is</p>	

		<p>the extent of project activities to allow for incremental reasoning. There are a number of activities that need to be qualified for example: how large in extent is the program for shade grown coffee and IPM; over what scale is the PES programs anticipated; what is the scale of management plan development and implementation in new PAs, over what landscape area is the landscape approach to SFM being undertaken?</p> <p>09/19/2011 -- CCA: NOT CLEAR. The revised PIF provides more information about the indicative activities proposed under Component 4. The component would support, inter alia, climate-resilient technologies for improved SLWM, climate-resilient design for the construction and operation of coffee washing stations, technical capacity building to farmers on climate change, vulnerability mapping, and the introduction of climate resistant plants and crops.</p> <p>The description of the activities in Section B of the revised PIF remains very indicative and slightly inconsistent with the project results framework. In particular, the outputs described in Table B include the establishment of early warning and disaster preparedness systems in targeted vulnerable areas, but no mention of such activities is found later on in Section B.</p> <p>Provided that the PIF underlines the effects of climate change on water availability for agricultural production,</p>	
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	<p>contribute towards the design of coffee washing stations. Instead, given the limited LDCF resources requested for the proposed project, the additional adaptation measures should be clearly targeted towards the most vulnerable aspects of the baseline project, in line with Burundi's urgent and immediate adaptation needs as identified in the NAPA.</p> <p>Finally, given that the NAPA prioritizes the establishment and protection of strategic buffer zones around the lakes of Bugesera, it should be demonstrated that the adaptation activities proposed target this specific region and that, in this region, they build on the baseline project based on the principle of additional cost. As it stands, it is unclear where the proposed adaptation activities will be undertaken and how these relate to activities undertaken through the baseline project(s) in the same areas.</p> <p>RECOMMENDED ACTION: (i) Please ensure that the project results framework (Table B) and the description of adaptation activities in Section B of the PIF are consistent. (ii) In line with the most urgent and immediate adaptation needs in the targeted areas, please consider a realignment of the activities financed through the LDCF grant with a greater focus on enhancing the resilience of agricultural production as opposed to agricultural processing activities. (iii) Kindly clarify where the proposed adaptation activities will take place and</p>	
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	<p>financed through the baseline project(s) in the same areas.</p> <p>September 22, 2011 MFA: Thank you for the additional information, cleared. Please include the key outputs in the final project framework.</p> <p>CCA: NO. The PIF has been slightly revised from the previous submission. The outputs listed under Component 4 in Table B are all reflected in Section B of the document. The activities funded through the LDCF grant would focus on the vulnerable areas around the lakes of Bugesera.</p> <p>In spite of these improvements, however, the proposed adaptation activities do not appear to be based on additional cost reasoning. They would build mainly on "planning activities and activities related to better environmental management of the washing stations in the targeted area". As these are not investments, but rather technical assistance activities, and as these do not appear to be directly vulnerable to the effects of climate change, the LDCF grant would, consequently, support stand-alone adaptation measures rather than activities based on the principle of additional cost. Moreover, as the revised PIF continues to propose a considerable and diverse range of activities to be financed under the limited LDCF grant (\$1 million) – including [i] climate-resilient SLWM technologies; [ii] income diversification; [iii] drought</p>	
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		<p>vulnerability mapping; [vi] the introduction of climate-resilient plants and crops; and [vii] the establishment of early warning and disaster preparedness systems “ resources would be spread very thinly. The focus and the added value of Component 4 remains unclear and would not seem to make an effective contribution towards the climate resilience of the baseline project(s) nor Burundi's urgent and immediate adaptation needs as identified in the NAPA.</p> <p>RECOMMENDED ACTION: Please withdraw the request for LDCF resources under the proposed project.</p>	
	14. Is the project framework sound and sufficiently clear?	<p>September 14, 2011</p> <p>MFA: The project framework requires further development “ there is a need to clarify the outcomes and outputs, which do not provide sufficient detail of project activities, and have not been quantified.</p> <p>What SFM/REDD activities are expected? There will need to be some carbon benefits shown to qualify for SFM/REDD funds.</p> <p>Please explain what work is anticipated in PES.</p> <p>Component 3 “please explain why there is the need to develop a new certification program rather than use an existing system, please explain what the market study provides over existing works on coffee? Overall for Component 3 “ please clarify the GEBs expected from GEF funding.</p> <p>CCA: NOT CLEAR. Outcome 4.1 and</p>	

	<p>with the CCA results framework, but these should be clarified to reflect the scale, the scope and the type of interventions supported, as well as to justify the cost. Which wetlands and watersheds are targeted and how are the vulnerable physical, natural and social assets strengthened? The outputs should be defined in a manner consistent with the indicative activities to be financed under Component 4 (see Section 13 above).</p> <p>RECOMMENDED ACTION: Kindly clarify Outcome 4.1 and the associated outputs to reflect the specific nature of the proposed project.</p> <p>September 19, 2011 MFA: Thank you for the additional information the points are addressed except; please still see Q15 on carbon benefits and the clarification on Component 3 outputs remains outstanding.</p> <p>09/19/2011 -- CCA: NOT CLEAR. Please address recommendations under Section 13 above.</p> <p>September 22, 2011 MFA: Carbon benefits , cleared. Component 3, thank you for the additional information. It is not yet completely clear what the added value is of a market study in a sector where there is already considerable market transparency and a large body of existing research particularly when coffee has been grown in the region</p>	
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		<p>need for market demand in a market-driven approach is acknowledged; as is Burundi's position as a commodity supplier recovering from conflict and the difficulties this causes in securing market position. Additionally the need for a national certification system is still not apparent when the international certification schemes, such as RA's, are acknowledged as being crucial for gaining access to the preferred markets. Please, therefore ensure clear terms of reference for these are developed for CEO Endorsement. In addition it would be prudent to ensure a very thorough risk assessment of the predicted market demand not materializing is completed. Also please provide a clear strategy for the capacity building programme for coffee cooperatives and the private sector at CEO Endorsement.</p> <p>09/21/2011 -- CCA: Please refer to section 13 above.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>September 14, 2011 MFA: No, methodologies are weak, please provide additional information. LH: SFM projects must show carbon mitigation benefits. Please provide estimates of expected carbon benefits. A Tier 1 approach is fine, using default factors such as from IPCC.</p> <p>CCA: NOT CLEAR. As the PIF provides very limited information on the indicative activities associated with Component 4, their adaptation benefits cannot be adequately assessed at this stage.</p>	

		<p>RECOMMENDED ACTION: Please see recommendation under Section 13 above.</p> <p>Sept 18 2011/LH: Thank you for the additions. Even at the PIF stage, estimates of carbon benefits are needed. We realize these are preliminary. Estimates of hectares of expected reduced deforestation, or areas of increased sequestration, that result from the SFM funding, multiplied by default carbon (CO2) emission or sequestration factors the basic type of estimate expected. Both tree and soil carbon can be counted.</p> <p>Also, please keep in mind that SFM/REDD+ funds are for forests, though in the wider landscape, not nonforest.</p> <p>Please include estimates.</p> <p>09/19/2011 -- CCA: NOT CLEAR. Please address recommendations under Section 13 above. It remains unclear to what extent the proposed adaptation measures financed through the LDCF build on and contribute towards the climate resilience of the baseline project. Moreover, as the indicative activities associated with Component 4 are not clearly and consistently described, their associated adaptation benefits can still not be adequately assessed.</p> <p>September 22, 2011 MFA: Sufficient information provided, cleared.</p>	
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		section 13 above.	
	16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?	<p>September 14, 2011 As the project is aiming to change coffee growing practice there will be socio-economic impacts, however these are only briefly mentioned. Please provide additional information.</p> <p>September 19, 2011 Additional information provided. Cleared.</p>	
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	<p>September 14, 2011 Please provide additional information on how CSOs and local communities are to be involved in the project.</p> <p>September 19, 2011 Additional information provided. Cleared.</p>	
	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	<p>September 14, 2011 The risks identified in B.4 are very generic; please provide a more project and location specific analysis.</p> <p>September 19, 2011 Additional information provided. Cleared. Full analysis is expected at CEO Endorsement.</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>September 14, 2011 MFA: Please provide some additional information on how the project links to activities such as the Lake Victoria Basin Commission and the USAID PAIR program</p> <p>CCA: NOT CLEAR. As the project draws resources from the I.DCF.</p>	

		<p>with the AfDB project Enhancing Climate Risk Management and Adaptation in Burundi (ECRAMB), which will begin implementation in early 2012. In particular, it should be ensured that the projects address Burundi's NAPA priorities in a complementary manner and that mechanisms for knowledge sharing be explored.</p> <p>RECOMMENDED ACTION: Kindly describe indicative measures to ensure adequate coordination with the AfDB project Enhancing Climate Risk Management and Adaptation in Burundi (ECRAMB).</p> <p>September 19, 2011 MFA: Additional information provided. Cleared.</p> <p>09/19/2011 -- CCA: NOT CLEAR. Please address the above recommendation.</p> <p>09/21/2011 -- CCA: Please refer to section 13 above.</p>	
	20. Is the project implementation/ execution arrangement adequate?	<p>September 14, 2011 There are a number of government agencies involved in the coffee sector please provide clear details of how each of these relates to the project.</p> <p>September 19, 2011 Additional information provided. Cleared.</p>	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		

	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	September 14, 2011 PMC is currently 4.6%.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	September 14, 2011 Additional details are required on 11, 13, 14 and 15 above.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	September 14, 2011 Cash: IDA APL2 \$10,000,000 IDA APMDP \$10,000,000 TerrAfrica \$200,000 In-kind: MoE \$500,000 Intercafe \$500,000 Communities \$300,000	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	September 14, 2011 Yes	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		

Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>September 14, 2011 MFA: Not at the moment, please address the issues above.</p> <p>CCA: NOT YET. Please refer to sections 9, 10, 11, 13, 14, 15, and 19.</p> <p>September 19, 2011 MFA: Not at this time, please see above comments.</p> <p>09/19/2011 -- CCA: NOT YET. Please refer to sections 13, 14, 15, and 19.</p> <p>09/21/2011 -- MFA/CCA: NO. Please refer to section 13.</p> <p>9-23-11 This PIF is recommended for clearance.</p>	
	31. Items to consider at CEO endorsement/approval.	<p>1. Clear strategies for capacity building elements required including action plans and programs</p> <p>2. Enhanced risk assessment/mitigation for market access failure</p> <p>3. ToR for the market analysis and certification scheme</p> <p>4. Carbon benefits clearly worked up</p>	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	September 14, 2011	
	Additional review (as necessary)	September 19, 2011	
	Additional review (as necessary)	September 22, 2011	
	Additional review (as necessary)	September 23, 2011	
	Additional review (as necessary)		

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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