



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

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|--|---|------------------------------|-------------------------|
| GEF ID: | 5384 | | |
| Country/Region: | Regional (Bolivia, Colombia, Ecuador, Peru) | | |
| Project Title: | Andes Adaptation to the Impact of Climate Change on Water Resources Project (AICCA) | | |
| GEF Agency: | CAF | GEF Agency Project ID: | |
| Type of Trust Fund: | Multi Trust Fund | GEF Focal Area (s): | Multi Focal Area |
| GEF-5 Focal Area/ LDCF/SCCF Objective (s): | BD-2; CCA-1; | | |
| Anticipated Financing PPG: | \$200,000 | Project Grant: | \$9,696,621 |
| Co-financing: | \$58,181,237 | Total Project Cost: | \$68,277,858 |
| PIF Approval: | April 24, 2013 | Council Approval/Expected: | June 20, 2013 |
| CEO Endorsement/Approval | | Expected Project Start Date: | |
| Program Manager: | Saliha Dobardzic | Agency Contact Person: | Rene Gomez-Garcia Palao |

| Review Criteria | Questions | Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹ | Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP) |
|-----------------------|---|--|---|
| Eligibility | 1. Is the participating country eligible ? | | Yes. |
| | 2. Has the operational focal point endorsed the project? | | Yes. The focal points of the participating countries (Ecuador, Bolivia, Peru, Colombia) have endorsed the allocation of SCCF and BD funding in support of this project. |
| Resource Availability | 3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply): | | |
| | • the STAR allocation? | NA | NA |
| | • the focal area allocation? | NA | NA |
| | • the LDCF under the principle of equitable access | NA | NA |

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

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| | <ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? | | <p>No. The proposed agency fee is in excess of the 9% maximum fee for this project.</p> <p>Recommended action Please adjust the project fee accordingly.</p> <p>Update 2/10/2017: Please adjust the project fee.</p> <p>3/15/2017: The project fee has been adjusted.</p> |
| | <ul style="list-style-type: none"> the Nagoya Protocol Investment Fund | NA | NA |
| | <ul style="list-style-type: none"> focal area set-aside? | NA | NA |
| Strategic Alignment | <p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives?</p> <p><i>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 progress toward achieving the Aichi target(s).</i></p> | <p>In the GEF Annex, please identify the CCA objectives towards which the proposed project would contribute. Given that the project seeks resources from the SCCF Program for Technology Transfer (SCCF-B), it is expected that it would primarily address objective CCA-3: "Promote the transfer and adoption of adaptation technology". Moreover, in addition to CAS alignment, the proposal could describe the consistency of the proposed project with the findings of National Communications submitted by the three countries.</p> | <p>Yes. The project will address CCA-1, CCA-2, and CCA-3; as well as BD-2 and Aichi Targets 1,2,5,7,11,14,15,19. SMART indicators are included in the attached tracking tool.</p> |
| | <p>5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p> | | <p>Not clear. It is not clear how this project links to National Communications, i.e. how it builds upon the baseline initiatives. In particular, for Ecuador and Bolivia, both of which have submitted 2nd National Communications, these items are not discussed in the submission.</p> |

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| | | | <p>Recommended action Please provide a brief clarification of how this project corresponds and builds upon the adaptation priorities outlined in the National Communications.</p> <p>Update 2/10/2017: This has been done.</p> |
| Project Design | <p>6. Is (are) the baseline project(s), including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p> | <p>Please describe the baseline scenario, associated projects or programs, and the problems these seek to address. For adaptation, also clarify the relationship between any baseline projects and the indicative co-financing of \$19.3 million. For further information, please refer to the Updated Operational Guidelines for the SCCF and Accessing Resources under the SCCF.</p> | <p>Not clear. Several baseline investments have been identified and are included in the co-financing table, but it is unclear what projects, initiatives, and/or activities this co-financing will fund. Baseline projects' linkages with the SCCF and BD resources are unclear.</p> <p>Recommended Action Please clarify what are the relevant baseline project or projects. Please clarify specific linkages between the proposed initiative on the baseline projects it intends to co-finance.</p> <p>Update 2/10/2017: This has been done.</p> |
| | <p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p> | | <p>Yes - components, outcomes, and outputs are sufficiently detailed in Table B.</p> |
| | <p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p> | <p>For adaptation, please justify the request for SCCF resources based on additional reasoning. How would the proposed components and activities address climate change adaptation in accordance with the objectives of the SCCF, given the baseline scenario and initiatives on which the proposed grant would build? For further information, please refer to</p> | <p>Not clear. While adaptation benefits have been outlined, an articulation of more specific adaptation benefits would be appreciated, along with clear linkages to the baseline projects, programs, initiatives, and/or activities. It is also unclear how the investments are additional with respect to the countries' National Communications.</p> |

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| | | <p>the Updated Operational Guidelines for the SCCF and Accessing Resources under the SCCF.</p> <p>With respect to the proposed Component 2, given that the project would seek resources from SCCF-B, the PCN could clarify how the planning and policy support would contribute towards enhancing the enabling environment for the transfer and adoption of adaptation technology.</p> <p>As for Component 3, the PCN could clarify the manner in which pilot investments would be targeted and prioritized to maximize adaptation benefits, and how these investments would build on and strengthen relevant baseline initiatives.</p> | <p>Recommended Action Please provide concrete adaptation benefits articulating clearly the additional benefits, with respect to baseline investments. Also, please consider this in light of the comments made under sections 5 and 6 above.</p> <p>Update 2/10/2017: This has been done.</p> |
| | <p>9. 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>In line with GEF Policy, please describe how gender dimensions will be considered in project design and implementation. Also describe what socio-economic benefits the proposed project would deliver and how these benefits would support the achievement of adaptation/global environmental benefits. (See also GEF Policy on Gender Mainstreaming).</p> <p>Update 2/10/2017: Further clarification is required. The socio-economic benefits have been clarified and the description of the gender dimensions has been elaborated upon. However, with respect to the Gender Mainstreaming Action Plans, please elaborate regarding the timing</p> |

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| | | | <p>and sequencing of the development of these plans vis-À-vis other project activities, and precisely how they will be used to influence the direction of the project.</p> <p>Update 3/15/2017: This has been done.</p> |
| | <p>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p> | <p>In line with GEF Policy, please describe how public participation will be ensured, including of CSOs and indigenous people. (See also GEF Policy on Public Involvement).</p> | <p>Not clear. While a section on public participation is included in the PCN stage responses to Secretariat comments and review, articulating that new and robust partnerships with CSOs will be sought and promoted, there are no clear plans detailing how these partnerships will be sought.</p> <p>Recommended Action: Please elaborate on the efforts to ensure engagement of the public, CSOs, and indigenous peoples.</p> <p>Update 2/10/2017: This has been done.</p> |
| | <p>11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)</p> | | <p>Not clear. The project document identifies a number of risks, among which "Stakeholder Risk", "Project Design Risk", and "Overall Implementation Risk" are identified as substantial.</p> <p>Recommended Action: Please include a more detailed risk mitigation framework, including mitigation actions to manage the risks identified.</p> <p>Update 2/17/2017:</p> |

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| | | | <p>Not clear. With respect to project design risk, it is not clear how "adequate employment compensation", etc. will help address the project design risk. Presumably, this would allow to attract the necessary talent, but it is unclear how this will ensure the application of "adaptive management approaches".</p> <p>Recommended Action: Please provide further clarifications on mitigating project design risk.</p> <p>Update 3/15/2017: Additional measures have been identified that will ensure periodic monitoring of risk and allow for course corrections.</p> |
| | <p>12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p> | | <p>Not clear. While several relevant GEF-financed initiatives have been identified, specific coordination mechanisms and potential synergies are not adequately articulated. The proposal mentions a large number of CAF investments in the region that appear to be relevant.</p> <p>Recommended Action: Please expand on how this initiative will seek coordination and synergies with the mentioned GEF-financed initiatives in Section A.7. Additionally, as there are GEF-financed initiatives in various stages of development in each of the relevant countries, articulating synergies with these initiatives to ensure coordination and to prevent any replication of activities is recommended. Please describe how the proposed</p> |

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| | | | <p>project would be complementary to and coordinated with other relevant initiatives. In addition, this issue will be reassessed upon resolution of issues raised in sections 5, 6, and 8.</p> <p>Update 2/17/2017: This has been done.</p> |
| | <p>13. Comment on the project's innovative aspects, sustainability, and potential for scaling up.</p> <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. | <p>Please describe what innovations the proposed project would introduce, and how sustainability and scaling up would be addressed.</p> | <p>Not yet. More details on how this project is innovative, its potential for scaling up would be appreciated. In addition, a description of details on project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience, is lacking.</p> <p>Recommended Action: Please elaborate on innovativeness and its potential for scaling up in each of the host countries as well as regionally. Please provide some detail on project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</p> <p>Update 2/17/2017: This has been done.</p> |
| | <p>14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?</p> | | <p>Yes.</p> |
| | <p>15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?</p> | | <p>Not clear. The project document claims that project design was guided by an approach seeking to identify the best alternatives to the baseline, taking into consideration risks and co-financing availability but does not outline the specific rationale behind the choice of</p> |

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| | | | <p>the specific activities chosen as part of this project.</p> <p>Recommended action: Please briefly articulate how cost-effectiveness was taken into consideration when choosing project activities, and how the chosen activities are cost-effective over alternative approaches.</p> <p>Update 2/17/2017: Additional information has been provided.</p> |
| Project Financing | 16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs? | | <p>7/25/2016 Unclear. Please refer to Items 6 and 8.</p> <p>Update 2/17/2017: This has been done.</p> |
| | 17. <u>At PIF</u> : Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role? <u>At CEO endorsement</u> : Has co-financing been confirmed? | | <p>Not clear. Official co-financing letters are included, committing funds totaling \$59.64. However, it is unclear why all the cofinancing is listed as "in kind", particularly given the Agency's role.</p> <p>Recommended Action: Please revisit Table C and amend as appropriate, or provide clarifications.</p> <p>Update 2/17/2017: This has been done.</p> |
| | 18. Is the funding level for project management cost appropriate? | In the GEF Annex, please ensure that the grant request for project management is disaggregated proportionately between trust funds (SCCF and GEF TF), and that the request does not exceed 5 per cent of the sub-total for project components. | <p>No. The proposed agency fee is in excess of the 9% maximum fee for this project.</p> <p>Recommended Action: Please correct the agency fee and revise Table D accordingly.</p> |

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| | | | <p>Update 2/17/2017: Not clear. Please make the necessary correction.</p> <p>Update 3/15/2017: The correction has been made.</p> |
| | <p>19. <u>At PIF</u>, is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u>, if PPG is completed, did Agency report on the activities using the PPG fund?</p> | | <p>Not clear. A table is included in Annex C on PPG activities, but details regarding funded activities are not provided.</p> <p>Recommended action Please provide more details on specific PPG stage activities undertaken and financed with the PPG.</p> <p>Update 2/17/2017: Not clear. Please provide the missing information.</p> <p>Update 3/15/2017: CAF has stated that all preparatory activities undertaken by CAF have been funded by CAF's resources, and CAF has had no access to any GEF PPG resources.</p> |
| | <p>20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?</p> | | <p>NA</p> |
| <p>Project Monitoring and Evaluation</p> | <p>21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?</p> | | <p>Yes. Tracking tools for both BD and CCA are included. These will be reassessed after the issues raised in 5, 6, and 8 have been resolved.</p> <p>Update 2/17/2017: This has been done.</p> |

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| | 22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets? | | Yes. A budgeted M&E plan is included in Section C. |
| Agency Responses | 23. Has the Agency adequately responded to comments from: | | |
| | <ul style="list-style-type: none"> STAP? | | <p>Not clear. In the request for CEO endorsement, the Agency is expected to report on actions taken in response to STAP concerns.</p> <p>Recommended Action Please provide STAP comments and the Agency's responses.</p> <p>Update 2/17/2017: Cleared. The project document was duly submitted to STAP soliciting any further comments.</p> |
| | <ul style="list-style-type: none"> Convention Secretariat? The Council? | | <p>NA</p> <p>Not clear. Responses to Council comments have been provided, however they are not complete (e.g. please see the section on comments from STAP).</p> <p>Recommended Action Please elaborate the responses to Council comments.</p> <p>Update 2/17/2017: This has been done.</p> |
| | <ul style="list-style-type: none"> Other GEF Agencies? | | NA |
| Secretariat Recommendation | | | |
| Recommendation at PIF Stage | 24. Is PIF clearance/approval being recommended? | 04/15/2013 -- YES. The comments and recommendations provided by GEFSEC have been addressed in a revised Project Concept Note (PCN), Project Information | |

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| | | Document (PID), GEF Data Sheet and annexes, and the project is technically cleared for work program inclusion. | |
| | 25. Items to consider at CEO endorsement/approval. | | |
| Recommendation at CEO Endorsement/ Approval | 26. Is CEO endorsement/approval being recommended? | | Not yet. Please refer to Items 3, 5, 6, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, and 23. Update 2/17/2017: Not yet. Please refer to Items #3, 9, 11, 8, and 19. Update 3/15/2017: All pending issues have been resolved, and the project is ready to be recommended for CEO Endorsement. |
| | First review* | April 15, 2013 | July 25, 2016 |
| Review Date (s) | Additional review (as necessary) | | |
| | Additional review (as necessary) | | March 15, 2017 |

* 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.