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

GEF ID:	**9265**		
Country/Region:	**Vietnam**		
Project Title:	**Mekong Delta Integrated Climate Resilience and Sustainable Livelihoods Project**		
GEF Agency:	**World Bank**	GEF Agency Project ID:	**159976 (World Bank)**
Type of Trust Fund:	**GEF Trust Fund**	GEF Focal Area (s):	**Multi Focal Area**
GEF-6 Focal Area/ LDCF/SCCF Objective (s):		**CCM-2 Program 4; LD-1 Program 2; LD-3 Program 4; SFM-1; SFM-2;**	
Anticipated Financing PPG:	**$182,648**	Project Grant:	**$7,305,936**
Co-financing:	**$330,600,000**	Total Project Cost:	**$337,905,936**
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	**David Elrie Rodgers**	Agency Contact Person:	**Jiang Ru**

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]	DER, August 6, 2015. This project proposes alignment with GEF-6 focal area objectives CCM Program 4, Promote conservation and enhancement of carbon stocks in forest, and other land use, and support climate smart agriculture, along with LD and SFM. Please address the following comments:	World Bank Response on 9/16/2015. 1) The project taps into the CCM resources since the activities under the project components (2, 3 and 4) contribute to promote CCM GHG reduction objectives, specifically: - The Mekong Delta has long been relying heavily on rice production which is a main source of GHG emission. The project supports a greater

[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)?

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		1) The bulk of resources are allocated from CCM ($4.5 million) but the project components do not adequately align with CCM focal area objectives; instead are more aligned with LD objectives. Please justify the large contribution of CCM resources and document the project activities that will promote CCM objectives. Specifically, reference sections of the GEF Programming Directions Document (GEF/A.5/07/Rev.01, May 22, 2014), pages 66-69, and identify alignment. 2) The GEF datasheet submitted with the project identifies in Table F a potential emissions reduction of 30 million metric tons. References to this estimate could not be found in the PID. Please explain the derivation of this estimate. 3) Table D is not properly filled out. Please select in the Programming of Funds column. 4) AC, August 12, 2015 Though the project is aligned with LD1 and 3, the proposed activities need further alignment to LD programs 1 and 4. For program 1, the identification of proposed agric/fisheries systems would be useful to further align the activities to focal area strategic objectives. With regards to program 4	diversification of farming systems including sustainable shrimp farming and more diverse, efficient and smart agricultural farming. This will potentially contribute to significant, long-term GHG emission reduction in the region; - The project focuses on mangrove rehabilitation and reforestation as a mean to enhance resilience and reduce vulnerability of the farming systems in the context of climate change. Such activities also contribute effectively to mitigation of CC. The GHG benefit is estimated based on the total mangrove forest area under impact of the project, and on the potential for CO2 mitigation of mangroves in Vietnam, assuming one-time loss of above ground biomass with deforestation plus loss of yearly sequestration over 30 years. (Organic shrimp certification and carbon financing: an assessment for the mangroves and markets project in Ca Mau Province, McEwin and McNally, 2014). Table D appears in order. While project intervention sites cannot yet be selected at this early stage in project preparation, the reviewer's

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		consider including innovative markets as an additional element to agricultural value chain to support sustainable livelihood programs. Also, why is this activity â€˜Supporting agricultural/aquaculture systems adaptive and resilient to saline intrusion' being considered twice under components 3 and 4? Consider revising. After these adjustments, LD-1 program 2 will probably cost more than LD-3 program 4. DER, October 6, 2015. Thank you for the responses. 1) We do not see references to the GEF Programming Directions Document for CCM, SFM, or LD. Futhermore, the project structure does not link strongly with SFM focal objectives and may not be eligible for the full SFM incentive. We do not see adequate description of the SFM elements in any of the components. Hence, unless there is more supporting evidence, the SFM incentive requested may have to be lowered to a level commensurate with the volume of SFM related activities included in the PID. We should include discussion on this topic in the proposed face-to-face meeting. 2) Thank you for the short description	recommendation will be considered during the further development of the concept. The activity is considered for both components 3 and 4 because the project is structured using a spatial planning and management approach. Each of the Project components 2, 3 and 4 focuses on a sub-region with specific characteristics and critical challenges in the context of climate change. The solution packages for these sub-regions therefore include some similar climate-smart and climate-resilient activities. For example shrimp/ rice systems are being considered as a model in both the delta estuary (component 3) and delta peninsula (component 4) provinces.

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		of the GHG benefits approach. However, in order to better understand the estimate, we need additional information that formed the basis for the description. Please provide the full analysis. Furthermore, we need to see an estimate of the global environmental benefits from the SFM funds. 3) Table D is correctly filled out. Comment cleared. 4) We should include discussion on this topic in the proposed face-to-face meeting. DER, August 4, 2016. Several face-to-face meetings were held. The GEF attended a PCN meeting where issues were resolved. Outstanding issues is SFM funding level. DER, August 26, 2016. All comments cleared.	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	DER, August 6, 2015. Please clarify that the project is aligned with Vietnam National Communications to the UNFCCC and other relevant conventions. DER, October 6, 2015. Comment cleared.	World Bank Response on 9/16/2015. Yes, aligned with Vietnam NatComs (1 and 2) and Vietnam BUR 1 in terms of: - Understanding of the current circumstance related to CC and Sustainable Development; - Understanding of the potential impacts of CC; - Understanding of the CC mitigation options and measures

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Project Design	3. Does the PIF sufficiently indicate the drivers[2] of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	DER, August 6, 2015. Yes. The proposed Project Development Objective (PDO) is to strengthen institutional coordination and planning across the Mekong Delta, and improve resilience of people's livelihoods and assets to climate change in selected vulnerable sub-regions. This will be achieved through (i) strengthening information and decision support systems; (ii) reinforcing institutional coordination, planning and capacity; and (iii) identifying and financing â€˜low-regret' (*) investments (structural and non-structural) adopting an integrated "landscape" approach, in three key sub-regions of the Mekong Delta. The project will contribute towards global environmental benefits including: (i) climate change mitigation through the reduction of anthropogenic emissions or enhancement of carbon sinks and reservoirs that are necessary for limiting long-term climate damage; (ii) rehabilitation of degraded land and soil through the efficient use of land, soil, water and vegetation in existing agro-ecosystems.; (iii)	

[2] Need not apply to LDCF/SCCF projects.

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		sustainable forest management and biodiversity conservation with a focus on mangrove restoration and rehabilitation, improve sustainability of protected areas; and mainstream conservation of biodiversity and ecosystems into production/landscapes/seascapes and sectors; (iv) enhanced management of transboundary water system and investments targeting fisheries and coastal habitats; and (v) lead to a number of adaptation co-benefits through improved management actions.	
	4. Is the project designed with sound incremental reasoning?	DER, August 6, 2015. Not clear at this time. Please respond to the following comments. 1) The PID describes a robust set of activities that will be supported with the World Bank IDA loan of $300 million. From the description in the PID it is not possible to understand which activities will be supported by the GEF funding and therefore provide incremental benefits beyond the loan. Please clarify what activities will be conducted using the GEF funding that would otherwise not be funded. DER, October 6, 2015. 1) Thank you for the short description. We should include	World Bank Response on 9/16/2015 GEF funding will provide critical grant resources to finance key activities that otherwise, given the limit of fund and comparatively low level of priority given by the Government in comparison to other activities needed to be taken under the project, would not be pursued. These activities in particular are the most innovative being considered, and will allow to share and capitalize on project lessons and experience, such as: - The setting up of a Delta Research Consortium Partnership for research agencies/institutions in Vietnam which already have the capacity but lack a mechanism for coordination and collaboration; and

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		discussion on this topic in the proposed face-to-face meeting. DER, August 26, 2016. All comments cleared.	- Piloting and scaling up of climate-smart innovations/practices of aquaculture/agricultural farming systems.
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	DER, August 6, 2015. According to the PID, the project consists of the following components: Component 1) Information and Institutions Component 2: Improvement Freshwater Management through Flood Retention in the Upper Delta (An Giang/Dong Thap) Component 3: Balancing Freshwater and Brackish Livelihoods in the Delta Estuary (Ben Tre, Tra Vinh) Component 4: Adapting to Coastal Erosion and Saline Intrusion (Ca Mau, Bac Lieu) Component 5: Project Management, Monitoring and Evaluation Please address the following comments: 1) The Proposed Development Objective provides only indirect measures, such as institutional coordination. We strongly recommend the PDO be upgraded to address environment objectives, specifically including climate change emissions mitigation in tons and land	World Bank Response on 9/16/2015 The project is an environmental project in nature which means environmental objectives have been incorporated in all aspects of the project design. The Objective has been agreed at PCN stage but can be further assessed at QER stage, taking into account the reviewer's comment. Further indicators on environment and CC (for example, monitoring GHG emission reductionâ€¦) will be added by appraisal. PID will be revised accordingly. The datasheet has been updated to reflect the counterpart contribution which remains to be confirmed as noted in the PID. The datasheet is otherwise fully aligned with the PID - but as noted above each of the Project components 2, 3 and 4 focuses on a sub-region with specific characteristics and critical challenges in the context of climate change, with GEF supported solution packages for these sub-regions including some similar climate-smart and climate-

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		under sustainable management in hectares. 2) The indicators are weak and do not include specific environmental indicators. Please clarify. 3) The PID identifies $30 million in Government funding; please update the GEF datasheet to reflect this funding level. 4) The project components in the PID do not match the project components in Table B of the datasheet. Please align. 5) In the PID, please indicate the amount of funding for each of the components in and ensure these figures are aligned with the GEF datasheet. 6) AC August 12, 2015 Under the description of components and related activities, please, indicate which of the proposed activities and components will contribute to sustainable land management in production systems of 30 000 hectares as indicated in table F (corporate result 2) DER, October 6, 2015. 1) It is unfortunate that the PDO has already been approved and does not include the requested measures. We should include discussion on this	resilient activities and therefore better described under one component. Allocation of funding by component will be confirmed at appraisal only. Each of the five project components is expected to contribute to sustainable land management in the targeted productions systems through project sponsored climate smart agricultural production practices. Altogether the targeted area expected to benefit from these project interventions is estimated at 30,000 hectares.

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		topic in the proposed face-to-face meeting. 2) Indicators need additional work. We should include discussion on this topic in the proposed face-to-face meeting. 3) Datasheet updated, comment cleared. 4) and 5) We do not understand why the datasheet does not track the PID more clearly. We should include discussion on this topic in the proposed face-to-face meeting. 6) The response is vague. We cannot discern how the activities contribute to the 30,000 hectares, or for that matter, the 300,000 hectares also referenced in Table F. We should include discussion on this topic in the proposed face-to-face meeting. DER, August 26, 2016. All comments cleared.	
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	DER, August 6, 2015. The PID is not clear on these topics. Please clarify. DER, October 6, 2015. Comment cleared.	World Bank Response on 9/16/2015 Yes, a Regional Social Assessment (and related social assessment TA) will be undertaken for the Project, which will include community levels consultations on adaptive capacity, coping mechanisms and vulnerability. Attention will be specifically paid to consider gender elements, ethnic minority issues (some provinces have EMs present), as

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			well as consultations with CSOs. PID will be updated to reflect this.
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• The STAR allocation?	DER, August 6, 2015. Yes. A letter of endorsement from the OFP has been received. DER, August 26, 2016. Revised endorsement letter received	
	• The focal area allocation?	DER, August 6, 2015. Yes.	
	• The LDCF under the principle of equitable access	NA	
	• The SCCF (Adaptation or Technology Transfer)?	NA	
	• Focal area set-aside?	NA	
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	DER, August 6, 2015. Not at this time. Please address the comments in boxes 1,2,4, 5, and 6. DER, October 6, 2015. Not at this time. Please address the comments in boxes 1, 4, and 5. In addition, please submit the PCN, peer review comments, and PCN meeting minutes. The Secretariat recommends a face-to-face discussion with the task team and GEF coordinating unit to discuss how to address the remaining comments and minimize the number of additional iterations of project submission and review.	

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		DER, August 4, 2016. The Bank redesigned the project per GEF requests and submitted updated versions of the documents, including response sheets. GEF participated in a PCN meeting where all the comments were addressed. The only remaining issues is the funding level for SFM as only $1 million is available. The Bank will consult with Government of Vietnam and resubmit. DER, August 26, 2016. Bank has fully addressed GEF comments and adjusted the SFM amount, including a revised GEF datasheet. All comments cleared. The program manager recommends technical clearance.	
Review Date	Review	August 06, 2015	
	Additional Review (as necessary)	October 06, 2015	July 25, 2016
	Additional Review (as necessary)	August 04, 2016	August 16, 2016

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?		
	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. *Only for Non-Grant Instrument:* 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			
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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.