



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

GEF ID:	4958		
Country/Region:	Sudan		
Project Title:	Climate Risk Finance for Sustainable and Climate Resilient Rainfed Farming and Pastoral Systems		
GEF Agency:	UNDP	GEF Agency Project ID:	4591 (UNDP)
Type of Trust Fund:	Least Developed Countries Fund (LDCF)	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCA-1; CCA-1; Project Mana;		
Anticipated Financing PPG:	\$100,000	Project Grant:	\$5,700,000
Co-financing:	\$18,800,000	Total Project Cost:	\$24,600,000
PIF Approval:	September 07, 2012	Council Approval/Expected:	November 30, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Knut Sundstrom	Agency Contact Person:	Tom Twining-Ward

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. Sudan is a LDC and has completed its NAPA.	YES. Sudan is an LDC Party to the UNFCCC and it has completed its NAPA.
	2. Has the operational focal point endorsed the project?	Yes, the letter has been provided.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	Yes. UNDP has a strong presence in the area of disaster and climate risk management in Sudan and currently coordinates the efforts for a long-term disaster risk reduction strategy for Sudan.	YES. UNDP continues to have a strong presence in Sudan along with a relevant portfolio of related activities and baseline initiatives.
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	n/a	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 11-22-2010

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	5. Does the project fit into the Agency's program and staff capacity in the country?	Yes.	YES. Please refer to Section 3 above.
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?		
	• the LDCF under the principle of equitable access	Yes.	YES. The proposed grant is available from the LDCF in accordance with the principle of equitable access.
	• the SCCF (Adaptation or Technology Transfer)?		
	• Nagoya Protocol Investment Fund		
Project Consistency	• focal area set-aside?		
	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	Yes	YES. The proposed project is aligned with the LDCF/SCCF results framework.
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	Yes	YES. The proposed project would contribute towards strategic objective CCA-2 and, specifically, outcomes 2.1 on increased knowledge and understanding of climate change risks, as well as outcome 2.2 on strengthened adaptive capacity.
	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?	Yes	YES. The proposed project remains aligned with Sudan's NAPA, as well as other relevant development policies, strategies, frameworks and plans.
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the	Yes. The capacities developed, through extensive training of the beneficiaries, and the development of the rules and	YES. All three components of the proposed project provide for adequate technical and institutional capacity

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	sustainability of project outcomes?	procedures, including legal and regulatory system for contracts etc., are expected to contribute to the sustainability of project outcomes.	building that will contribute towards the successful deployment and sustained delivery of climate information and decision-support services, as well as financial services for climate risk reduction and transfer.
Project Design	11. 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?	Yes	<p>NOT CLEAR. The Request for CEO Endorsement lists several relevant baseline initiatives on which the proposed project would build and the resilience of which it would strengthen, including (i) the National Disaster Risk Management Programme in Sudan; (ii) the Food Security Policy and Capacity Building Programme; (iii) the Agricultural Bank of Sudan Microfinance Initiative; (iv) the Connecting Farmers to Market project; and (v) the Seed Development Project.</p> <p>Of these initiatives, (iv) and (v) appear not to be reflected in the confirmed sources and amounts of co-financing. In addition to disaster risk reduction initiatives and micro-finance providers, it would seem important for the project to establish very close linkages with broader agricultural and rural development investments such as (v) in particular.</p> <p>RECOMMENDED ACTION: Please ensure that relevant baseline initiatives are appropriately reflected among the confirmed sources and amounts of co-financing.</p>

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			04/09/2014 -- YES. The revised request for CEO Endorsement clarifies that co-financing would be provided by the Shiekan Insurance and Re-insurance Co. and the Agricultural Research Corporation.
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		YES. The cost-effectiveness of the proposed approach has been adequately demonstrated, based on a cost comparison with alternative approaches.
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	Yes. The reasoning is sound, and the activities this proposal is intended to complement an active UNDP effort (including USD 10 million of UNDP core funding.)	<p>NOT CLEAR. Please refer to Section 11 above. It would seem important to establish very close linkages with agricultural and rural development investments that could potentially serve as vehicles to scale up and complement the services provided through the proposed project.</p> <p>Moreover, given that micro-finance services would be provided on the condition that adequate risk reduction measures are taken (para 107 of the Request for CEO Endorsement), it would seem crucial that adequate extension services be in place to promote the demonstration and deployment of adaptation technologies particularly in those areas that have not already benefited from LDCF1. It is not entirely clear how and to what extent the proposed project, or the baseline initiatives on which it would build, address this need.</p>

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			<p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 11 above, please (i) adjust the additional reasoning accordingly and -- specifically -- (ii) describe to what extent existing and planned investments in agricultural and rural development could serve to scale up the services that the proposed project would pilot, and (iii) how beneficiaries would become aware of and be trained in the risk reduction technologies and measures that would constitute a prerequisite for accessing micro-finance.</p> <p>04/09/2014 -- YES. The additional reasoning has been strengthened as recommended, describing further the role of Shiekan Insurance and Re-insurance Co. and the Agricultural Research Corporation in the design and management of appropriate insurance products, as well as the training and extension services required to promote the adoption of risk reduction technologies and measures.</p>
	14. Is the project framework sound and sufficiently clear?	Yes	<p>NOT CLEAR. Please refer to sections 11 and 13 above.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under sections 11 and 13, please adjust the project framework accordingly, if necessary.</p> <p>04/09/2014 -- YES. The project framework has been adjusted as</p>

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			recommended.
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	Yes	<p>NOT CLEAR. Please refer to Section 13 above.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 13, please revise the description of the expected adaptation benefits, if necessary.</p> <p>04/09/2014 -- YES. The adaptation benefits have been adequately described, based on a sound methodology and assumptions.</p>
	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?	Yes, as the availability of insurance products will also serve, over time, to incentivize adaptation as non-resilient activities will become increasingly costly to ensure.	YES. The socio-economic aspects and gender dimensions have been adequately described.
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	Yes. Some stakeholders have been listed in the proposal. The proposal also states that the complete identification of stakeholders will be done during the preparation.	YES. Public participation, including the role of CSOs, has been adequately addressed.
	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)	Yes.	YES. The proposed project identifies relevant risks and incorporates appropriate risk mitigation measures.
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Yes	NOT CLEAR. Several relevant initiatives have been identified in Section B.7 of the Request for CEO Endorsement and adequate coordination

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			<p>arrangements are outlined. Still, it remains unclear whether and to what extent the proposed project would coordinate and share information with LDCF-financed initiatives to strengthen hydro-meteorological services and early-warning systems in neighboring Ethiopia and elsewhere in the wider region.</p> <p>RECOMMENDED ACTION: Please describe, where appropriate, how the proposed project would coordinate and share information with other LDCF-financed interventions aiming to strengthen hydro-meteorological services and early-warning systems.</p> <p>04/09/2014 -- YES.</p>
	20. Is the project implementation/ execution arrangement adequate?	Yes	YES.
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		YES.
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		NA
Project Financing	23. Is funding level for project management cost appropriate?	Yes, below 5% of the cost of project components.	YES. The LDCF funding share of project management is appropriate at \$250,000 or less than 5 per cent of the sub-total for project components.
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	Yes.	<p>NOT CLEAR. Please refer to sections 11 and 13 above.</p> <p>RECOMMENDED ACTION: Upon</p>

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			<p>addressing the recommendations under sections 11 and 13, please adjust the grant and co-financing amounts per component accordingly, if necessary.</p> <p>04/09/2014 -- YES.</p>
	<p>25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.</p>	<p>At USD 12.2 million, including USD 10 million in UNDP core budget funds, the financing is acceptable.</p>	<p>NOT CLEAR. Please refer to Section 11.</p> <p>RECOMMENDED ACTION: Upon addressing the recommendations under Section 11 above, please ensure that co-financing is confirmed for all relevant sources.</p> <p>04/09/2014 -- YES. Confirmation is provided for all relevant sources and amounts of co-financing.</p>
	<p>26. Is the co-financing amount that the Agency is bringing to the project in line with its role?</p>	<p>Yes</p>	<p>YES. In line with its role, UNDP would bring \$600,000 in co-financing towards the proposed project.</p>
<p>Project Monitoring and Evaluation</p>	<p>27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?</p>		<p>NO.</p> <p>RECOMMENDED ACTION: Please complete and provide the Adaptation Monitoring and Assessment Tool (AMAT) with baselines and targets for relevant indicators consistent with the Focal Area Strategy Framework (Table A) of the Request for CEO Endorsement.</p> <p>04/09/2014 -- YES. The Adaptation Monitoring and Assessment Tool (AMAT) has been completed and submitted with baselines and targets for relevant indicators.</p>

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	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		YES.
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		NA
	• Convention Secretariat?		NA
	• Council comments?		NA
	• Other GEF Agencies?		NA
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	PIF clearance is recommended.	
	31. Items to consider at CEO endorsement/approval.	#17: By CEO Endorsement please identify public participation stakeholders, including CSOs and indigenous people, and provide details on their role.	
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?		<p>NOT CLEAR. Annex C has been completed. Given that less than 30 per cent of the PPG has been spent, however, and given that much of the remaining funds have been committed towards items that were not budgeted, it would be useful to learn more of the PPG status and how this may affect the timely start of project implementation.</p> <p>RECOMMENDED ACTION: Please provide further information regarding the PPG status -- particularly why budgeted activities may not have been carried out -- and how this may affect the timely start of project implementation.</p>

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			04/09/2014 -- YES. Annex C has been updated and it seems the PPG has been spent fully.
	33. Is CEO endorsement/approval being recommended?		NOT YET. Please refer to sections 11, 13, 14, 15, 19, 24, 25, 27 and 32. 04/09/2014 -- YES.
Review Date (s)	First review*	September 04, 2012	February 16, 2014
	Additional review (as necessary)		April 09, 2014
	Additional review (as necessary)		
	Additional review (as necessary)		
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* **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?	Yes. Project preparation will include technical studies and assessments, sustainability plan, financial planning, institutional arrangement, and stakeholder consultations.
	2. Is itemized budget justified?	Yes
Secretariat Recommendation	3. Is PPG approval being recommended?	Yes.
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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