



ADAPTATION FUND

AFB/PPRC.10/9
3 December 2012

Adaptation Fund Board
Project and Programme Review Committee
Tenth Meeting
Bonn, Germany, 11-12 December 2012

PROPOSAL FOR ARGENTINA

I. Background

1. The Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, adopted by the Adaptation Fund Board, state in paragraph 42 that regular adaptation project and programme proposals, i.e. those that request funding exceeding US\$ 1 million, would undergo either a one-step, or a two-step approval process. In case of the one-step process, the proponent would directly submit a fully-developed project proposal. In the two-step process, the proponent would first submit a brief project concept, which would be reviewed by the Project and Programme Review Committee (PPRC) and would have to receive the approval by the Board. In the second step, the fully-developed project/programme document would be reviewed by the PPRC, and would finally require Board's approval.

2. The Templates Approved by the Adaptation Fund Board (Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund, Annex 3) do not include a separate template for project and programme concepts but provide that these are to be submitted using the project and programme proposal template. The section on Adaptation Fund Project Review Criteria states:

For regular projects using the two-step approval process, only the first four criteria will be applied when reviewing the 1st step for regular project concept. In addition, the information provided in the 1st step approval process with respect to the review criteria for the regular project concept could be less detailed than the information in the request for approval template submitted at the 2nd step approval process. Furthermore, a final project document is required for regular projects for the 2nd step approval, in addition to the approval template.

3. The first four criteria mentioned above are:

1. Country Eligibility,
2. Project Eligibility,
3. Resource Availability, and
4. Eligibility of NIE/MIE.

4. The fifth criterion, applied when reviewing a fully-developed project document, is:

5. Implementation Arrangements.

5. In its 17th meeting, the Adaptation Fund Board decided (Decision B.17/7) to approve "Instructions for preparing a request for project or programme funding from the Adaptation Fund", contained in the Annex to document AFB/PPRC.8/4, which further outlines applicable review criteria for both concepts and fully-developed proposals.

6. Based on the Adaptation Fund Board Decision B.9/2, the first call for project and programme proposals was issued and an invitation letter to eligible Parties to submit project and programme proposals to the Adaptation Fund was sent out on April 8, 2010.

7. According to the Adaptation Fund Board Decision B.12/10, a project or programme proposal needs to be received by the secretariat not less than nine weeks before a Board meeting, in order to be considered by the Board in that meeting.

8. The following fully developed project document titled "Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province" was submitted by the International Bank for Reconstruction and Development (The World Bank), which is a Multilateral Implementing Entity of the Adaptation Fund. This is the third submission of this proposal. It was first submitted as a project concept, using the two-step proposal process, for the 14th Adaptation Fund Board meeting, and the Board decided to endorse the concept. It was subsequently submitted for the 18th Board meeting, and the Board decided to:

(a) *Not approve the project document, as supplemented by the clarification response provided by the World Bank to the request made by the technical review;*

(b) *Suggest that the World Bank reformulates the proposal taking into account the following:*

(i) *The revised proposal should clearly quantify the expected outputs, compared to inputs, of each type of specific activity proposed under the project, which should not be grouped together and, whenever possible, be translated to economic, social and environmental benefits to communities;*

(ii) *The revised proposal should seek to streamline the data-gathering activities of the project and reconsider, when providing a more detailed budget, the funding allocated to workshops and meetings;*

(iii) *The revised proposal should seek to ensure that a continued government funding commitment would exist for the climate change observatory, supported by the proposed institutional mainstreaming;*

(iv) *The revised proposal should provide a detailed budget with budget notes; and*

(v) *The revised proposal should ensure that women have equal opportunities to benefit from project activities, and disaggregate the targets by presenting the percentage of women out of all persons benefiting from those activities.*

(c) *Request the World Bank to transmit the observations referred to in paragraph (b) to the Government of Argentina.*

(Decision B.18/10)

9. The current submission of a fully-developed project document was received by the secretariat in time to be considered in the 19th Adaptation Fund Board meeting. The secretariat carried out a technical review of the project concept, with the diary number ARG/MIE/Rural/2011/1, and filled in a review sheet, with no further clarification requests to the World Bank.

10. The secretariat is submitting to the Project and Programme Review Committee the summary and, pursuant to decision B.17/15, the technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section.

II. Project Summary

Argentina – Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province
 Implementing Entity: The World Bank

Project/Programme Execution Cost: USD 342,600

Project/Programme Total Cost: USD 3,960,200

Implementing Fee: USD 336,617

Finance Requested: USD 4,296,817

Project/Programme Background and Context:

The Project objective is to contribute to reduce climate and human induced vulnerability of the agro-ecosystems in the Southwest of the Buenos Aires Province by increasing adaptive capacity of key local institutions and actors, and piloting climate resilient and sustainable land management practices. Participatory planning processes would be used to identify and pilot concrete adaptation measures focusing on water, crops and livestock management to promote climate resilience.

The Project would aim at benefitting farmers and farmer families engaged in small and medium-sized agricultural and cattle production on dry lands within the direct and indirect intervention zones: counties of Puán, Villarino and Patagones, and 9 further SWBA counties, respectively. Additionally, a wide range of actual and potential partner organizations working on related aspects within the area and up to national level would benefit from and contribute to a critical set of capacity building and institutional strengthening measures.

Component 2 would apply a participatory approach to pilot concrete adaptation measures in local agro-ecosystems empowering especially the family farming sector with farm sizes ranging from 200 to 3,500 hectares. This would apply to 5,075 producers and represent 65% of the farms in the SWBA. Further, the Project activities would be planned to provide relevant lessons also for bigger producers that own up to 3,500 hectares and beyond.

Component 1: Reducing Institutional and Community-level Vulnerability (USD 760,000)

This component aims at improving response and planning capacity of local institutions and communities by promoting people's engagement in data collection and analysis from inter-institutional to household level. The rationale of this component is twofold: (i) collection and processing of data to provide useful information to stakeholders, and (ii) analyzing and debating this information to develop adequate decision-making processes at institutional as well as household level.

The project would collect data and transform it into information through establishment of an Information and Early-Warning System on Climate Change and Desertification (IEWS). Further, a Regional Consultative Observatory of Public Policies on Climate Change and Desertification (Observatory) would be created through institutional and sector-specific networking among related stakeholders to conduct the created information into relevant decision-making processes. This network would benefit from participation and commitment of the regional universities, municipalities, the Provincial Agency for Sustainable Development (OPDS), and other field-based stakeholders, all under the initial coordination and guidance of the Project. In addition, innovative and participatory capacity building and governance tools would be

developed through specific programs targeting institutions, agricultural producers and their families.

Component 2: Implementing Adaptation Measures in Productive Agroecosystems (USD 2,400,000)

This component would be constructed and put in practice in conjunction with local farmer families and pertinent technical institutions. The main interventions, to be selected and appraised during the project's implementation, would cover small-scale pilot interventions selected from a menu of options related to management of livestock and grazing lands, crops and water resources. These measures have been initially assessed by the National Institute for Agricultural Technology, and the actual adaptation pilots in each Specific Intervention Site would be defined through a participatory process, from a menu of options spanning management of water resources, crops, cattle and grazing lands.

The following technical priorities have been agreed: (i) developing agriculture in soils with a minimum suitability, adjusting the cultivation method employed, (ii) increasing the area with permanent pastures in their various alternatives, (iii) stimulating alternatives which contribute nitrogen to the soil such as vetch and alfalfa, and (iv) not discarding permanent no-tillage agriculture, but always analyzing its use for each case in particular without generalizing, especially taking into account the edaphic-climatic characteristics of the zone/field. The actions to be developed focus on rapidly stabilizing areas with serious symptoms of erosion.

Component 3: Applying Participatory Approach to Knowledge Management and local capacity - development for adaptation to climate change (USD 210,000)

This component would develop, in a participatory manner, enhanced local knowledge and capacity for adaptation and response, through participatory workshops at the local level in the three project intervention counties. The workshops would be aimed at validating and developing intervention proposals and work plans. The component would also build capacity for indicator development and measurement plans, put in place systems of continuous improvement, and arrange mutual knowledge sharing in terms of the proposed activities between and beyond the counties. It would develop, in a participatory manner, progress information through periodic reports made available to all stakeholders. The component would also conduct joint demonstrative field visits for knowledge management purposes.

Component 4: Developing a Sustainability Strategy (USD 247,100)

This component would improve local, provincial and national level technical and institutional capacity to sustain, scale up and replicate the project outcomes by creating a policy framework taking into account regulatory requirements and resources needed to continue the project's main activities and a commitment to disseminate the experience and lessons learned. Activities needed for creating the policy framework include: a) high level consultations and coordination on policy management to promote institutional commitments, especially targeted to the continuation of the Observatory; b) linking the Observatory and the PDSO; c) hiring a consultancy on key topics to raise institutional awareness; d) generating a compendium of financing sources, e) dissemination and promotion from the local to international level, for example participation through side-events at UNFCCC and UNCCD COPs or other international events, including developing of dissemination materials.



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: REGULAR PROJECT

Country/Region: **Argentina**
 Project Title: **Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province**
 AF Project ID: **ARG/MIE/Rural/2011/1**
 NIE/MIE Project ID: Requested Financing from Adaptation Fund (US Dollars): **4,296,817**
 Regular Project Concept Approval Date: **22 June 2011** Anticipated Submission of final RP document (if applicable): **29 Oct 2012**
 Reviewer and contact person: **Mikko Ollikainen** Co-reviewer(s): **Mohamed Bakarr**
 NIE/MIE Contact Person: **Marcelo Acerbi and Tuuli Bernardini**

Review Criteria	Questions	Comments
Country Eligibility	1. Is the country party to the Kyoto Protocol?	Yes.
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	Yes.
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?	Yes.
	2. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?	Yes. The proposal has explained the adaptive outputs of the proposed project in a remarkable detail. It has clarified the rationale of economic assessment, and made a compelling case that supports adaptive benefits and cost-effectiveness.
	3. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations?	Yes, these have been well elaborated.

	4. Is the project / programme cost effective?	Yes. The economic assessment explains cost-effectiveness of the proposed activities. Compared to a previous version, the proposal has streamlined data gathering activities and better explained the complementarity of various activities.
	5. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?	Yes.
	6. Does the project / programme meet the relevant national technical standards, where applicable?	Yes.
	7. Is there duplication of project / programme with other funding sources?	Other relevant initiatives have been introduced and coordination with them explained. There does not seem to be duplication.
	8. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?	Yes. There is a knowledge management component and a KM strategy is envisaged.
	9. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations?	Yes, a comprehensive consultative process has taken place.
	10. Is the requested financing justified on the basis of full cost of adaptation reasoning?	Yes.
	11. Is the project / program aligned with AF's results framework?	Yes.
	12. Has the sustainability of the project/programme outcomes been taken into account when designing the project?	Yes. Compared to the previous version of the proposal, the financial and institutional sustainability has been elaborated remarkably well.
Resource	1. Is the requested project / programme	Yes. A project concept submitted by the National Implementing

Availability	funding within the cap of the country?	Entity for Argentina (UCAR) has been endorsed but the combined value of these two is below the country cap.
	2. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?	Yes.
	3. Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the costs)?	Yes.
Eligibility of NIE/MIE	4. Is the project/programme submitted through an eligible NIE/MIE that has been accredited by the Board?	Yes.
Implementation Arrangement	1. Is there adequate arrangement for project / programme management?	Yes.
	2. Are there measures for financial and project/programme risk management?	Yes.
	3. Is a budget on the Implementing Entity Management Fee use included?	Yes.
	4. Is an explanation and a breakdown of the execution costs included?	Yes.
	5. Is a detailed budget including budget notes included?	Yes, a detailed budget has been included, with explanatory notes incorporated.
	6. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators?	Yes. In addition gender disaggregation of results, the proposal includes a comprehensive gender strategy.
	7. Does the M&E Framework include a break-down of how implementing entity IE fees will be utilized in the supervision of the M&E function?	Yes.

	<p>8. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?</p>	<p>Yes.</p>
	<p>9. Is a disbursement schedule with time-bound milestones included?</p>	<p>Yes.</p>

<p>Technical Summary</p>	<p>The Project objective is to contribute to reducing climate and human induced vulnerability of the agroecosystems in the Southwest of the Buenos Aires Province by increasing adaptive capacity of key local institutions and actors, and piloting climate resilient and sustainable land management practices. Participatory planning processes will be used to identify and pilot concrete adaptation measures focusing on water, crops and livestock management to promote climate resilience.</p> <p>This is the second submission of the project proposal as a fully-developed project document. Following the previous submission, the Adaptation Fund Board decided not to approve the project document, and suggested that the World Bank reformulate the proposal taking into account the following:</p> <ul style="list-style-type: none"> i. The revised proposal should clearly quantify the expected outputs, compared to inputs, of each type of specific activity proposed under the project, which should not be grouped together and, whenever possible, be translated to economic, social and environmental benefits to communities; ii. The revised proposal should seek to streamline the data-gathering activities of the project and reconsider, when providing a more detailed budget, the funding allocated to workshops and meetings; iii. The revised proposal should seek to ensure that a continued government funding commitment would exist for the climate change observatory, supported by the proposed institutional mainstreaming; iv. The revised proposal should provide a detailed budget with budget notes; and v. The revised proposal should ensure that women have equal opportunities to benefit from project activities, and disaggregate the targets by presenting the percentage of women out of all persons benefiting from those activities. <p>The initial technical review of the current proposal found that the proponent has sufficiently addressed all pending issues.</p>	
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<p>Date:</p>	<p>October 29, 2012</p>	
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