

AFB/PPRC.26.a-26.b/38 15 June 2020

Adaptation Fund Board Project and Programme Review Committee

PROPOSAL FOR LIBERIA

Background

- 1. The Operational Policies and Guidelines (OPG) for Parties to Access Resources from the Adaptation Fund (the Fund), adopted by the Adaptation Fund Board (the Board), state in paragraph 45 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 endorsement of the Board. In the second step, the fully-developed project/programme document would be reviewed by the PPRC and would ultimately require the Board's approval.
- 2. The Templates approved by the Board (Annex 5 of the OPG, as amended in March 2016) 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:
 - (i) Country Eligibility,
 - (ii) Project Eligibility,
 - (iii) Resource Availability, and
 - (iv) Eligibility of NIE/MIE.
- 4. The fifth criterion, applied when reviewing a fully-developed project document, is: (v) Implementation Arrangements.
- 5. It is worth noting that at the twenty-second Board meeting, the Environmental and Social Policy (ESP) of the Fund was approved and at the twenty-seventh Board meeting, the Gender Policy (GP) of the Fund was also approved. Consequently, compliance with both the ESP and the GP has been included in the review criteria both for concept documents and fully-developed project documents. The proposal template was revised as well, to include sections requesting demonstration of compliance of the project/programme with the ESP and the GP.
- 6. At its seventeenth meeting, the 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. The latest version of this document was launched in conjunction with the revision of the Operational Policies and Guidelines in November 2013.

- 7. Based on the 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 Fund was sent out on April 8, 2010.
- 8. According to the Board Decision B.12/10, a project or programme proposal needs to be received by the secretariat no less than nine weeks before a Board meeting, in order to be considered by the Board in that meeting.
- 9. The following fully-developed project document titled "building climate resilience in Liberia's cocoa and rice sectors" was submitted for LIBERIA by the International Fund for Agricultural Development (IFAD), which is a Multilateral Implementing Entity of the Adaptation Fund.
- 10. This is the first submission of the proposal using the one-step submission process.
- 11. The current submission was received by the secretariat in time to be considered in the intersessional period between the first and the second sessions of the thirty-fifth Board meeting. The secretariat carried out a technical review of the project proposal, assigned it the diary number LBR/MIE/Agric/2020/1, and completed a review sheet.
- 12. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with IFAD, and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.
- 13. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25.15, the proposal is submitted with changes between the initial submission and the revised version highlighted.



ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Full Proposal

Country/Region: Liberia

Project Title: Building climate resilience in Liberia's cocoa and rice sectors

Thematic Focal Area: Agriculture

Implementing Entity: International Fund for Agricultural Development (IFAD)

AF Project ID: LBR/MIE/Agric/2020/1

IE Project ID: <IE to fill out> Requested Financing from Adaptation Fund (US Dollars): 9,609,679

Reviewer and contact person: Mahamat Assouyouti Co-reviewer(s): Matthew Brian Reddy

IE Contact Person: <IE to fill out>

Technical Summary

The project "Building climate resilience in Liberia's cocoa and rice sectors" aims to address key climate vulnerabilities in agriculture and water resources management in the rice and cocoa value chain, and hence contribute to immediate and longer-term development and resilience needs of poor vulnerable smallholder farmers in Liberia.

This will be done through the three components below:

<u>Component 1</u>: Climate-proofed agricultural production and post-harvest combined with livelihood diversification (USD 4,831,036).

Component 2: Climate resilient rural transportation and water infrastructure (USD 2,953,867)

Component 3: Institutional capacity building and policy engagement (USD 1,183,132).

Requested financing overview: Project/Programme Execution Cost: USD 179,361 Total Project/Programme Cost: USD 8,968,035 Implementing Fee: USD 762,283 Financing Requested: USD 9,909,679 The initial technical review raises several issues, such us the adaptation reasoning for some proposed activities still unclear, the limited consultation process during project design, the justification of the project assessment against the AF ESP and gender policy, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review. The technical review required a couple of outstanding corrective action to requests (CAR) to be addressed prior to recommendation for board consideration. These relate to project monitoring and evaluation budget (M&E), the adaptation reasoning for some activities under component 2 as well as the cost effectiveness of some activities. The final technical review found that all CRs and CARs have been adequately addressed in the resubmitted proposal. The fully developed proposal is recommended for approval. May 28, 2020. Date:

Review	Questions	Comments 05/06/2020	Comments 05/28/2020
Criteria			
Country	1. Is the country party to	Yes.	
Eligibility	the Kyoto Protocol?		

				,
	2.	developing country particularly vulnerable to the adverse effects of climate change?	With a primary economic sector dependent heavily on rain-fed agriculture and natural resource-based livelihoods, Liberia is facing an increasing high climate change impacts (more intense rainfall patterns with more frequent severe floods and seasonal droughts, etc.). Latest data from IFAD Climate Adaptation in Rural Development Assessment tool shows significant yield decreases if adequate actions are not taken to address climate change in the coming years for the main crops (Barley, bean, Cassava, Cotton, Maize, Millet, Sorghum, Soy, Sunflower).	
	1.	Has the designated government authority for the Adaptation Fund endorsed the project/programme?	Yes . As per the Endorsement letter dated November 19, 2019.	
Project Eligibility	2.	Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes; or One hundred pages for the fully-developed project document, and one hundred pages for its annexes?	Yes.	

3. 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?

Partly yes. The project addresses important climate change impacts in relation to agriculture sector and supports concrete actions including some activities under component 1 and funding of climate resilient rural infrastructure under component 2.

CR2: We noted a budget increase under component 1 with an additional activity under Output 1.1 as "strengthening network of agrometeorological systems". Please clarify how the actual support to the network of agrometeorological systems will be implemented? In addition, please explain how effective the support to agromet services contributes to the resilience of the rice and cocoa sector in the region? An analysis of current status of EWS in the project area should be added under Part II.

In addition, please clarify the budget increase under Output 3.1 from USD483K to USD1M and specify what does it include exactly (Table 11 doesn't include details for these activities)? How the support provided to EPA, MAO and CARI will contribute to the project objective and build resilience in Liberia's cocoa and rice sectors? Please note that the output 1.1 already includes a support to the network of agromet services? How different are these two activities which both involve Institutional capacity building?

CR2: Comments sufficiently addressed, and proposal has been updated to reflect the changes.

		CR3: We note that the total M&E budget under component 3 for a total amount of \$178,000 is fully dedicated to support EPA staff (Table 3). Please explain how the support to EPA staffing contributes to output 3.2 "Monitoring and Evaluation and Coordination of the Adaptation Activities"? Please note that the detailed budget (Table 11) includes multiple activities under output 3.2 budget which are not carried out only by EPA staff as indicated in Table 3.	CR3: Comments sufficiently addressed, and proposal has been updated to reflect the changes including Table 11.
4.	Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	Yes. Overall, the project provides a number of economic, social and environmental benefits to targeted communities and farmers.	
5.	Is the project / programme cost effective?	Yes.	

6.	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. The project is in line and consistent with major relevant national strategies.	
7.	Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund??	Yes.	
8.	Is there duplication of project / programme with other funding sources?	No. A quick review the current projects in the country confirms that there is no duplication or overlap with the target areas. In addition, the project document describes the coherence and synergies with other projects under implementation in the region/sector including from EU, WB, AFDB and USAID.	
9.	Does the project / programme have a learning and knowledge management component to capture and feedback lessons?	Yes.	

10. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	Yes. The project development process undertook a number of consultations (ref. Annex 7) at the national and local levels. The inclusion of the off taker and advisory/supplier group LAADCO under innovative and transparent arrangements is well noted. In addition, the small-scale and smallholder private sector represented through FBOs and coops is consistent with the IFAD Private Sector Engagement Strategy 2019 (page 6 paragraph 19) which seeks to support inclusive value chains.	
Is the requested financing justified on the basis of full cost of adaptation reasoning?	Yes.	
12. Is the project / program aligned with AF's results framework?	Yes.	
13. Has the sustainability of the project/programme outcomes been taken into account when designing the project?	Yes. Replication will be supported through funding from domestic public resources as well as international climate funds such as the Green Climate Fund (GCF) or the Least Developed Country Fund (LDCF) or other multilateral and bilateral partners of Liberia, including future IFAD's interventions. Because of the high demand of cocoa and rice both from domestic and internal markets, the private sector and private actors involved \along the cocoa and rice value chains will replicate and scale up successful demonstration of climate smart production of cocoa and rice.	

	14. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	Yes, largely. Nevertheless, the following issues need to be addressed. CR8: Please see comment above related under CR3 CAR10: something is missing in this sentence "The paragraph has been revised to clearly indicate that IFAD grievance mechanism and the process" Please correct and update the proposal document accordingly.	CR8: Addressed. CR10: Addressed. Paragraph 181 has been updated.
Resource Availability	Is the requested project / programme funding within the cap of the country?	Yes.	
	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 fee)?	Yes.	
Eligibility of I	Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the	Yes.	

		Board?		
	1.	Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	Yes. The project outlines management arrangements reflecting the gender considerations in line with the AF gender policy.	
	2.	Are there measures for financial and project/programme risk management?	Yes.	
Implementation Arrangements	3.	Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	Yes.	
	4.	Is a budget on the Implementing Entity Management Fee use included?	Yes.	
	5.	Is an explanation and a breakdown of the execution costs included?	Yes.	
	6.	Is a detailed budget including budget notes included?	Yes.	

7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	Yes. Please see CR3 above.	
8. 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.	
9. 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?	Yes.	
10. Is a disbursement schedule with time-bound milestones included?	Yes.	



ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Full Proposal

Country/Region: Liberia
Project Title: Building

Project Title: Building climate resilience in Liberia's cocoa and rice sectors

Thematic Focal Area: Agriculture

Implementing Entity: International Fund for Agricultural Development (IFAD)

AF Project ID: LBR/MIE/Agric/2020/1

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	This will be done through the three components below:
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	The initial technical review raises several issues, such us the adaptation reasoning for some proposed activities still unclear, the limited consultation process during project design, the justification of the project assessment against the AF ESP and gender policy, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review.
	The final technical review finds that the resubmitted project proposal addressed many of the CRs and CARs. However, the project still needs to address number of important issues including the adaptation reasoning for some proposed investments, the project budgeting related to monitoring and evaluation and the cost effectiveness which still lacks clarity for some activities.
Date:	May 7, 2020.

Review Criteria	Questions	Comments	Responses
INCVION OFFICER	Questions	Comments	Responses

	Is the country party to the Kyoto Protocol?	Yes.
Country Eligibility	4. Is the country a developing country particularly vulnerable to the adverse effects of climate change? Output Description:	Yes. With a primary economic sector dependent heavily on rain-fed agriculture and natural resource-based livelihoods, Liberia is facing an increasing high climate change impacts (more intense rainfall patterns with more frequent severe floods and seasonal droughts, etc.). Latest data from IFAD Climate Adaptation in Rural Development Assessment tool shows significant yield decreases if adequate actions are not taken to address climate change in the coming years for the main crops ((Barley, bean, Cassava, Cotton, Maize, Millet, Sorghum, Soy, Sunflower).
Project Eligibility	 15. Has the designated government authority for the Adaptation Fund endorsed the project/programme? 16. Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes; or One hundred pages for the fully-developed project document, and one hundred pages for its annexes? 	Yes. As per the Endorsement letter dated November 19, 2019. Yes.

17. 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? Partly yes. The project addresses important climate change impacts in relation to agriculture sector and supports concrete actions including some activities under component 1 and funding of climate resilient rural infrastructure under component 2.

CR2: We noted a budget increase under component 1 with an additional activity under Output 1.1 as "strengthening network of agrometeorological systems". Please clarify how the actual support to the network of agrometeorological systems will be implemented? In addition, please explain how effective the support to agromet services contributes to the resilience of the rice and cocoa sector in the region? An analysis of current status of EWS in the project area should be added under Part II.

In addition, please clarify the budget increase under Output 3.1 from USD483K to USD1M and specify what does it include exactly (Table 11 doesn't include details for these activities)? How the support provided to EPA, MAO and CARI will contribute to the project objective and build resilience in Liberia's cocoa and rice sectors? Please note that the output 1.1 already includes a support to the network of agromet services? How different are these two activities which both involve Institutional capacity building?

Response to CR2: Under Part II, Activity 4 under Output 1.1 on the status of EWS in the project area was added. It describes the poor spatial distribution of agrometeorological systems in the targeted region (Bong) made of 2 automatic weather station, 1 automatic WL station and 1 one agro met station. Under the same paragraph, it is also described how the network of agrometeorological systems will be implemented by the Liberia Meteorological services (LMS) and Liberia hydro meteorological services (LHS) who will be in charge of: the procurement, acquisition, deployment, installation, testing, maintenance and reparation of agrometeorological infrastructures and associated electronic equipment of the station stations. These partners will work closely with the PIU on the climate information needed to inform and define the agricultural cropping calendars, timing for marketing and processing and decision makings; choice of the most suitable agricultural techniques and inputs which contribute to building the resilience of the rice and cocoa sector in the region.

In addition, a full paragraph 35 on the country agrometeorological systems and capacity baseline has been included. It provides a description of the spatial distribution of Hydro Met Equipment across the country which equivalent to less than 2/3 of the capacity prior to the war (2 decades ago) when the number of

One para which describes how a

varieties (output 1 generating activitir rural transportation infrastructure (out supply increased infrastructure (out improved agricultuclimate resilience rice sectors as ad in Liberia, better livelihood. The deactivity was alread under table 11, so Activity 3.1.1.

CR3: We note that the total M&E budget under component 3 for a total amount of \$178,000 is fully dedicated to support EPA staff (Table 3). Please explain how the support to EPA staffing contributes to output 3.2 "Monitoring and Evaluation and to support to EPA staffing contributes to output 3.2 "Monitoring and Evaluation and to support to EPA staffing contributes to output that may be needed."

Coordination of the Adaptation Activities"?

Please note that the detailed budget (Table 11) includes multiple activities under output

3.2 hudget which are not carried out only by

strengthened decentralized EPA technical services and local government technical agents working hand in hand with the PIU, local beneficiaries and other relevant project partners to ensure a proper implementation and monitoring of the project Environmental, Social and Climate Management Plan and related Adaptation Fund's 15 Principles in each district during the implementation while contributing to the implementation of the best available technologies and integrated resilient rice and cocoa varieties (output 1.1) incomegenerating activities (output 1.2.) rural transportation and storage infrastructure (output 2.1.) water supply increased and sanitation infrastructure (output 2.2) for improved agricultural productivity, climate resilience in the cocoa and rice sectors as adaptation strategy in Liberia, better food security and livelihood. The detail related to this activity was already included under table 11, sub activity 4;

Regarding the support to EPACARI/MOA, capacity building activities will be more on technological enhancement, training to enhance institutional capacity in understanding and managing climate risks; understanding and planning for adaptive transitions that may be needed, for example into new farming systems or livelihoods, exploiting opportunities for reducing or removing

18. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	Yes. Overall, the project provides a number of economic, social and environmental benefits to targeted communities and farmers.	
19. Is the project / programme cost effective?	Yes.	
20. 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. The project is in line and consistent with major relevant national strategies.	
21. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund??	Yes.	

22. Is there duplication of project / programme with other funding sources?	No. A quick review the current projects in the country confirms that there is no duplication or overlap with the target areas. In addition, the project document describes the coherence and synergies with other projects under implementation in the region/sector including from EU, WB, AFDB and USAID.	
23. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?	Yes.	
24. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	Yes. The project development process undertook a number of consultations (ref. Annex 7) at the national and local levels. The inclusion of the off taker and advisory/supplier group LAADCO under innovative and transparent arrangements is well noted. In addition, the small-scale and smallholder private sector represented through FBOs and coops is consistent with the IFAD Private Sector Engagement Strategy 2019 (page 6 paragraph 19) which seeks to support inclusive value chains.	
25. Is the requested financing justified on the basis of full cost of adaptation reasoning?	Yes.	
26. Is the project / program aligned with AF's results framework?	Yes.	

27. Has the sustainability of the project/programme outcomes been taken into account when designing the project?	Yes. Replication will be supported through funding from domestic public resources as well as international climate funds such as the Green Climate Fund (GCF) or the Least Developed Country Fund (LDCF) or other multilateral and bilateral partners of Liberia, including future IFAD's interventions. Because of the high demand of cocoa and rice both from domestic and internal markets, the private sector and private actors involved \along the cocoa and rice value chains will replicate and scale up successful demonstration of climate smart production of cocoa and rice.	
28. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	Yes, largely. Nevertheless, the following issues need to be addressed. CR8: Please see comment above related under CR3 CAR10: something is missing in this sentence "The paragraph has been revised to clearly indicate that IFAD grievance mechanism and the process" Please correct and update the proposal document accordingly.	Response 10: In this version of the document, The paragraph (181) has been revised as follow "the project will use the grievance mechanism established by IFAD which includes a Complaints Procedure to receive and facilitate resolution of concerns and complaints with respect to alleged non-compliance with AF or IFAD's environmental and social policies as well as the mandatory aspects of the Social, Environmental and Climate

			Assessment Procedures in the context of IFAD-supported projects".
Resource Availability	4. Is the requested project / programme funding within the cap of the country?	Yes.	
	5. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?	Yes.	
	6. Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?	Yes.	
Eligibility of IE	2. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	Yes.	
Implementation Arrangements	11. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	Yes. The project outlines management arrangements reflecting the gender considerations in line with the AF gender policy.	
- -	12. Are there measures for financial and project/programme risk management?	Yes.	

13. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	Yes.	
14. Is a budget on the Implementing Entity Management Fee use included?	Yes.	
15. Is an explanation and a breakdown of the execution costs included?	Yes.	
16. Is a detailed budget including budget notes included?	Yes.	
17. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	Yes. Please see CR3 above.	
18. 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.	
19. 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?	Yes.	

20. Is a disbursement schedule with time-bound milestones included?	Yes.	
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