

Viet Nam

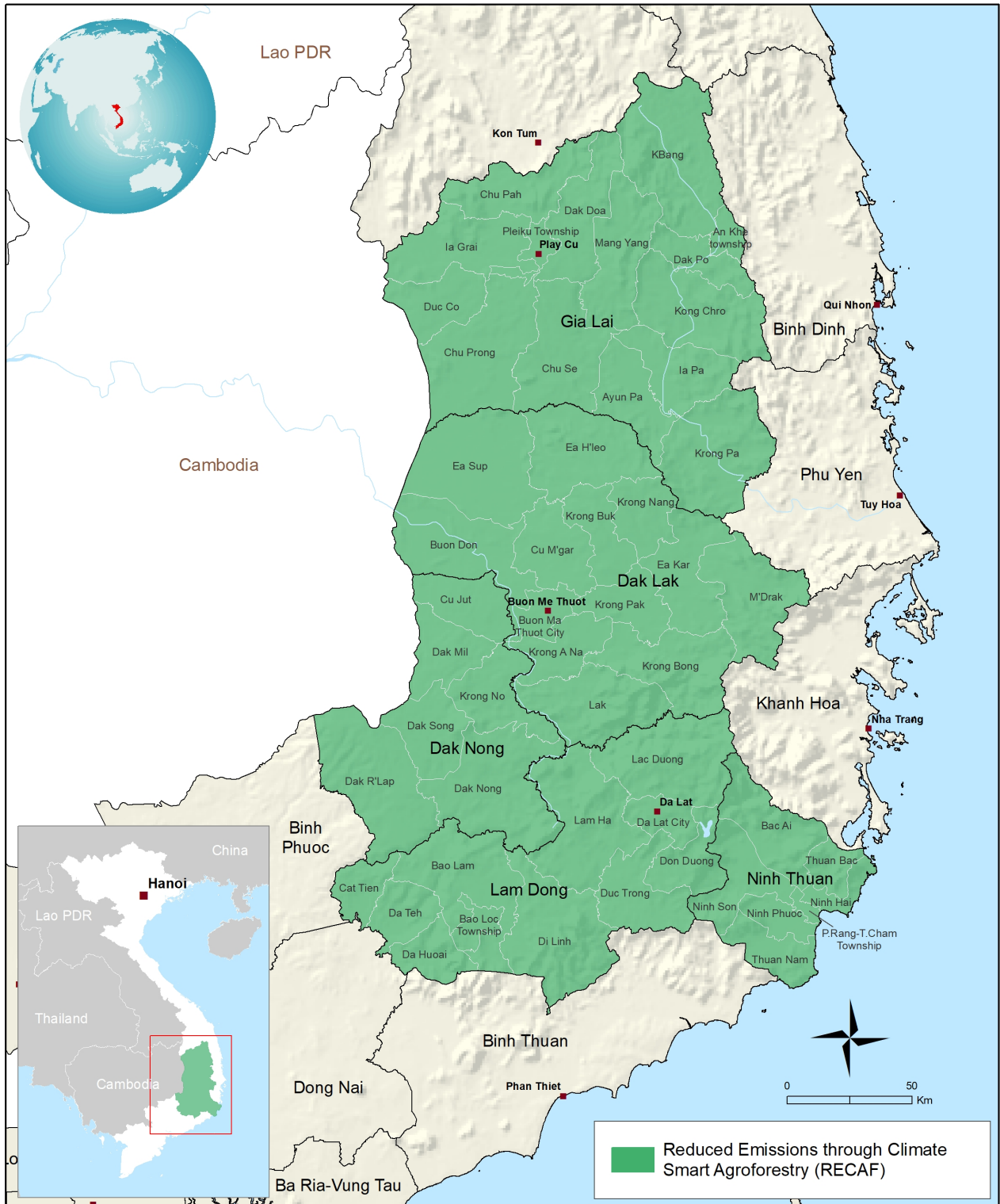
**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Main report and annexes

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Map of the Project Area



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 07-02-2022

Abbreviations and Acronyms

AFORU	Agriculture, Forestry and other Land Uses
AMD	Project for Adaption to Climate Change in the Mekong Delta in Ben Tre and Tra Vinh Provinces
ARP	Agriculture Restructuring Program
AWPB	Annual work plan and budget
CCAF	Climate Change Adaptation Fund (TV)
CCCO	Climate Change Coordination office
CIG / CG	Community interest groups / Community group
CPC	Commune People's Committee
COP	Conference of the Parties
DA	Designated Account
DARD	Department of Agriculture and Rural Development
DoNRE	Department of Natural Resource and Environment
DPC	District People's Committee
DPI	Department of Planning and Investment
GCF	Green Climate Fund
GHG	Greenhouse Gas
GoV	Government of Viet Nam
HCMC	Ho Chi Minh City
IFAD	International Fund for Agriculture Development
LULUCF	Land-Use Change and Forestry
M&E	Monitoring and Evaluation
MARD	Ministry of Agriculture and Rural Development
MFI	Micro Finance Institution
MoF	Ministry of Finance
MTR	Mid-term Review
NDC	Nationally Determined Contribution
NTP- NRD	National Target Program for New Rural Development
NCCS	Viet Nam's National Climate Change Strategy
NRAP	The National Action Program on REDD+ 2011-2020
ODA	Official Development Assistance
PCU	Project Coordination Unit
PD	Project Director
PPC	Provincial People's Committees
PPP	Public – Private Partnership
PSC	Project Steering Committees
REDD+	Reducing Emissions from Deforestation and Forest Degradation
SBV	State Bank of Viet Nam
SCG	Savings and Credit Groups
SEDP	Socio-Economic Development Plan
SME	Small and Medium Enterprise
SOE	Statements of Expenditure
ToR	Terms of Reference
UNFCCC	United Nations Framework Convention on Climate Change
VBSP	Viet Nam Bank for Social Policy
VC	Value Chain
VND	Vietnamese Dong

WDF

Women's Development Fund

In line with IFAD mainstreaming commitments, the project has been validated as:

Gender Transformative Youth Sensitive Nutrition Sensitive Persons with Disabilities Indigenous Peoples
Climate Finance Adaptive Capacity

Executive Summary

Please refer to Section A. project summary in the Funding Proposal (uploaded as an Annex to this Report).

1. Context

A. National context and rationale for IFAD involvement

a. National Context

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.1. Climate context
D.5. Country ownership

b. Special aspects relating to IFAD's corporate mainstreaming priorities

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.1. Climate context
B.2. (a) Theory of Change narrative and diagram
B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization
G.1. Environmental and social risk assessment
G.2. Gender assessment and action plan

c. Rationale for IFAD involvement

Please refer to the following section in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.5. Justification for GCF funding request

B. Lessons learned

Lessons Learned from IFAD investments will be included in the Vietnam RECAF Decision Memo for GCF Co-financing (as per part 3 of current memo) which is attached as an Annex to this Report.

2. Project Description

C. Project objectives, geographic area of intervention and target groups

Please refer to the following section in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.3. Project Description

D. Components/outcomes and activities

Please refer to the following section in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.3. Project Description

E. Theory of Change

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.2. (a) Theory of Change narrative and diagram
D.1. Impact potential
D.2. Paradigm shift potential

F. Alignment, ownership and partnerships

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

D.4. Needs of recipient
D.5. Country ownership

B.4. Implementation arrangements (incl. partnerships)
D.3. Sustainable development

G. Costs, benefits and financing

a. Project costs

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

C.1. Total Financing
C.2. Financing by component

b. Project financing/co-financing strategy and plan

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

C.1. Total Financing
C.2. Financing by component

Annex 13. Co-financing commitment letter, if applicable

B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?)

Annex 4. Detailed budget plan

c. Disbursement

All provinces and MARD will maintain DAs in USD for both IFAD Loan and GCF grant and Project Accounts in VND at the State Treasury. Funds will flow from DAs to Project Accounts based on annually approved budgets for each province and MARD. Vietnam's Treasury system is reliable for maintaining DAs and Project Accounts. IFAD and GCF funds will be disbursed based on quarterly Interim Financial Reports (IFRs). All provinces and MARD will have procedures and systems to ensure that accurate IFRs are sent to IFAD within the agreed deadlines. Each WA will be accompanied by the most recent IFRs, including the cash forecast for the next two quarters.

Government co-financing funds will be disbursed using the Single Treasury Account. Beneficiary in-kind contributions will be accounted for in line with the PIM provisions.

d. Summary of benefits and economic analysis

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.2. (a) Theory of Change narrative and diagram (incl. co benefits)

B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization
D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits)

Annex 3. Economic and/or financial analyses in spreadsheet format

e. Exit Strategy and Sustainability

Please refer to the following section in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

B.6 Exit Strategy

3. Risks

H. Project risks and mitigation measures

Please refer to the following sections in the Funding Proposal (uploaded as an Annex to this Report):

F. Risks Assessment and Management

F.1. Risk factors and mitigations measures

G.1. Environmental and social risk assessment (SECAP summary)

G.3. Financial management and procurement (incl. FM and procurement risks)

Viet Nam has a hierarchical administrative structure. There are 63 provinces and cities under the central government. The provinces comprise districts, and districts include communes. The government has been reforming its PFM systems together with major donors. The Treasury and Budget Management Information System (TABMIS) was developed and put into operation in all treasury offices and financial agencies in all provinces and districts and some ministries in October 2012. As a result, Vietnam has a reliable Treasury system and introduced a budgeting system in line with the international best practice standards. However, inflexible internal government regulations pose severe risks to the timely allocation of funds and disbursements. Transparency International CPI index for Vietnam is 39, and it is assessed as a medium-risk country for corruption. Both the central and local governments use modified cash-based accounting.

The government is committed to improving public financial management. However, the key weakness of the PFM is that all five

provinces and MARD will have separate Financing Agreements with IFAD. In addition, due to ODA requirements, IFAD can finance only capital expenditures.

As the project will be implemented in different provinces, overall coordination of all project implementing entities will be challenging. In addition, the Central Coordination Unit will be required to consolidate reports for GCF.

The current IFAD portfolio includes only one active project – Commercial Smallholder Support Project In Bac Kan And Cao Bang (CSSP). The project has acceptable FM arrangements. In the past, IFAD did not have any substantial issues with FM arrangements in the Vietnam portfolio.

The project's inherent risk is Substantial. However, the risk is reduced to Moderate after mitigation measures are implemented. The PMUs will be part of government institutions in all provinces. Government Organizational Structure, Treasury, Accounting Standards, Budgeting and Internal Control Framework will be used to implement the project.

I. Environment and Social category

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

G.1. Environmental and social risk assessment (SECAP summary)

G.2. Gender assessment and action plan

Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): i.e. SECAP

Annex 8. Gender assessment and project/programme-level action plan

J. Climate Risk classification

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

G.1. Environmental and social risk assessment

Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3):

4. Implementation

K. Organizational Framework

a. Project management and coordination

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

A.11. Implementation period

B.4. Implementation arrangements

Annex 5. Implementation timetable including key project/programme milestones

b. Financial Management, Procurement and Governance

- Financial management organization and staffing

All five provinces and MARD will use their respective accounting and finance unit staff to manage the financial management aspects of the project. All provinces have identified FM staff who will work on RECAF, most of whom are experienced in IFIs-funded operations. IFAD will provide additional hands-on training and support before the project implementation start and during the implementation. The project will entirely rely on government staff for FM.

- Budgeting

Project budgets will be fully integrated into the government budgeting cycle in line with local regulations. In addition, the project accounting software will have the capacity to generate annual AWPB and regular monitoring of budget execution.

Inflexible internal government regulations pose severe risks to the timely allocation of funds and disbursements. Therefore, the project will have dedicated staff at the Coordination Unit (CU) with the required skills to address all challenges related to internal government regulations well in advance. As a result, the CU will manage adequate budget allocations for each year. In addition, the AWPB for each year will be submitted 60 days before the start of each financial year. The AWPB will split planned project expenditures by funding source, expense category, components, subcomponents, and activities (GCF budgeting requirement). IFAD funds will only finance capital expenditures. GCF and Government co-financing funds will also finance recurrent expenditures and soft investments such as training and consultancies. Budget execution will be monitored quarterly utilizing the accounting software of the project.

- Disbursement Arrangements and Flow of Funds

All provinces and MARD will maintain DAs in USD for both IFAD Loan and GCF grant and Project Accounts in VND at the State Treasury. Funds will flow from DAs to Project Accounts based on annually approved budgets for each province and MARD. Vietnam's Treasury system is reliable for maintaining DAs and Project Accounts. IFAD and GCF funds will be disbursed based on quarterly Interim Financial Reports (IFRs). All provinces and MARD will have procedures and systems to ensure that accurate IFRs are sent to IFAD within the agreed deadlines. Each WA will be accompanied by the most recent IFRs, including the cash forecast for the next two quarters.

Government co-financing funds will be disbursed using the Single Treasury Account. Beneficiary in-kind contributions will be accounted for in line with the PIM provisions.

- Internal Controls

All provinces and Central Ministries are required to follow stringent financial regulations of the government. Therefore, the internal control environment is reliable though inflexible rules cause inefficiencies in allocating funds and disbursements. The project will develop PIM to consolidate all relevant policies and procedures of the government, GCF, and IFAD to be applied during the implementation of the project. Project Managers will be responsible for the duly enforcement of the PIM provisions. Project FM staff and Project staff from PPCs will have segregated roles and responsibilities for approval of payments and expenditures. Private consultants will be recruited to assess the internal control framework of the PMUs

- Accounting systems, policies and procedures and financial reporting.

The project will use modified cash-based accounting standards that are mandatory for all government institutions and IFIs-funded projects. These standards are acceptable to IFAD.

All provinces will procure and customize accounting software for the project needs. The software will need to maintain accounting records on double-entry bookkeeping principles. The accounting systems will be customized to generate GCF (expenditures split by funding source, expense category, components, subcomponents, and activities), IFAD, and government-required reports. In addition to quarterly IFRs, all provinces will produce and submit IFAD semi-annual certified financial reports using the GCF template and guidelines within 30 days from the end of each period. The report for each province and MARD will be consolidated at the CU level and sent to IFAD. The FMFCL and PIM will include a reporting template to be used by the Borrower/Recipient when preparing the certified report to ensure consistency and easy compilation of the combined GCF account statement. IFAD will work with the project team to ensure that IFAD and GCF-required reports are harmonized as much as possible.

Recording and safeguarding project fixed assets will be carried out in compliance with government regulations.

- Internal Audit

Internal audit practices within government institutions are not in compliance with international best practice standards. Private consultants will be recruited to assess the internal control framework of the PMUs

- External Audit

Private sector auditors will audit annually project financial statements. The project will submit audit reports to IFAD within five months of the end of each period. ToR of the annual project audit will include an assessment of the compliance with the applicable GCF requirements and special opinions needed for IFAD's compliance with GCF requirements. In addition, the GCF will have the right to conduct ad-hoc checks on the use of its funds and conduct ex-post evaluations as required in terms of the FA.

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

G.3. Financial management and procurement

B.4. Implementation arrangements (incl. governance)

L. Planning, M&E, Learning, KM and Communication

a. Planning, M&E, Learning, Knowledge Management and Communication

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

E.7. Monitoring, reporting and evaluation arrangements.

Annex 11. Monitoring and evaluation plan

Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)

D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)

b. Innovation and scaling up

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

D.2. Paradigm shift potential (incl. potential for scaling-up and replication)

D.6. Efficiency and effectiveness (incl. innovations)

M. Project Target Group Engagement and Feedback, and Grievance Redress

a. Project Target Group Engagement and Feedback.

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

D.5. Country ownership (incl. engagement with target group)

Annex 7: Summary of consultations and stakeholder engagement plan

G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)

b. Grievance redress.

Please refer to the following section in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):

G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)

N. Implementation plans

a. Supervision, Mid-term Review and Completion plans.

Please refer to the following sections in the RECAF Funding Proposal to GCF (uploaded as an Annex to this Report):
E.7. Monitoring, reporting and evaluation arrangements.
Annex 11. Monitoring and evaluation plan

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 1: Logframe

Document Date: 11/11/2022
Project No. 2000002336
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Asia and the Pacific Division
Programme Management Department

Reduced Emissions through Climate Smart Agroforestry

Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services promoted or supported by the project				MIS	Annual	PMU	
	Males	0	24000	60000				
	Females	0	56000	140000				
	Young	0	64000	160000				
	Not Young	0	63000	100000				
	Indigenous people	0	24000	60000				
	Non-Indigenous people	0	21000	24000				
	Total number of persons receiving services	0	80000	200000				
	Poor persons receiving services promoted or supported by the project				MIS	Annual	PMU	
	Poor	0	33600	84000				
	Near poor	0	16800	42000				
	Vulnerable	0	168000	420000				
	1.a Corresponding number of households reached				MIS	Annual	PMU	
	Women-headed households	0	24000	60000				
	Non-women-headed households	0	16000	40000				
	Households	0	40000	100000				
	Corresponding number of poor households reached				MIS	Annual	PMU	
	Poor	0	16000	40000				
	Near-poor	0	8000	20000				

Results Hierarchy	Indicators				Means of Verification			Assumptions			
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility				
	Indigenous	0	32000	80000							
	Vulnerable	0	40000	100000							
	1.b Estimated corresponding total number of households members				MIS	Annual	PMU				
	Household members	0	168000	420000							
Project Goal Reduce GHG emissions from deforestation and forest degradation associated with major agricultural export commodity crops while enhancing livelihoods and reducing poverty in communities.	Decrease in provincial multi-dimensional poverty incidence for four provinces				Outcome & Impact survey, DOLISA report	Benchmark, Mid-term, Final	PMU, DOLISA	Vietnamese Government continues to show its high commitment to international conventions and strategies in REDD+ implementation. Socioeconomic conditions remain reasonably stable in the Project area. Extreme weather and natural disasters are manageable. Macro-economy continues to improve. Business regulatory environment improves. Law and policies on gender, EM are strongly enforced at all levels			
	Decrease								0	10	20
	Enhance carbon stocks through forest protection and absorption of CO2				Outcome & EX-ACT, MIS	Benchmark, Mid-term, Final	PMU				
	Forest protection								0	80000	140000
	Absorption (MtCO2e)								0	2	6

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Development Objective Empower and strengthen adaptive capacity of target communities and institutions to better contend with climate change.	Smallholder households report increased resilience to climate, environmental and economic shocks of > 20% by P, V, S, A, EM				Outcome & Impact survey, DOLISA report	Benchmark, Mid-term, Final	PMU, DOLISA	Provincial governments committed to PRAP, SEDP. Law and policies on gender and EM are strongly enforced at all levels
	%		20	50				
	Number		15000	30000				
Development Objective Mainstream REDD+ into the Agricultural, Forestry and Other Land Use (AFOLU) sector relevant policies, planning, and investment at national, provincial and local levels for enhancement of livelihoods and resilience of communities.	NRAP updated by the project mid-term addressing benefit sharing and PFES, land tenure, private sector involvement, and effective emission monitoring and evaluation.				Outcome survey based on score card indicators adapted to project intervention	Benchmark, Mid-term, Final	PMU	Provincial governments committed to PRAP, SEDP. Law and policies on gender and EM are strongly enforced at all levels
	Number	0	1	1				
Outcome 1. Creating an enabling environment to reduce emissions from deforestation, enhance carbon stocks and adapt to climate change	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				Outcome survey	Annual at mid-term	PMU	Provincial governments committed to prov. & regional participatory integrated market-led socio-economic development planning and RAP. Provincial authorities maintain ARD and forestry development as priority sector for Provincial investment
	Number	0	2	5				
	SF.2.1 Households satisfied with project-supported services				Outcome survey	Benchmark, Mid-term, Final	PMU	
	Household members	0	160000	280000				
	Indigenous households	0	32000	56000				
	Households (%)	0	40	70				
	Households (number)	0	40000	70000				
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				Outcome/MIS	Benchmark, Mid-term, Final	PMU	
	Indigenous households	0	24000	56000				
	Households (%)	0	30	70				
Households (number)	0	30000	70000					

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				Outcome survey	Annual at Mid term	PMU	
	Total number of household members	0	120000	280000				
	Households	0	30	70				
	Women-headed households	0	18000	42000				
	Households	0	30000	70000				
	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered							
	Hectares of land	0		144805				
	tCO2e/20 years	0		-6684338				
	tCO2e/ha	0		46.16				
	tCO2e/ha/year	0		-3.85				
	1.2.9 Households with improved nutrition Knowledge Attitudes and Practices (KAP)							
	Indigenous households							
	Non-indigenous households							
	Women-headed households							
	Non-women-headed households							
	Households (number)							
	Households (%)							
	Household members							

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Output 1.1. Improved provincial policies and coordination to reduce deforestation and adapt to climate change.	Policy 1 Policy-relevant knowledge products completed				MIS	Annual	PPCs/PMU	Provincial governments committed to prov. & regional participatory integrated market-led socio-economic development planning and RAP. Provincial authorities maintain ARD and forestry development as priority sector for Provincial investment.
	Number							
	Policy 2 Functioning multi-stakeholder platforms supported				MIS	Annual	PMU	
	Number							
Output 1.2. Improved national policies and capacity to implement and invest in REDD+	Policy 1 Policy-relevant knowledge products completed				MIS	Annual	PMU	
	Number							
	REDD+ MIS with community engagement operational and meeting requirements of international forest financing mechanisms				MIS	Annual	PMU	
	Number of MIS							
	REDD+ Safeguard Information System operational				MIS	Annual	PMU	
	Number of system							0
	NRAP updated by the project-mid-term addressing benefit sharing and PFES, land tenure, private sector involvement and effective emission monitoring and evaluation				MIS	Annual	PMU	
	Number of NRAP							0

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outcome 2. Measures to reduce deforestation, promote sustainable agriculture and enhance climate resilience & nutrition implemented	1.2.8 Women reporting minimum dietary diversity (MDDW)				MIS	Annual	PMU	Government completes the regulatory framework for private sector involvement in REDD+. NRAP, Project financing is disbursed in time to support field implementation. Co-financed beneficiaries capable of providing their contribution. Adequate skills base amongst local service providers. Private investors are interested in investing in business opportunities in smallholders agriculture along conditions promoted by the programme. Local enterprises are able to finance their part of the investment facility. Valid agricultural innovations available from research institutions and private sector.
	Women (%)	0	20	50				
	Women (number)	0	40000	100000				
	Households (%)	0	20	50				
	Households (number)	0	20000	50000				
	Household members	0	80000	200000				
	Indigenous	0	32000	80000				
	Women-headed households							
	Smallholder households report increased resilience of climate, environmental and economic shocks of >20% disaggregated by P, V, S, A, EM				Outcome survey	Annual at Mid-term	PMU	
	Households	0	20000	50000				
	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities				MIS	Annual	PMU	
	Number of POs	0	300	704				
	1.2.5 Households reporting using rural financial services				Outcome survey/MIS	Annual	PMU	
	Total number of household members	0	80000	160000				
	Households	0	20	40				
Households	0	20000	40000					

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Output 2.1. Deforestation free commodities and nutritive sensitive niche product value chains developed with improved access to credit.	Number of district and commune-level 4P platforms implementing VC action plans				MIS	Annual	PMU	Policies on CFM and PFES are strongly enforced at all levels. Provincial Governments are committed to implement CFM and PFES. Communities and households are interested in CFM and PFES.
	Number of platforms	0	48	72				
	1.1.8 Households provided with targeted support to improve their nutrition				MIS		PMU	
	Total persons participating	0	40000	100000				
	Males	0	16000	40000				
	Females	0	24000	60000				
	Households	0	20000	60000				
	Household members benefitted	0	80000	240000				
	Indigenous people	0	40000	120000				
	Young	0	32000	96000				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Output 2.2. Climate resilient infrastructure established and operated for deforestation-free value chains and forest protection activities	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated				MIS	Annual	PMU	Government completes the regulatory framework for private sector involvement in REDD+. NRAP, Project financing is disbursed in time to support field implementation. Co-financed beneficiaries capable of providing their contribution. Adequate skills base amongst local service providers. Private investors are interested in investing in business opportunities in smallholders agriculture along conditions promoted by the programme. Local enterprises are able to finance their part of the investment facility. Valid agricultural innovations available from research institutions and private sector.
	Hectares of land	0	8000	12000				
	2.1.5 Roads constructed, rehabilitated or upgraded				MIS	Annual	PMU	
	Length of roads	0	80	170				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Output 2.3. Collaborative forest conservation and management enhanced with effective benefit sharing	# hectares for which performance-based PFES provides incentives to conserve or restore forest				MIS	Annual	PMU	Policies on CFM and PFES are strongly enforced at all levels. Provincial Governments are committed to implement CFM and PFES. Communities and households are interested in CFM and PFES. Policies on CFM and PFES are strongly enforced at all levels. Provincial Governments are committed to implement CFM and PFES. Communities and households are interested in CFM and PFES.
	Hectares of land	0	0	40000				
	# hectares of forestland under effective and sustainable community or collaborative forest management				MIS	Annual	PMU	
	Hectares of land	0	0	15000				

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 2: Theory of change

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Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 3: Project cost and financing: Detailed costs tables

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 4: Economic and Financial Analysis

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 5: Social Environment and Climate Assessment (SECAP) Review Note

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods) Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 6: First Annual Work Plan and Budget (AWPB)

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 7: Procurement Plan for first 18 months

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 8: Project Implementation Manual (PIM)

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 9: Integrated Project Risk Matrix (IPRM)

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	Moderate	Low
<i>Political Commitment</i>	<i>Low</i>	<i>Low</i>
<i>Governance</i>	<i>Low</i>	<i>Low</i>
<i>Macroeconomic</i>	<i>Moderate</i>	<i>Low</i>
<i>Fragility and Security</i>	<i>Moderate</i>	<i>Moderate</i>
Sector Strategies and Policies	Moderate	Low
<i>Policy alignment</i>	<i>Moderate</i>	<i>Low</i>
<i>Policy Development and Implementation</i>	<i>Low</i>	<i>Low</i>
Environment and Climate Context	Substantial	Moderate
<i>Project vulnerability to environmental conditions</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Project vulnerability to climate change impacts</i>	<i>Substantial</i>	<i>Moderate</i>
Project Scope	Moderate	Low
<i>Project Relevance</i>	<i>Low</i>	<i>Low</i>
<i>Technical Soundness</i>	<i>Moderate</i>	<i>Low</i>
Institutional Capacity for Implementation and Sustainability	Low	Low
<i>Implementation Arrangements</i>	<i>Low</i>	<i>Low</i>
<i>Monitoring and Evaluation Arrangements</i>	<i>Low</i>	<i>Low</i>
Project Financial Management	Substantial	Moderate
<i>Project Organization and Staffing</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project Budgeting</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project Funds Flow/Disbursement Arrangements</i>	<i>Moderate</i>	<i>Low</i>
<i>Project Internal Controls</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project Accounting and Financial Reporting</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project External Audit</i>	<i>Moderate</i>	<i>Low</i>
Project Procurement	Moderate	Low
<i>Legal and Regulatory Framework</i>	<i>Moderate</i>	<i>Low</i>
<i>Accountability and Transparency</i>	<i>Low</i>	<i>Low</i>
<i>Capability in Public Procurement</i>	<i>Moderate</i>	<i>Low</i>
<i>Public Procurement Processes</i>	<i>Moderate</i>	<i>Low</i>
Environment, Social and Climate Impact	Moderate	Low
<i>Biodiversity Conservation</i>	<i>Moderate</i>	<i>Low</i>
<i>Resource Efficiency and Pollution Prevention</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Cultural Heritage</i>	<i>Low</i>	<i>Low</i>
<i>Indigenous People</i>	<i>Low</i>	<i>Low</i>
<i>Labour and Working Conditions</i>	<i>Low</i>	<i>Low</i>
<i>Community Health and Safety</i>	<i>Low</i>	<i>Low</i>
<i>Physical and Economic Resettlement</i>	<i>Moderate</i>	<i>Low</i>
<i>Greenhouse Gas Emissions</i>	<i>Moderate</i>	<i>Low</i>
<i>Vulnerability of target populations and ecosystems to climate variability and hazards</i>	<i>Substantial</i>	<i>Moderate</i>

Risk Category / Subcategory	Inherent risk	Residual risk
Stakeholders	Low	Low
<i>Stakeholder Engagement/Coordination</i>	<i>Low</i>	<i>Low</i>
<i>Stakeholder Grievances</i>	<i>Low</i>	<i>Low</i>
Overall	Moderate	Low

Country Context	Moderate	Low
Political Commitment	Low	Low
<p>Risk:</p> <p>At the project main objective/goal level, there is risk of external shocks to the policy environment including from COVID-19 and increasing world commodity prices as a consequence of the Ukraine conflict. These shocks could influence the Government's commitment to provide the resources for implementation of the NTPs and the climate change adaptation and mitigation policies for Central Highland and Southern Coastal region.</p>	Low	Low
<p>Mitigations:</p> <p>At the national level, sound macro-economic policies, including market-determined exchange rates are the main means to mitigate this risk. The main mitigation measures at the project and enterprise levels are the emphasis on sound financial analysis of project investments, with emphasis on quality and high productivity and low cost per unit of output value. Agreements on funding targets and modality are included in the design report and financing agreement will include explicit text in the Financing Agreement on counterpart funding, including district levels and loan recovery</p>		
Governance	Low	Low
<p>Risk:</p> <p>Governance systems are in place and function relatively well in Vietnam but the relatively weak private business environment in the project provinces is a risk.</p>	Low	Low
<p>Mitigations:</p> <p>Provincial governments (PPCs) have agreed to work with the project to create more favorable business environment, including benchmarking their provincial performance against provinces having high competitiveness indices.</p>		
Macroeconomic	Moderate	Low
<p>Risk:</p> <p>The external shocks to the macro-economy have important prominence. This risk is ever present in a relatively open economy such as that of Viet Nam, particularly with the high proportion of income being derived from export revenue. This is a significant risk for RECAF since the project is dealing with zero-deforestation value chains that target international markets.</p>	Moderate	Low
<p>Mitigations:</p> <p>At the national level, sound macro-economic policies, including market determined exchange rates are the main means of mitigation of this risk. The main mitigation measures at the Project and enterprise levels are the emphasis on sound financial analysis of Projects, with emphasis on quality and high productivity and low cost per unit of output value.</p>		
Fragility and Security	Moderate	Moderate

<p>Risk:</p> <p>Key risks are associated with that of the maintenance of stable socio-economic conditions in the project area and with business regulatory systems. The five provinces targeted by RECAF are enjoying economic growth leading to reduced poverty, with the biggest socio-economic risk associated with climate change.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>RECAF will advance the national agenda for NRAP and will ensure that all project-financed interventions are based on adaptation and mitigation. Government institutions are also well organized and experienced in mitigating disasters. RECAF integrated mitigation and adaptation approach will also help address various economic and environmental shocks.</p>		
Sector Strategies and Policies	Moderate	Low
Policy alignment	Moderate	Low
<p>Risk:</p> <p>Viet Nam has become a lower middle-income country, graduating to less concessionally in ODA in-flows from IDA-terms in 2017. The Government has put in place new policies on ODA financing (Decree 114/2021) that reflect the new context but that require that IFAD can adapt its investment approach in the country.</p>	Moderate	Low
<p>Mitigations:</p> <p>Project design is fully aligned with the Vietnam's Agricultural Restructuring Plan, the New Rural Development Programme and the NTP for Ethnic Minorities to which non-lending resources will be significantly mobilized from these programmes. RECAF will be the second project negotiated with the Government of Vietnam under the new ODA policies following EB approval of CSAT in December 2021.</p>		
Policy Development and Implementation	Low	Low
<p>Risk:</p> <p>A key risk for project implementation is weak coordination for implementing key policies such as NTPs, REDD+, and others. In addition, there are insufficient skilled and efficient contractors and service providers to implement the project in a cost-effective manner, especially in the context of REDD+ related activities.</p>	Low	Low
<p>Mitigations:</p> <p>RECAF promotes strong institutional linkages through the integrated NRAP – SEDP (Socio Economic Development Planning) process in the project areas which is instrumental to coordinate, mobilize, and converge both capacity and resources for implementation of the project and achievement of the project's goals and objectives. Rigorous screening and investigation of potential contractors prior to engagement can tackle this risk adequately. The experience gained by IFAD in Viet Nam and the project provinces (Gia Lai, Dak Nong, and Ninh Thuan) in this respect remains vital.</p>		
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Moderate	Moderate
<p>Risk:</p> <p>The proposed environmental and social risk assignment for the project is "Category B". This risk rating is proposed based on the screening of ES risks and impacts associated with the: (i) type, nature and scale of proposed project activities; (ii) project's affected stakeholders and results from stakeholder consultations; and (iii) socio-economic and environmental settings (covering inherent risks) of the potential project sites.</p>	Moderate	Moderate

<p>Mitigations:</p> <p>Based on the screening, the project design team prepared a(n): (i) Environmental and Social Management Framework (ESMF, Annex 6A); (ii) Indigenous Peoples Plan (IPP, Annex 6B); (iii) Gender Assessment (including the accompanying Gender Action Plan, Annex 8); and (iv) Stakeholder Engagement Plan (SEP, Annex 7). The instruments describe and respond to the assessed environmental and social impacts/risks, as well as related feedback obtained during field visits, household surveys, key informant interviews, and focus group discussions with project stakeholders (Annex 7). Quantitative and qualitative data collected through primary and secondary sources were used to assist the analysis.</p>		
<p>Project vulnerability to climate change impacts</p>	Substantial	Moderate
<p>Risk:</p> <p>Climate change adaptation and mitigation measures are urgently required in the five provinces targeted by RECAF with a focus on inclusion of ethnic minorities.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>RECAF will support the implementation of the policies and measures which have been prioritized in the National Action Program on REDD+ 2011-2020 (NRAP) approved in 2012 and updated in 2017 for the period up to 2030, and which provides the country's framework for REDD+ implementation, in line with UNFCCC decisions and guidance. The project aims to facilitate an economically viable transition to sustainable forest management, deforestation-free value chains and climate resilient livelihoods, with specific focus on forest dependant communities and ethnic minorities.</p>		
<p>Project Scope</p>	Moderate	Low
<p>Project Relevance</p>	Low	Low
<p>Risk:</p> <p>RRECAF is not responding adequately to key challenges and related, recent policies on the climate change and REDD+.</p>	Low	Low
<p>Mitigations:</p> <p>RECAF is aligned with the NDC through the land use planning activities, better capacity for forest protection, protection through the jurisdictional approach to deforestation-free supply chain management of major commodities, and development of agroforestry and through enhancing the resilience of the target beneficiaries.</p>		
<p>Technical Soundness</p>	Moderate	Low
<p>Risk:</p> <p>RECAF aims to facilitate an economically viable transition to sustainable forest management, deforestation-free value chains, agroforestry systems and climate resilient livelihoods. This transition faces a number constraints, such as (i) policy and institutional gaps for implementing REDD+ at provincial level, e.g. lack of interdepartmental, cross-sectoral and public-private coordination and lack of a monitoring system to report emission reduction results (ii) inequitable distribution of costs and benefits of forest protection and conservation (iii) lack of secured land tenure and (iv) lack of incentives for private sector action and lack of access to long-term credit products for mitigation and adaptation investments.</p>	Moderate	Low

<p>Mitigations:</p> <p>RECAF has integrated lessons learned from the REDD+ in the design: (i) the core of a successful REDD+ strategy is effective planning and investment; with clearly defined, locally agreed objectives, (ii) provide appropriate incentives for better forest management (or disincentives for forest destruction); and (iii) incentives come in various forms, including through access to more secure tenure over land and resources, assistance for market and financial access and/or through benefits from domestic PES schemes. In addition, management and coordination structures in the provinces are well established and capable of drawing attention and commitment of PPC to the sufficient allocations of IFAD project funds, and pre-financing of eligible project expenditures.</p>		
Institutional Capacity for Implementation and Sustainability	Low	Low
Implementation Arrangements	Low	Low
<p>Risk:</p> <p>Lack of adequate inter-provincial and inter-sectoral coordination to implement some of project proposed activities, such as the Regional integrated planning, Convergent Value Chain planning. The instruments are new to various departments/agencies which may not have the required capacity.</p>	Low	Low
<p>Mitigations:</p> <p>Project design includes a strategy for implementation arrangements with MOU/contract signed with relevant agencies/departments to fulfil their obligations to the project activities. RECAF implementation arrangements follow the Government Decree 114/2021 on ODA management in Viet Nam and the proven structure used in all IFAD-funded projects in the country. It takes on board a number of additional functions in order to respond to the Government, IFAD and GCF policies, including risk management, policy engagement, facilitating private sector linkages and partnerships, M&E and knowledge management.</p>		
Monitoring and Evaluation Arrangements	Low	Low
<p>Risk:</p> <p>Inadequate M&E system for planning and monitoring.</p>	Low	Low
<p>Mitigations:</p> <p>M&E system is embedded in the project management information system (MIS). It integrates information on project management, financial management, procurement and physical progress. It allows reporting in real time and serves as a platform for the large number of co-implementing agencies.</p>		
Project Financial Management	Substantial	Moderate
Project Organization and Staffing	Substantial	Moderate
<p>Risk:</p> <p>All provinces have identified FM staff who will work on RECAF, most of whom are experienced in IFIs-funded operations. However, FM staff does not have adequate exposure to new IFAD FMD rules, including report-based disbursement requirements.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>IFAD will provide additional hands-on training and support before the project implementation start and during the implementation.</p>		
Project Budgeting	Substantial	Moderate

<p>Risk:</p> <p>Separate AWPB for each province and MARD must be prepared and approved. In addition, internal government budget regulations are not flexible in introducing amendments to the approved budget during the year when needed.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Local consultants will be recruited to handle the increased workload. The project will have dedicated staff at the Coordination Unit (CU) with the required skills to address all challenges.</p>		
Project Funds Flow/Disbursement Arrangements	Moderate	Low
<p>Risk:</p> <p>PMUs do not have enough experience in IFAD's new report-based disbursement requirements.</p>	Moderate	Low
<p>Mitigations:</p> <p>IFAD will provide additional hands-on training and support before the project implementation start and during the implementation.</p>		
Project Internal Controls	Substantial	Moderate
<p>Risk:</p> <p>The project must comply with internal government, IFAD, and GCF regulations. Internal audit practices within government institutions are not in compliance with international best practice standards.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>PIM will be developed to consolidate all relevant policies and procedures. Private consultants will be recruited to assess the internal control framework of the PMUs.</p>		
Project Accounting and Financial Reporting	Substantial	Moderate
<p>Risk:</p> <p>Projects do not have readily available accounting software for the project. • All PMUs will need to meet reporting requirements of the government, IFAD, and GCF</p>	Substantial	Moderate
<p>Mitigations:</p> <p>All provinces will procure and customize accounting software for the project needs. The software will need to maintain accounting records on double-entry bookkeeping principles. The accounting systems will be customized to generate GCF (expenditures split by funding source, expense category, components, subcomponents, and activities), IFAD, and government-required reports</p>		
Project External Audit	Moderate	Low
<p>Risk:</p> <p>SAI of the country do not audit IFAD-funded project.</p>	Moderate	Low
<p>Mitigations:</p> <p>Private sector auditors will be selected for the annual audit of the project financial statements.</p>		
Project Procurement	Moderate	Low
Legal and Regulatory Framework	Moderate	Low

<p>Risk:</p> <p>The Borrower's regulatory and institutional capacity and practices (including compliance with the laws) are adequate to conduct the procurement in a manner that optimizes value for money with integrity. There are some constraints on applicable procurement methods for consulting service (particularly CQS) and thresholds for applying direct contracting, and regulations on sustainable procurement.</p>	Moderate	Low
<p>Mitigations:</p> <p>Periodically review the application of procurement procedures inference to the law and regulations. Review and clear project procurement plan (consolidated) encouraging the use of competitive procurement methods. Provide consolidated procurement information on project website (opportunities and awards). Mainstream SECAP requirements and ESCMF into project/sub-projects implementation.</p>		
<p>Accountability and Transparency</p>	Low	Low
<p>Risk:</p> <p>There are some constraints on engagement of civil society in the consultative process for procurement policy development, provisions on fraud, corruption and other prohibited practices in consistence with IFAD policies.</p>	Low	Low
<p>Mitigations:</p> <p>Apply e-Procurement for goods/work/service packages where applicable. Request bidders and contractors signing the Self-Certification Forms on anticorruption, sexual harassment, sexual exploitation and abuse as a part of bids/proposals and contract documents. Conduct prior and ex-post reviews to strengthen enforcement of the debarment system. Enforcing legal protection or whistle-blower protection.</p>		
<p>Capability in Public Procurement</p>	Moderate	Low
<p>Risk:</p> <p>Limited English skills of project staff including procurement staff. Newly recruited project staff might not be familiar with IFAD procurement policies and procedures.</p>	Moderate	Low
<p>Mitigations:</p> <p>Retain procurement professionals to support full time and intermittently. Interpreters will be recruited for each PMU at the project provinces. Provide training and periodic coaching to project staff (IFAD project procurement guidelines and manual, ICP, the Law and regulations on public procurement, e-Procurement, BUILDPROC procurement training program). Encourage participation of the procurement officers in certification courses offer by MPI</p>		
<p>Public Procurement Processes</p>	Moderate	Low
<p>Risk:</p> <p>There are often constraints in budget allocation against the AWPB that budget funds are not always appropriated in a timely manner and cover the full amount of the annual planned activities. Procurement processes (planning, bidding, contract award and contract implementation) are often delayed.</p>	Moderate	Low
<p>Mitigations:</p> <p>Monitor and update regularly the AWPB and the procurement plan, and their implementation progress with both planned and actual data. Monitoring closely contract implementation progress with periodic progress reports and follow-up actions which includes management of physical and financial progress through ICP CMT</p>		

Environment, Social and Climate Impact	Moderate	Low
<i>Biodiversity Conservation</i>	<i>Moderate</i>	<i>Low</i>
Risk: Encroachment on protected forest areas	Moderate	Low
Mitigations: This risk is being mitigated directly through the project design, as one of the risks inherent to the project area which the project aims to address. Specifically, local communities will be provided with community forest management opportunities that respect and encourage biodiversity and forest health through deforestation free value chains (particularly under Component 2, Activities 2.1, 2.2, and 2.3). Thus, the mitigation strategy is the project's support to community-based land use planning and allocation process, including: (i) collection of information & secondary data; (ii) definition of the present land use situation; (iii) assessment of land capability and vulnerability to natural disaster; (iv) preparation of the land use plan and proposed land use maps; and (v) submission of the proposed land use plan to commune and District People's Committees (DPC) for approval.		
Risk: Disruption to ecological flows (migratory fish, water) with the development of small reservoirs	Moderate	Low
Mitigations: Prior to construction and/or implementation, an assessment of biodiversity in the area and reliance of upstream/downstream water users must be conducted to identify instances when/where fish ladders need to be included and/or communities need to be consulted on changes in timing and flow of the water.		
<i>Resource Efficiency and Pollution Prevention</i>	<i>Moderate</i>	<i>Moderate</i>
Risk: 1) Erosion and run-off to water bodies during earthworks & construction; 2) Temporary pollution from construction; specifically: dust, noise, vibrations, waste & wastewater generation from workers' campsites, etc.; 3) Potential water pollution from sourcing aggregates and construction materials like soil and gravels; 4) Increased water consumption during construction activities; 5) Potential increase in pesticide use	Moderate	Moderate

<p>Mitigations:</p> <p>1) Site specific ESMPs – or an Environmental Code of Practice (ECOP) – will include water & wastewater management protocols, including interventions to divert or slow the movement of water (reducing erosion), and construction contracts will include clauses on safeguards compliance (particularly the development and implementation of related ESMPs).</p> <p>2) ESMPs (or ECOPs) must include a section on waste management (as well as water & wastewater management protocols) to minimize waste production & ensure efficient and safe handling for proper transfer and eventual disposal. The ESMP (or ECOP) will also include mitigation measures for site-specific concerns, for example:</p> <ul style="list-style-type: none"> - occasional spraying of the area to reduce dust; - limiting hours of construction to reduce unfavourable noise and/or vibration(s) experienced by neighbouring communities - waste management & water/wastewater management protocols <p>3) Where possible, utilize silt fencing or filter socks to control sediment and reduce water pollution; define, within the ESMP (or ECOP) and construction proposal measures to separate and either (i) treat; or (ii) safely dispose of polluted water (e.g. transfer to a treatment facility)</p> <p>4) Within the water/wastewater section of the ESMP (or ECOP) and related construction proposal, specify the expected water requirements and water sourcing plans, with an effort to keep consumption at a minimum; sensitize workers on the need to conserve water where possible and on frugal management of water during the construction activities;</p> <p>5) The risk of increased pesticide use will be minimized through the project's training for farmers on good production/good agricultural practices and utilizing integrated pest management (which improve the market price of produce at market).</p>		
<p>Cultural Heritage</p>	<p>Low</p>	<p>Low</p>
<p>Risk:</p> <p>Project's construction activities might physically affect ethnic minorities' sites of archaeological, historical, cultural, artistic, and religious significance, and/or unique environmental features, cultural knowledge, as well as intangible forms of culture embodying traditional lifestyles.</p>	<p>Low</p>	<p>Low</p>
<p>Mitigations:</p> <p>Construction activities are managed by project's contractors through environmental and social management procedures set forth in project's ESMF. A Chance Finds Procedure is in place for contractors to address the possibility of archaeological deposits becoming exposed during ground altering activities within the project area. ESMF has a protocol to follow in the case of a chance archaeological find to ensure unknown archaeological sites are not disturbed until an assessment by a competent specialist is made and actions consistent with the requirements are implemented.</p>		
<p>Indigenous People</p>	<p>Low</p>	<p>Low</p>
<p>Risk:</p> <p>Risk of social, or economic impacts on the non-Kinh ethnic group, including threats to or the loss of resources of historical or cultural significance.</p>	<p>Low</p>	<p>Low</p>

<p>Mitigations:</p> <p>The approach to the non-Kinh ethnic groups is consistent with IFAD's policy on ethnic minorities.</p> <p>FPIC consultation will be adopted for targeting of ethnic minority groups. Cultural differences will dictate the approach adopted. Local languages will be used in all village meetings, planning and extension sessions. Community meetings will be organized in a manner that is appropriate culturally to each of ethnic minority groups being affected by potential project activities.</p> <p>District teams responsible for implementation will reflect gender balance, and their members will have command of ethnic languages.</p> <p>Capacity building tools will be developed in the languages of the main ethnic groups that have written characters and take into consideration cultural differences. Ethnic verbal languages will be used during project planning, discussions, trainings, etc. as preferred by affected ethnic minority groups. Special efforts will be made to recruit project extension agents speaking ethnic groups languages and in mobilizing and mentoring students from the ethnic schools.</p>		
<p>Risk:</p> <p>Exclusion of disadvantaged/ vulnerable groups from project planning, implementation and receiving socioeconomic benefits from the project. For instance vulnerable/disadvantaged people, such the poor, ethnic minority peoples, women, elderlies, etc., may be excluded from accessing temporary employment opportunities, such as those offered by construction contractors. People with disabilities may be excluded from appropriate access to road facilities. The road is not designed for safe crossing at intersections by local people with limited eyesight or difficulties with walking.</p>	Low	Low
<p>Mitigations:</p> <p>An IP Plan has been prepared for the project (Annex 6B). This aims to ensure ethnic minorities, including vulnerable groups within the ethnic minority community such as women, elderlies, are included in project planning and implementation to receive project benefit. A template for annual IPP (to be used by provincial PMUs) is included in IPP to facilitate annual IPP planning, including monitoring target achievement. See also the Gender Assessment (including the accompanying Gender Action Plan (Annex 8) and the Stakeholder Engagement Plan (Annex 7).</p>		
<p><i>Labour and Working Conditions</i></p>	<i>Low</i>	<i>Low</i>
<p>Risk:</p> <p>Child labour, forced labour</p>	Low	Low
<p>Mitigations:</p> <p>All contractors, subcontractors are required, as part of the work contracts, to ensure peoples under 18 years of age will not be hired for sub-project's construction works. In all contracts between PMU and contractors, there shall be provisions that require compliance with the minimum age requirements, including penalties for non-compliance. Contractors will be required to maintain a labour registry for all contracted workers with supporting documents confirming workers' age. Actions by contractors and subcontractor for child labour and forced labour prevention will be reflected in contractors' site-specific ESMPs and will be reviewed and approved by PMU prior to contractor's mobilization to sub-project site.</p>		
<p>Risk:</p> <p>Overtime working, poor working conditions, temporary workers (e.g. local workers, including IP workers, engaged by contractors are underpaid for the nature, scope, and quantity of work that they undertake).</p>	Low	Low

<p>Mitigations:</p> <p>All contractors and subcontracts will be required (in Work Contract) to observe the regulations specified in Vietnam Code of Labour (2019) on labour management and labor working condition. These will include, among others, requirements for contractors as employers to observe requirements of working conditions for their workers, such as work time, overtime, leaves, compensation, compensation for overtime, and mode of compensation. Contract with workers that is at least one month long is subject to registration for social insurance (in accordance with the Law of Social Insurance 2014). Contractors will be required to sign contracts with all seasonal IP workers, if any, as if they work more than one month. This aims to protect seasonal IP workers from about mentioned risks due to lack of a working contract.</p>		
<p>Risk:</p> <p>Occupational Health and Safety (OHS): Labour related accidents on the part of persons, especially vulnerable persons, who worked for project contracted construction companies</p>	Moderate	Moderate
<p>Mitigations:</p> <p>1) The requirements for contractors to identify Occupational Health and Safety (OHS) risks and provide remedies for non-compliance will be included in all procurement documents of PMU. 2) All contractors are required to conduct OHS training to raise awareness of OHS and promote application of good OHS practices prior to mobilizing all workers to construction sites. 3) Where required, based on risk assessment at activity level, contractors will be required to engage qualified OHS staff to be in charge of OHS issues, including provision of training of workers, monitoring of OHS risks and proposed updated preventative measures.</p>		
<p>Community Health and Safety</p>	Low	Low
<p>Risk:</p> <p>Overuse of agrochemicals such as chemical pesticides and fertilizers for enhanced agricultural production which affects farmers' health, water resources, soil, and food safety.</p>	Moderate	Low
<p>Mitigations:</p> <p>Trainings on good agricultural practices, including appropriate use of agrochemicals and pesticide residual management will be provided. Traditional pest management practices that are environmentally benign and have been adopted by local IPs and are appropriate for select value chains will be encouraged/leveraged. Food safety and international standards/certification are included from value chain planning with strict monitoring and evaluation. Awareness raising activities will be conducted regularly to inform IPs of project's social risks, including mitigation measures that project and affected IPs will take to minimize such risks, or address/resolve if such risks happen.</p>		
<p>Risk:</p> <p>Presence of unexploded ordinances (UXOs) at project sites (mostly construction sites, but could include any areas not regularly traversed).</p>	Low	Low

<p>Mitigations:</p> <p>For UXOs, in particular, identification and removal (if any) would be done by experts as part of site clearance prior to commencing any activities on the project sites. Safety risks related to UXOs are considered low to moderate, since most of the construction subprojects will not occur on previously untouched/undeveloped land; however, a UXO risk assessment will be conducted for all the subproject sites where UXOs are considered a potential hazard, and UXO clearance (if needed) will be carried out by qualified agencies. Construction activities will not be allowed prior to UXO clearance.</p>		
<p>Risk:</p> <p>Temporary traffic blocks and related safety issues during construction and operation.</p>	Low	Low
<p>Mitigations:</p> <p>Clear signage will be installed around the project site for safety, with a reasonable notice period (e.g. 24h or more) based on the local regulations/requirements. A detour will be made available for local traffic.</p>		
<p>Risk:</p> <p>Sexual Abuse and Exploitation/Sexual (SEA/SH)</p>	Low	Low
<p>Mitigations:</p> <p>Conduct annual awareness raising events to sensitise a) provincial PMUs, b) contractors, c) local community and authorities, d) local health care services and SEA/SH service providers. This will be mainstreamed to relevant annual meetings at community level to reduce cost and time. All project contractors will be required to have a Contractors' Labour Management Procedures in place – as part of their site-specific ESMP. Contractors must have a social Code of Conducts for their workers and managers and train their staff and workers. To facilitate monitoring, performance indicators will be set to enable contractors and provincial PMUs to monitor social Code of Conducts implementation. Local government will also help disclose the social code of conduct at commune and village's public billboard in local language(s) to promote wide access to community members in subproject areas, particularly vulnerable group such as women, children and youth.</p>		
<p>Risk:</p> <p>Health risks such as risks of contracting of, and spreading of communicable diseases (e.g. COVID-19, STD), and other non-communicable diseases associated with labour influx.</p>	Low	Low
<p>Mitigations:</p> <p>Contractors, including subcontractors, shall be required to undertake health related measures – as specified in Contractors' Work Contract, to reduce the risk of contracting/spreading communicable diseases among contractors' workers and between contractor and local people.</p>		
<p>Risk:</p> <p>Malfunction of small reservoirs</p>	Moderate	Low
<p>Mitigations:</p> <p>This risk will be mitigated through proper environmental and social assessment prior to design, and involvement of experienced irrigation engineers during the design and construction of the proposed small reservoirs, including reference to IFAD's guidance on dam safety, as needed.</p>		
<p>Physical and Economic Resettlement</p>	Moderate	Low

Risk: Involuntarily displaced households due to infrastructure construction.	Moderate	Low
Mitigations: RECAF invests in small and climate resilient infrastructure and will avoid any investments that may cause physical resettlement. Exclusion criteria to be used include exclusion of any infrastructure scheme that requires physical resettlement of more than 20 people per scheme, or affect more than 10 percent (in value term) of assets of an individual household. There will be no forced displacement. FPIC and Grievance Redress are included in the ESMF and site-specific ESMP will be formulated for sub-projects to ensure communities are encouraged to raise their voices and complaints in a fashion that is timely and culturally appropriate.		
Greenhouse Gas Emissions	Moderate	Low
Risk: Inherent risk associated with changing climate in the project area, introducing more extreme events, floods, droughts, and saline intrusion, specifically the sustainability and resiliency of project activities/interventions (e.g. infrastructure).	Moderate	Low
Mitigations: To address issues of climate-induced risks and impacts, RECAF has been designed to mitigate climate change through improved forest management and adapt to climate change through climate-resilient infrastructure and agricultural/agroforestry practices. To accomplish this, infrastructure design and forest management/agricultural and agroforestry practices must be informed by climate projection and not only immediate needs.		
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Moderate
Risk: The project's target groups such as the poor and those whose livelihoods are highly vulnerable to climate, and therefore may face problems resulting from increasing climate variability and hazards (i.e., sea level rise, SWI, storms, long-lasting/heavy rains, and landslides, etc.).	Substantial	Moderate
Mitigations: The project is designed to explicitly address climate vulnerabilities and improve resilience of climate-vulnerable communities through improved agricultural and agroforestry practices and more climate-resilient livelihoods, supporting both in terms of climate mitigation (reducing future risks) and adaptation (responding to existing/expected risks).		
Stakeholders	Low	Low
Stakeholder Engagement/Coordination	Low	Low
Risk: Selected value change commodities exclude poor households; lack of consultation/inclusion of perspectives of rural households, especially vulnerable/disadvantaged households (ethnic minorities, women, youth, elderly, people with disabilities, children).	Low	Low

<p>Mitigations:</p> <p>Project-level strategic investment planning process, (i) pre-identification of potential for involving vulnerable/ disadvantaged rural households in incremental production & job creation; (ii) analysis of conditions and requirements to optimize participation of vulnerable/ disadvantaged rural households;</p> <p>Process integrating strong “bottom-up” commune and district-level participatory processes to capture local knowledge and understanding of impacts, risks, vulnerabilities, and development priorities, particularly development preferences that are culturally appropriate.</p> <p>A Stakeholder Engagement Plan (SEP, Annex 7) was prepared during project design and provides guidance on how to conduct stakeholder engagement throughout the project cycle. During implementation, stakeholder engagement will continue to depend on the target communities and is designed to be, therefore, sensitive to ethnic minority community needs and preferences (as well as differentiated to the needs of vulnerable persons in the project area). All provincial PMUs will maintain FPIC consultations with ethnic minorities and Kinh in the target project communes. FPIC consultations will be factored into the annual Indigenous Peoples’ Plans which each provincial PMU will prepare to ensure ethnic minorities are included in project activities. Gender and youth targets are also mainstreamed into the annual IPPs to ensure that targets are achieved over the project’s life cycle and monitored and evaluated at the project’s midterm and conclusion.</p>		
<p>Stakeholder Grievances</p>	<p>Low</p>	<p>Low</p>
<p>Risk:</p> <p>Affected person(s), particularly affected ethnic minorities, may not know how to lodge their complaints/grievances/concerns to PMU team who is responsible for receiving grievance and process for grievance redress mechanisms.</p>	<p>Low</p>	<p>Low</p>
<p>Mitigations:</p> <p>The project has designed a GRM to provide complainants, including affected ethnic minorities, with redress procedures that are accessible, easily used, and free of charge to enable affected people to raise project related concerns and grievances. The project GRM guide how complaints are lodged, including forms, channels, particularly steps and time-limit for each step, notification of resolution decision, and prescriptive period, etc. GRM also considers local practices of grievance redress that local ethnic minorities prefer, including use of local ethnic minority language. During the grievance resolution progress, where necessary, dialogues will be hold between the project’s designated GRM unit/personnel and the aggrieved people to promote mutual understanding and collaboration among relevant parties for effective resolution.</p>		

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex 10: Exit Strategy

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mapping of IFAD Project Design Report (PDR) vs GCF Funding Proposal (FP) templates

Please see below tables 1) of IFAD PDR and Annexes mapped against those of GCF documentation, and 2) list of IFAD policies and corresponding GCF policies with hyperlinks to aid location of any specific policies.

The “missing information” column captures where GCF documentation may need to be enhanced to meet IFAD’s standards to enable a one-template approach for designing IFAD-GCF blended projects.

IFAD Project Design Report (PDR) sections & Annexes	Corresponding sections or Annexes in GCF Funding Proposal (FP)	Missing information
For access to more detailed information on the requirements of each section please see the PDR template here and the Operations manual design page here .	For access to more detailed information on the requirements of each section please see access to GCF full proposal template here . Additional operational documents can be found here .	
Executive Summary	A. PROJECT SUMMARY	No
1 Context	A.1 – A.21. Project summary	No
A. National context and rationale for IFAD involvement	B. PROJECT INFORMATION	No
a. National Context	B.1. Climate context D.5. Country ownership	No
b. Special aspects relating to IFAD's corporate mainstreaming priorities	B.1. Climate context B.2. (a) Theory of Change narrative and diagram B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization G.1. Environmental and social risk assessment G.2. Gender assessment and action plan	Special aspects relating to IFAD's corporate mainstreaming priorities will be included in MEMO Type-C Projects (as per part 1 of current memo)
c. Rationale for IFAD involvement	B.5. Justification for GCF funding request	Rationale for IFAD involvement will be included in MEMO Type-C Projects (as per part 2 of current memo)
B. Lessons Learned	N/A	Lessons Learned from IFAD investments will be included in MEMO Type-C Projects

		(as per part 3 of current memo)
2 Project Description	B.3. Project Description	No
C. Project objectives, geographic area of intervention and target groups	B.3. Project Description	No, nonetheless, Definition of target group and targeting strategy will be included in MEMO Type-C Projects (as per part 4 of current memo)
D. Components/outcomes and activities	B.3. Project Description	No
E. Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
F. Alignment, ownership, and partnerships	D.4. Needs of recipient D.5. Country ownership B.4. Implementation arrangements (incl. partnerships) D.3. Sustainable development	No
G. Costs, benefits and financing	C. Financing Information	No
a. Project costs	C.1. Total Financing C.2. Financing by component	No
b. Project financing/ co-financing strategy and plan	C.1. Total Financing C.2. Financing by component Annex 13. Co-financing commitment letter, if applicable (template provided) B.5. Justification for GCF funding request (incl. How were co-financing amounts and prices determined? How does the concessionality of the GCF financing compare to that of the co-financing?) Annex 4. Detailed budget plan (template provided)	No
c. Disbursement	G.3. Financial management and procurement (incl. disbursement structure and methods)Annex 14. Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	No

d. Summary of benefits and economic analysis	B.2. (a) Theory of Change narrative and diagram (incl. co benefits) B.2. (b) Outcome mapping to GCF results areas and co-benefits categorization D.3. Sustainable development (incl. Environmental co-benefits; Social co-benefits including health co-benefit; Economic co-benefits) Annex 3. Economic and/or financial analyses in spreadsheet format	No
e. Exit Strategy and Sustainability	B.6 Exit Strategy	No
3 Risks	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No
I. Environment and Social category	G.1. Environmental and social risk assessment (SECAP summary) G.2. Gender assessment and action plan Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided) i.e. SECAP Annex 8. Gender assessment and project/programme-level action plan (template provided)	No; There is an obligation imposed by GCF to disclose the SECAP of IFAD-GCF projects: for Category A project: At least 120 calendar days in advance of the decision by the board of the AE or the GCF Board, whichever occurs first for category B projects: At least 30 calendar days in advance of the decision of the board of the AE or the GCF Board, whichever occurs first
J. Climate Risk classification	G.1. Environmental and social risk assessment	No

	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	
4. Implementation	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones (template provided)	No
K. Organizational Framework	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
a. Project management and coordination	A.11. Implementation period B.4. Implementation arrangements Annex 5. Implementation timetable including key project/programme milestones	No
b. Financial Management, Procurement and Governance	G.3. Financial management and procurement B.4. Implementation arrangements (incl. governance)	No
L. Planning, M&E, Learning, KM and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
a. Planning, M&E, Learning, Knowledge Management and Communication	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided) Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects) D.2. Paradigm shift potential (incl. potential for knowledge sharing and learning)	No
b. Innovation and scaling up	D.2. Paradigm shift potential (incl. potential for scaling-up and replication) D.6. Efficiency and effectiveness (incl. innovations)	No
M. Project Target Group Engagement and Feedback, and Grievance Redress	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan	No

		G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	
a.	Project Target Group Engagement and Feedback	D.5. Country ownership (incl. engagement with target group) Annex 7: Summary of consultations and stakeholder engagement plan G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
b.	Grievance redress	G.1. Environmental and social risk assessment (incl. description of project grievance redress mechanism)	No
N.	Implementation plans	Annex 5. Implementation timetable including key project/programme milestones (template provided) B.4. Implementation arrangements	No
a.	Supervision, Mid-term Review and Completion plans	E.7. Monitoring, reporting and evaluation arrangements. Annex 11. Monitoring and evaluation plan (template provided)	No
IFAD Annexes			
Annex 1	Logical Framework	E. Logical Framework E.1. Logical Framework - GCF Programme Focus E.2. Logical Framework - GCF Impact level: Paradigm shift potential	No (with the understanding IFAD core indicators are to be included as well, as appropriate)
Annex 2	Theory of Change	B.2. (a) Theory of Change narrative and diagram D.1. Impact potential D.2. Paradigm shift potential	No
Annex 3	Project cost and financing: Detailed costs tables	Annex 4. Detailed budget plan (template provided)	No
Annex 4	Economic and Financial Analysis	Annex 3. Economic and/or financial analyses in spreadsheet format	No
Annex 5	Social Environment and Climate Assessment (SECAP) Review Note	Annex 6. E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): (ESS disclosure form provided)	No
Annex 6	First Annual Work Plan and Budget (AWPB)	N/A as Annex 4. Detailed budget plan (template provided) does not include the detailed AWPB of the 1 st year of implementation.	First Annual Work Plan and Budget (AWPB) to become an additional mandatory Annex in the GCF package. Following IFAD template for AWPB.
Annex 7	Procurement Plan for first 18 months	Annex 10. Procurement plan (template provided)	No, with the understanding project team to ensure GCF

			Annex 10 covers the first 18 months of project implementation.
Annex 8	Project Implementation Manual (PIM)	Annex 21. Operations Manual (operations and maintenance) Annex 5. Implementation timetable including key project/programme milestones (template provided)	Annex 21 is not mandatory for the GCF, yet it is almost always requested. Annex 21 is to become mandatory for IFAD procedures following IFAD template for PIM.
Annex 9	Integrated Project Risk Matrix (IPRM)	F. Risks Assessment and Management F.1. Risk factors and mitigations measures G.1. Environmental and social risk assessment (SECAP summary) G.3. Financial management and procurement (incl. FM and procurement risks)	No, with the understanding section F is to be compiled taking into consideration IPRM principles and information required.
Annex 10	Exit Strategy	B.6 Exit Strategy	No
Additional GCF Annexes (mandatory and optional)			
		ANNEX 1: NDA no-objection letter(s) (template provided) (mandatory)	
		ANNEX 2: Feasibility study - and a market study, if applicable (mandatory)	
		Annex 5. Implementation timetable including key project/programme milestones (template provided) (mandatory)	
		ANNEX 7: Summary of consultations and stakeholder engagement plan (mandatory)	
		ANNEX 8: Gender assessment and project level action plan (template provided) (mandatory)	
		ANNEX 9: LEGAL DUE DILIGENCE (REGULATION, TAXATION AND INSURANCE) (mandatory)	
		Annex 11. Monitoring and evaluation plan (template provided) (mandatory)	
		ANNEX 12: AE fee request (template provided) (mandatory)	
		ANNEX 13: Co-financing commitment letter, if applicable (template provided) (mandatory) Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule	
		ANNEX 14: Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule (mandatory)	

		ANNEX 15: EVIDENCE OF INTERNAL APPROVAL (template provided) (optional)	
		Annex 16: Map(s) indicating the location of proposed interventions (optional)	
		Annex 17: Multi-country project/programme information (template provided) (optional)	
		Annex 18: Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project (optional)	
		Annex 19: Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity (optional)	
		Annex 20: First level AML/CFT (KYC) assessment (optional)	
		Annex 22. Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects) (Annex 22 is mandatory for mitigation or cross-cutting projects)	

Mapping of GCF policies against IFAD policies

IFAD policies	GCF policies
Accountability and complaints procedures	Procedures and guidelines of the Independent Redress Mechanism
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Standards for the implementation of the Anti-Money Laundering and Countering the Financing of Terrorism policy
Anti-Money Laundering and Countering the Financing of Terrorism Policy	Anti-Money Laundering and Countering the Financing of Terrorism Policy
Control Framework for IFAD Investments ; Revised charter of the IFAD Office of Audit and Oversight	Administrative guidelines on the internal control framework and internal audit standards
Draft IFAD12 Results Management Framework	Mitigation and adaptation performance measurement frameworks
General Terms and Conditions for Procurement of Services	Corporate procurement guidelines on the use of consultants
General Terms and Conditions for the Procurement of Goods , General Terms and Conditions for Procurement of Services	Corporate procurement guidelines for goods and services
IFAD Accreditation Master Agreement	Legal and formal arrangements with Accredited Entities
IFAD Corporate Risk Dashboard	Risk dashboard (Component III)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Compliance risk policy (Component VIII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Funding risk policy (Component VII)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Investment risk policy (Component V)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments	Non-financial Risk Policy (Component VI)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk guidelines for funding proposals (Component IV)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Revised risk register (Component I)
IFAD Corporate Risk Dashboard , Control Framework for IFAD Investments , Integrated Project Risk Matrix (IPRM)	Risk appetite statement (Component II)
IFAD Financing Terms	Financial terms and conditions of grants and concessional loans
IFAD operations manual	Updated project and programme cycle
IFAD Policy on Engagement with Indigenous Peoples	Indigenous Peoples policy

IFAD policy on gender equality and women's empowerment	Gender policy
IFAD Policy on Project Restructuring	Policy on restructuring and cancellation
IFAD Policy on the Disclosure of Documents	Information Disclosure Policy
IFAD policy to preventing and responding to sexual harassment, sexual exploitation and abuse	Policy on the prevention and protection from sexual exploitation, sexual abuse, and sexual harassment
IFADs co-financing Strategy and Action Plan	Policy on co-financing
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Gender action plan
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Environmental and social policy
IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) ,	Interim environmental and social safeguards of the Fund (Performance standards of the International Finance Corporation)
n/a	
n/a	
Policies and Criteria for IFAD Financing	Initial investment framework
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Policy on Fees
Policies and Criteria for IFAD Financing , Financial Management and Administration Manual	Guiding principles and factors determining terms of financial instruments
Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations	Policy on prohibited practices
Whistleblower Protection Procedures	Policy on the protection of whistleblowers and witnesses
	Initial general guidelines for country programmes
	Performance measurement framework for REDD+ results based payments
	Administrative policies of the Fund
	General principles and indicative list of eligible costs covered under GCF fees and project management costs
	Guidelines for enhanced country ownership and country drivenness
	Monitoring and accountability framework for accredited entities
	Policy on ethics and conflicts of interest for external members of the Green Climate Fund panels and groups
	Initial fiduciary principles and standards of the Fund
	Initial investment framework: activity-specific sub-criteria and indicative assessment factors

	<u>Draft provisions for privileges and immunities</u>
	<u>Terms of reference for the pilot programme for REDD+ results-based payments</u>
	<u>Initial logic model for REDD+ results based payments</u>

Viet Nam

Reduced Emissions through Climate Smart Agroforestry

Project Design Report

Annex 11: Mainstreaming themes – Eligibility criteria checklist

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

Mainstreaming themes – Eligibility criteria checklist						
	<input type="checkbox"/> Gender Transformative	<input type="checkbox"/> Youth Sensitive	<input checked="" type="checkbox"/> Nutrition Sensitive	<input type="checkbox"/> Persons with Disabilities	<input checked="" type="checkbox"/> Indigenous Peoples	<input checked="" type="checkbox"/> Climate Finance <input checked="" type="checkbox"/> Adaptive Capacity
Situation analysis	<input checked="" type="checkbox"/> National gender policies, strategies and actors <input checked="" type="checkbox"/> Gender roles and exclusion/discrimination <input checked="" type="checkbox"/> Key livelihood problems and opportunities, by gender	<input type="checkbox"/> National youth policies, strategies and actors <input type="checkbox"/> Main youth groups <input type="checkbox"/> Challenges and opportunities by youth group	<input checked="" type="checkbox"/> National nutrition policies, strategies and actors <input checked="" type="checkbox"/> Key nutrition problems and underlying causes, by group <input checked="" type="checkbox"/> Nutritionally vulnerable beneficiaries, by group	<input type="checkbox"/> National policies, strategies and actors <input type="checkbox"/> Main groupings among PwDs <input type="checkbox"/> Context-based barriers and opportunities for PwDs	<input checked="" type="checkbox"/> International standards, national policies, strategies and key IPs' organizations <input checked="" type="checkbox"/> Main IPs communities, demographic, social, cultural and political characteristics <input checked="" type="checkbox"/> Important livelihoods constraints and opportunities for IPs and their cultural heritage	
Theory of change	<input type="checkbox"/> Gender policy objectives (empowerment, voice, workload) <input type="checkbox"/> Gender transformative pathways <input type="checkbox"/> Policy engagement on GEWE	<input type="checkbox"/> Pathways to youth socioeconomic empowerment <input type="checkbox"/> Youth employment included in project objectives/activities	<input checked="" type="checkbox"/> Nutrition pathways <input checked="" type="checkbox"/> Causal linkage between problems, outcomes and impacts	<input type="checkbox"/> Pathways to PwDs' socioeconomic empowerment using a twin-track approach	<input checked="" type="checkbox"/> Pathways to IPs' socioeconomic empowerment	
Logframe indicators	<input checked="" type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input type="checkbox"/> Women are > 40% of outreach beneficiaries <input type="checkbox"/> IFAD empowerment index (IE.2.1)	<input type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input type="checkbox"/> Persons with new jobs/employment opportunities (CI 2.2.1)	<input checked="" type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input checked="" type="checkbox"/> Targeted support to improve nutrition (CI 1.1.8) Outcome level CIs <input checked="" type="checkbox"/> CI 1.2.8 MDDW <input type="checkbox"/> CI 1.2.9 KAP	<input type="checkbox"/> Outreach disaggregated by sex, youth, disability and IPs (if appropriate)	<input checked="" type="checkbox"/> Outreach indicator disaggregated by sex, youth and IPs <input checked="" type="checkbox"/> IPs are > 30% of target beneficiaries	
Human and financial resources	<input type="checkbox"/> Staff with gender TORs <input checked="" type="checkbox"/> Funds for gender activities <input type="checkbox"/> Funds for IFAD empowerment index in M&E budget	<input type="checkbox"/> Staff with youth TORs <input type="checkbox"/> Funds for youth activities	<input checked="" type="checkbox"/> Staff or partner with nutrition TORs <input checked="" type="checkbox"/> Funds for nutrition activities	<input type="checkbox"/> Staff with disability inclusion-specific TORs <input type="checkbox"/> Funds for disability inclusion-related activities (including accessibility)	<input type="checkbox"/> Staff with IPs-specific TORs <input checked="" type="checkbox"/> Funds for IPs related activities, including FPIC	IFAD Adaptation Finance \$40,276,000 IFAD Mitigation Finance \$2,633,000 Total IFAD Climate-focused Finance \$42,909,000

<p>ECG Remarks</p>	<p>Gender</p> <p>Annex 8, gender assessment provides for the gender situation analysis and gender action plan. Around 30% of the total target group will be women. Staff positions at the provincial PMUs are covered with government counterpart funds and in the case of RECAF co-financed with GCF. TORs will be included in the PIM.</p> <p>Nutrition</p> <p>The project aims to be nutrition sensitive and aims at improved nutrition through diversification of production systems and improved management of forest and NTFP for forest based diet. RECAF includes the COI 1.2.8 (MDDW) in the logframe which will need to be disaggregated by gender, age and IPs. Output 2.1 on Deforestation free commodities and nutrition sensitive niche product value chains aims to develop new deforestation-free and nutrition sensitive value chains to improve incomes and resilience of poor ethnic minorities. Support of such specific value chains aims to improve nutrition, particularly in regard to protein intake (mushrooms and nuts) and micronutrients (herbs, small aquaculture, dyes and medicinal plants). Nutrition will also be part of the criteria to select and evaluate proposed participatory research on relevant farming systems. Staff positions at the provincial PMUs are covered with government counterpart funds and in the case of RECAF co-financed with GCF. TORs will be included in the PIM.</p> <p>Youth</p> <p>Persons with Disabilities</p> <p>Indigenous Peoples</p> <p>Eighty per cent of RECAF target group are ethnic minorities. RECAF can be listed among the IFAD12 commitment projects (10) prioritizing indigenous peoples. Annex 6B focuses on the Indigenous Peoples' Plan, providing a comprehensive situation analysis and stakeholder engagement. Pathways to improve the livelihoods of the ethnic minorities relate to all the activities financed by the project, with particular attention to women and matriarchal systems. The logframe includes FPIC under activity 1.1.1 (Support for PRAPs: consultancy, FPIC survey, workshop, dissemination), 1.1.2 (development of FPIC guidelines and implementation of FPIC processes), and 2.4.2.1 (conduct FPIC process in priority villages). Staff positions at the provincial PMUs are covered with government counterpart funds and in the case of RECAF co-financed with GCF. TORs will be included in the PIM.</p> <p><input type="checkbox"/> No social inclusion themes</p>
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Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

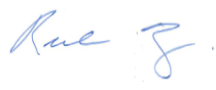
Annex: Viet Nam Recaf Decision Memo For Gcf Cofinancing Post Drm Final Signed Rr

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department

MEMO

TO: QAG

THROUGH: Reehana Raza 
Regional Director, APR

FROM: Francisco Pichon
Country Director, APR

DATE: 19 October 2022

SUBJECT: **Memo for cofinancing 'Type C' projects**
Viet Nam, Reduced Emissions through Climate Smart Agroforestry (RECAF)
Project ID: 2000002336

Map of the project area



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

IFAD Map compiled by IFAD | 07-02-2022

Introduction

1. The Reduced Emissions through Climate Smart Agroforestry (RECAF) Project in the Central Highlands and South Central Coast of Viet Nam is one of the first projects to pilot IFAD's new GCF procedures, formulated as one-template approach to ensure efficiency of the design process, and for GCF and IFAD investments to be truly blended as one operation. In accordance with the new [IFAD Project Design Guidelines](#) (paras 85-87 on GCF projects) issued in June 2022, the required documentation for DRM submission of blended IFAD12-GCF operations consists of the **GCF Financing Proposal (FP) package** accompanied of a **Decision Memo for Co-financing GCF Projects** (which follows the same template as a Type C Decision Memo) capturing all the IFAD-specificities of the project.

Project background and objectives

2. RECAF aims to reduce GHG emissions from the agriculture, forestry, and other land use (AFOLU) sector and improve the climate change resilience of agriculture and forestland-dependent communities. This will be done through climate-smart and deforestation-free value chain development, transparent and equitable benefit-sharing, strengthening the relevant policy framework and institutional arrangements and leveraging the private sector support in Gia Lai, Dak Lak, Dak Nong, and Lam Dong provinces in the Central Highlands, and Ninh Thuan province in the adjacent South-Central Coast. RECAF builds on a blended finance model to combine a GCF grant, IFAD loan, and co-finance from the Government of Viet Nam to crowd in private and public investment in the adaptation and mitigation outcomes.
3. Poverty in the project area is notable compared to the rest of the country, with poverty rates of 8.3 and 12.7%, respectively, in the Central Highlands and South-Central Coast (i.e., in Ninh Thuan)¹, with the economy dominated by agriculture and forestry attributed to the prevalence of agriculture and forestry-dependent subsistence livelihoods in the region. Amongst ethnic minorities, poverty is alarming at 40.4%, amounting to 53.8% of extreme poverty. The region is of high priority for IFAD in view of its large and largely poor, ethnic minority population, as 75% of Viet Nam's ethnic minority populations live in this area with an estimated poverty headcount amounting to close to 1 million households². Most minorities remain rural residents, leaving them potentially more sensitive to climate events by virtue of being more likely to be rural producers.
4. Recent assessment on the social dimensions of adaptation to climate change in Viet Nam³ identified the Central Highlands and the Southern Coastal area as a region with high exposure and high sensitivity to climate change. The project provinces represent approximately 2% of the national territory and 5% of the country's forests, yet are expected to lose 20% of its forest area from deforestation and forest degradation in the next 10 years under a business as usual scenario, representing 4% of the national deforestation and degradation. At the same time, these provinces accounted for 6% (about 800,000 ha) of the degraded land and forests of Viet Nam. Between 2010 and 2018, the five provinces were responsible for a net loss of 292,000 ha of forest, but an even higher net loss of 350,000 ha of natural forest.
5. RECAF will, therefore, address the vulnerability of agriculture and forestland-dependent people and emissions from the conversion to monoculture plantations in the Central Highlands and South-Central Coast by supporting the implementation of the policies and measures under Viet Nam National Action Program on REDD+ 2011-2020 (NRAP), providing the country's REDD+ implementation framework under the United Nations Framework Convention on Climate Change (UNFCCC). The project will facilitate an economically viable transition to sustainable forest management, deforestation-free value chains, agroforestry systems, and climate resilient livelihoods, particularly among forestland-dependent communities and ethnic minorities.
6. To instigate this transformational change, there are several critical barriers, including (i) policy and institutional capacity gaps for implementing REDD+ at the provincial level; (ii) inequitable distribution of costs and benefits of forest protection and conservation; (iii) insecure land tenure and rights; and (iv) limited incentives for the private sector, including a lack of availability and access to long-term and secure financial services and products for mitigation and adaptation investments. RECAF will thus work with public and private stakeholders to remove these barriers by (i) mainstreaming the NRAP into provincial socio-economic development plans and improving the interdepartmental, cross-sectoral, and public-private coordination and their capacity to monitor results; (ii) establishing an effective mechanism for community-based forest management and benefit sharing; and (iii) developing deforestation-free

¹ https://www.gso.gov.vn/wp-content/uploads/2021/03/Thong-cao-bao-chi-MDP_MPI_edited.pdf

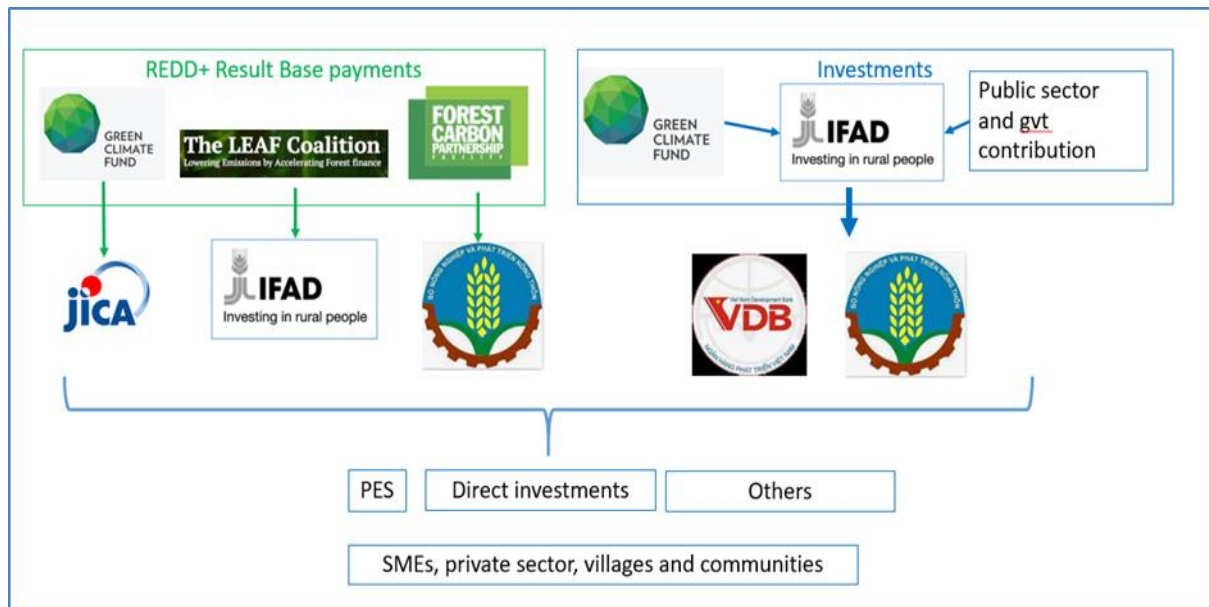
² <https://www.gso.gov.vn/du-lieu-va-so-lieu-thong-ke/2021/07/thong-cao-bao-chi-ve-ket-qua-khao-sat-muc-song-dan-cu-nam-2020/>

³ Richard McNally, and Nguyen The Chien. 2016. Review of Viet Nam's National REDD+ Action Programme and its implementation.

value chains, agroforestry systems, coupled with the development of climate-resilient infrastructure and appropriate financial products.

- RECAF will also support Viet Nam in implementing the Article 6 of the Paris Agreement, for AFOLU related activities, and will support the Viet Nam Administration of Forestry (VNFOREST) to meet all the requirements from different sources of REDD+ Result Based Payments (RBPs) such as the GCF, the Forest Carbon Partnership Facility (FCPF) and the LEAF Coalition (Lowering Emissions by Accelerating Forest Finance, which uses the ART/TREES standard), to be able to seek RBPs for results which will be achieved during the lifetime of the project (2023-2030). The capacity to mobilize REDD+ RBPs at the national level should go hand in hand and in part depends on developing an institutional framework and capacity to then distribute these funds as results based payments to local communities.

Flow of expected investments and REDD+ Result Based Payments to beneficiaries



- Integrating climate change mitigation and adaptation concerns into rural finance.** RECAF's long-term success will depend on the access that small producers have to financing their longer term adaptation and mitigation efforts, notably investments in agroforestry systems and deforestation-free specialty products. As confirmed in the EFA, investments in climate change mitigation and adaptation, such as agroforestry systems, typically have very high positive returns in the long-term yet there is a lack of suitable credit products to finance these. Solutions to overcome barriers to the development of investment loans that are accessible to poor and vulnerable smallholder farmers include (but not limited to): (i) work with finance providers to use alternatives to traditional collateral; (ii) credit partnership models whereby the offtaker is a partner in the flow of finance, including potentially serving to buy down risk; (iii) "vendor based" models where lending goes directly to upstream suppliers; and (iv) more locally adapted loan products.
- Under output 2.1, RECAF will support financial service providers to develop and market products to support emission reduction, carbon sequestration and climate change adaptation. The project will work with microfinance organizations and banks to develop knowledge about products for these investments and help address current barriers and farmers' capacity to access loans. However, the microfinance organizations in particular need to access capital to be able grow their portfolio to fulfil demand. Thus, the project will engage with the Viet Nam Development Bank (VDB) and various government agencies to explore options to provide or leverage capital to these microfinance organizations, specifically for expansion of a "green credit" portfolio including working with VDB to submit a parallel project proposal to GCF to fund a concessional line of credit with VDB as the GCF's Direct Accredited Entity (DAE)⁴. VDB

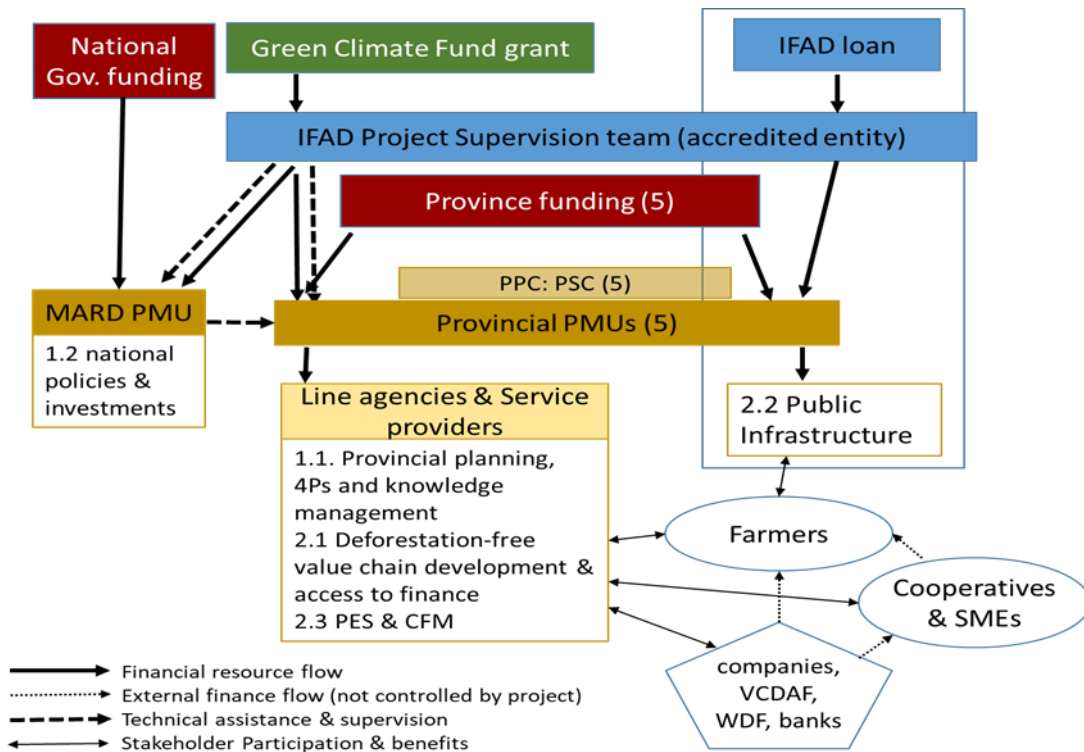
⁴ Meetings have held among IFAD, the Ministry of Finance (MoF) and VDB since May 2022, to explore the possibility to mobilize a GCF loan to be channelled through IFAD as the DAE to VDB for low interest wholesale lending for green credit products. The MOF did not favour to develop a GCF loan component for RECAF at this juncture. The Borrower welcomed the opportunity that the project engages VDB under the GCF grant-funded activities to pilot approaches which can then be supported under a separate GCF lending operation led by VDB. Thus, the Government recommended that RECAF be instrumental to support VDB to explore modalities for building collaboration

has become a DAE of GCF since July 2021, however, at the time of project design, had not yet signed the AMA.

- The project will also build on the successes and lessons learnt of the microfinance services provided by the Women’s Development Fund (WDF), through savings and credit groups supported by the Women’s Union (WU). Since 2012, IFAD has supported the professionalization and development of WDFs in 11 provinces, including in Dak Nong, Ninh Thuan and Gia Lai, and they are still operating successfully and providing growing access to finance to women from ethnic minorities and other rural poor groups. RECAF will also collaborate with the Cooperative Development Funds (CDFs) managed by the Cooperative Alliances in Lam Dong and Dak Lak, which have recently been designed to provide bridge-finance in the growth of cooperatives before they can access commercial loans. They are extremely relevant for the development of cooperative enterprises that produce and market NWFPs and deforestation-free local value products, such as with the ‘One Commune One Product’ program (OCOP).

Project management and implementation arrangements

- RECAF implementation arrangements follow the Government Decree 114/2021 on ODA management in Viet Nam and the proven structure used in all IFAD-funded projects in the country. This ensures that project coordination and implementation arrangements are fully integrated into existing institutional setup in Viet Nam and facilitate direct link to higher level policy makers, sustainability, local capacity building and reduced management cost.
- The Government of Viet Nam has designated the VNFOREST (Ministry of Agriculture and Rural Development) as the Project Coordination Agency, and the Province People Committees (PPCs) of Gia Lai, Dak Lak, Dak Nong, Lam Dong and Ninh Thuan provinces, respectively, as RECAF Lead Project Implementing Agencies. VNFOREST and PPCs are accountable for the project execution. The PPC will establish a Project Steering Committee (PSC) in each province which together with VNFOREST is mandated to lead the project implementation and ensure coordination and integration of the project with all the national target programmes (NTPs) and development partner-funded projects.



Project cost and financing, including IFAD contribution

- RECAF design consists of two technical components and project management, coordination and monitoring. Component 1 focuses on creating an enabling environment to reduce emissions from

with the farmer organizations, MFIs and SME, and initiate formulation of a parallel dedicated project for GCF loan financing with VDB as the DAE.

deforestation, enhance carbon stocks and adapt to climate change, while component 2 will provide measures to reduce GHG emissions from deforestation and promote an economically viable transition to sustainable forest management, deforestation-free value chains, agroforestry systems and climate resilient livelihoods and incomes among forestland-dependent communities and ethnic minorities.

14. Total project cost is US\$ 97.7 million. The USD 35 million GCF grant financing with the USD 43 million IFAD loan (PBAS USD18 million & BRAM USD25 million) will leverage USD 13.3 million in government in-kind contribution. In addition, it is expected that around USD 6.5 million will be leveraged from project beneficiaries, mainly through infrastructure investments (2.2) and agroforestry investments (2.1 and 2.3) and about 7 million from direct private sector co-investment in activities initiated by the 4P platforms and MSMEs, which are not included in the budget. The IFAD loan will exclusively finance the climate resilient infrastructure investments under sub-component 2.2 in accordance with current government ODA policy, which limits the use of ODA funds to infrastructure.

Component/Output	Indicative cost (USD)	GCF financing		Co-financing		
		Amount (USD)	Financial Instrument	Amount (USD)	Financial Instrument	Name of Institutions
Component 1	7,741,000	7,741,000	Grant	0		
Component 2	80,178,000	26,050,000	Grant	4,767,664	Public budget*	GoV
				42,908,972	Loan	IFAD
				6,452,000	In-kind	Beneficiaries
PMC	9,829,000	1,254,000	Grant	8,575,000	Public budget*	GoV
Indicative total cost (USD)	97.7 million	35 million		62.7 million		

15. More than 50% of the project cost will be allocated for activities that will directly benefit forestland-dependent people, particularly ethnic minorities and women (estimated to be 420,000 direct beneficiaries), the rest of the activities will indirectly benefit project beneficiaries (estimated to be 1,000,000 indirect beneficiaries) living in and around the target provinces, primarily through peer-to-peer knowledge exchange and system-wide improvements in value chains and policy and institutional environments. An assumption is that RECAF will attract private sector partners that are interested to invest in deforestation-free supply chains.⁵ Both will be contributing to component 2. Finally, it is also expected that additional resources will be leveraged as REDD+ RBPs from different sources, including the GCF, the FCPF, and the LEAF coalition, for the results to be achieved during the period 2023-2030. For instance, in the letter of intent signed between Viet Nam and the LEAF coalition⁶, the expected volumes of ERs will be 5,570,282 tCO₂-eq for the period 2022-26.
16. As per the EX-ACT analysis, the provisional total carbon balance for the RECAF project is 6.68 Mt CO₂-eq over 12 years (6 years of implementation and 6 years of capitalization) for a total area under analysis of 144,805 hectares. In specific, the sequestration through land use changes (afforestation and other land use change) is -293,120 tCO₂-eq—the carbon sequestration potential from Agriculture (Perennial) with -2,409,108 tCO₂-eq; and Degradation and Management (Forest degradation) with --4,002,980 tCO₂-eq; the project is a source of emissions in Inputs and Investments of +32,982 tCO₂-eq (see details in Annex 22).

⁵ While international pressure for private sector action to halt deforestation is certainly increasing, and companies selling into certain markets will need to demonstrate that their products have not been obtained through deforestation (e.g. under EU FLEGT), other companies will not be interested. But if REDD+ is effectively mainstreamed in provincial and national AFOLU policies, all companies in Viet Nam will be subject to policies that incentivize them to ensure they do not contribute to deforestation. In addition, all companies will be interested in increasing their resilience to climate change, and RECAF activities will be able to assist them with this and attract their participation.

⁶ https://live-leaf-coalition.pantheonsite.io/wp-content/uploads/2021/12/Vietnam_LEAF-Proposal.pdf

Geographic area of intervention and target groups

17. The geographic area of the project comprises five provinces, including Gia Lai, Dak Lak, Dak Nong, Lam Dong in the Central Highlands, and Ninh Thuan in the adjacent South Central Coast of the country, which are among the poorest provinces in Viet Nam. The areas of high incidence of poverty in the country tend to overlap with the remote locations of remaining stands of natural forest⁷. The livelihoods of poor people in remote areas tend to have a relatively high level of dependence on goods and environmental services from natural forests. Forest resources, including timber and non-timber forest products (NTFP), agroforestry practices, forest services (ecotourism, PES), and derived employment, serve as crucial income and nutrition diversity sources for the rural poor.
18. RECAF will directly reach 100,000 smallholder farm households equivalent to some 420,000 people in 21 districts of the five target provinces and about 1,000,000 indirect beneficiaries living in and around the project area. While project activities are of interest to all target groups (self-targeting) in the intervention area, the direct targeting methods will ensure the participation and creation of activities to reach the most vulnerable groups: women, youth and ethnic minorities. Of the total 100,000 direct beneficiary households, 40% will be ethnic minority households, 50% women, and 30% youth. The project aims to support these vulnerable groups to raise their income and food security, and align interventions that correspond to their capacities as regards to payment for ecosystem services, agriculture, deforestation-free value chain and wage employment. For target ethnic minorities, project interventions are crafted to ensure their engagement throughout the project cycle via an FPIC process that will assist them in benefiting from project activities in a manner that is culturally appropriate with a development pace that suits their needs and enable them to participate in deforestation-free value chains.
19. RECAF beneficiaries, including the targets for participation of women, youth and ethnic minority members, will be identified through the Social Economic Development Planning (SEDP)⁸ planning process adopted at commune, district and provincial levels. To ensure greater participation and social inclusion of the project's target groups, a combination of self and direct targeting methods will be set in place. For self-targeting, the selection of value chains and related infrastructure development will be conducted based on specific social and climate criteria to ensure investments are fitted for target beneficiaries. Direct targeting will be done through dedicated activities (e.g. Women Development Fund, specific women-led value chains) as well as through quota for participation of target beneficiaries. RECAF's gender and Indigenous Peoples' sensitive project design and implementation is explained in section D.3 (Sustainable Development), G.1 (Environmental and Social Risk Assessment), and G.2 (Gender Assessment and action Plan) in the GCF's Funding Proposal (FP).

SECAP and IFAD mainstreaming areas

20. **Environment and social category.** The proposed environmental and social risk assignment for the project is Category B (moderate by the new standards). This risk rating is proposed based on the screening of ES risks and impacts associated with the: (i) type, nature and scale of proposed project activities; (ii) project's affected stakeholders and results from stakeholder consultations; and (iii) socio-economic and environmental settings (covering inherent risks) of the potential project sites. The risk assignment accounts for the likelihood of each risk materializing, cumulative environmental and social impacts, and the severity of a given risk's impact on achievement of the intended project results. The risk assessment considers the effect(s) of ES risk mitigation measures already utilized in the project areas, but does not assume any future additional mitigation measures outside of those proposed in the RECAF project ES instruments.
21. **Climate risk classification.** The climate risk classification for RECAF is moderate. The project has been explicitly designed to address issues of climate-induced risks and impacts through: (i) mitigation activities focused on improved forest management; and (ii) adaptation to climate change through climate-resilient infrastructure and climate resilient agricultural/agroforestry practices. The project is expected to reduce the vulnerability of persons in the project area to climate risks, and any infrastructure design and/or forest management/agricultural and agroforestry practices must be informed by climate projection and not only

⁷ William D. Sunderlin and Huynh Thu Ba. 2005. Poverty Alleviation and Forests in Vietnam. CIFOR. Indonesia

⁸ SEDP is a Government required planning policy, which takes place every five years at central and provincial level, three to five years at district level, and annually at commune level. The key purpose of SEDP is to allocate Government's budget and mobilise additional resources from other sectors for economic development of the commune, district, province, and country respectively investing in activities prioritised and selected through the participatory planning process. IFAD has supported the Government of Viet Nam through institutionalising the SEDP in 11 provinces since 1997.

immediate needs (this consideration has, likewise, been built directly into the project design and listed explicitly in the project's Environmental and Social Management Framework (Annex 6A)).

22. The design team used a framework approach consistent with the IFAD's SECAP guidelines and the GCF's Environmental & Social Standards (ESS). Project-related and inherent environmental, social, and climate risks were determined by screening the project activities against SECAP and ESS. These were further supported by findings of extensive stakeholder consultations in the form of a household surveys, focus group discussions, and key informant interviews targeting representatives of project's vulnerable groups in all five provinces. The data and field observations gathered provided valuable insights on the current livelihoods of the project's target groups and the key conditions and enabling environment which could affect the achievement of the project goals. Both quantitative and qualitative data were collected through primary and secondary sources to assist the analysis. The household quantitative analysis provided findings disaggregated by gender, youth, and ethnic minorities to obtain better understanding of project's target group and to contribute to inform the project's design. All the documentation is reported using the templates provided for a GCF project in accordance to IFAD's new GCF procedures.
23. RECAF's comprehensive Feasibility Study is completed and documented in Annex 2 of the GCF FP, which provides: (i) data and analyses on the poverty situation in Viet Nam, deforestation and forest degradation hotspot analysis, and climate projections and potential impacts (including on agricultural and specific crops and forestry); (ii) an overview of rural finance and sources of demand in Viet Nam and the project area, client segments in the RECAF target landscape and their demand for finance, the role of access to finance in delivering RECAF's activities, and an analysis of gaps and unmet demands and implications for RECAF; (iii) an analysis of the management and implementation of REDD+ in Viet Nam and the land tenure and forestland allocation processes in the project area; (iv) a review of the implementation and stocktaking of the practices in community-based forest management and Payment for Forest Ecosystem Services (PFES) in the five provinces targeted by RECAF; and (v) an assessment of the prospects for deforestation-free value chains, commodity and speciality products development in the project area⁹.
24. Based on the screening, the project design team prepared a(n): (i) Environmental and Social Management Framework (ESMF, Annex 6A); (ii) Indigenous Peoples Plan (IPP, Annex 6B); (iii) Gender Assessment (including the accompanying Gender Action and Social Inclusion Plan – GASIP, Annex 8); and (iv) Stakeholder Engagement Plan (SEP, Annex 7). The instruments describe and respond to the assessed environmental and social risks and impacts – through proposed mitigation measures for key E&S risks and impacts that are identified during project design, as well as related feedback from representatives of project's target groups obtained during the FPIC consultation conducted through field visits, household surveys, key informant interviews, and focus group discussions (Annex 7).
25. Mitigation measures across the project cycle are detailed in the ESMF, IPP, GASIP, and SEP, respectively. The ESMF provides details on E&S risks and impacts identified as associated with project activities. Based on these, the E&S screening procedures are proposed in all of these documents to assist provincial PMU to screen for such risks and impacts and prepare mitigation measures for each of subprojects (to be identified during project implementation). Specific steps are provided in all above documents to support PMUs during implementation/operation and the associated monitoring/reporting requirements, including performance indicators – organised through the project's logical framework to track progress achieved at project activity, output, outcome, and project impact levels. The IPP, similarly, provides guidance on how to move from informed and iterative consultations during the design towards full FPIC agreements with ethnic minority communities while incorporating their traditional and ecological knowledge in project activities during implementation. Both documents (ESMF and IPP) detail the project's grievance redress mechanism, taking into account also the grievance redress practices that are preferred by target groups. The Stakeholder Engagement Plan (SEP), which has identified project's potentially affected and interested stakeholders, covers stakeholder consultation results and based on this, sets forth pathway and procedures for continued engagement of the project stakeholders throughout the project cycle using the FPIC consultation process, particularly when specific subprojects at local level are identified, appraised, and implemented. During project design, the risk of potential exclusion of

⁹ Nine working papers are attached to the Feasibility Study to provide further details: (i) Hotspot Thematic Report, (ii) Climate Change and Impacts in Viet Nam and the project area, (iii) Summary description of poverty situation in the project provinces, (iv) Land Tenure and Forestland Allocation (FLA) processes in the project area, (v) Management and Implementation of REDD+ in Viet Nam, (vi) Community-based Forest Management and Payment for Forest Ecosystem Services, (vii) Deforestation-free commodity and speciality products development, (viii) Infrastructure Investments for Deforestation-free value chains and forest protection and management, and (ix) Feasibility study on rural finance in Viet Nam.

vulnerable populations was identified. As such, measures to avoid/minimize this risk has been proposed in ESMF, IPP and SEP.

26. The IPP described the profiles of ethnic minority groups targeted by the project. It also assesses their current livelihoods as a benchmark for RECAF interventions. It sets forth concrete steps and processes for stakeholder engagement – both during project preparation and implementation, to foster meaningful consultation that will lead to FPIC of the target ethnic minority communities for the project activities that affect them. The IPP also identifies key potential constraint to development for the local ethnic minority communities and propose measures to address such constraints in the FPIC consultations as part of the annual IPP which each provincial PMU will prepare to ensure ethnic minorities are included in project activities. This will also aim to address the exclusion risks (that were mentioned above). Gender and youth targets are also mainstreamed into the annual IPPs to ensure that targets are achieved over the project's life cycle and are monitored and evaluated at the project's midterm review and conclusion. FPIC procedures will be followed for all project activities and investments at districts and commune level and a grievance redress mechanism will be established by provincial PMUs as per guidance provided in the ESMF, IPP and SEP.
27. RECAF is aligned with all IFAD12 mainstreaming themes: climate, gender, youth and nutrition, even though the project intends to qualify only as climate focused and nutrition sensitive. It will contribute to reducing vulnerability to climate change among vulnerable rural groups, ecosystems and production systems in the Central Highlands and the South Central Coast of Viet Nam. It will apply adaptation strategies tailored to the geographic and social context of the local communities and support inter-sectoral coordination and planning instruments to integrate climate change risks into territorial governance and regional policies. There will also be a focus on vulnerable/marginalized groups, particularly forestland-dependent local communities, ethnic minorities, and women and youth who are most at risk of being left behind, and mainstreaming climate change, gender and youth into annual project planning and implementation at provincial/district and commune levels. This mainstreaming will occur across all the envisioned activities and remains a strategic priority for IFAD country programme in Viet Nam.
28. Finally, RECAF is expected to have a positive result on dietary diversity among target groups through two different pathways. First, through better and more resilient incomes from more diverse farming systems, better farm management reducing production costs, investments in irrigation and through better value chain linkages and the development of small cooperative businesses around specialty products. Second, the introduction of fruit trees, nuts, herbs and medicinal plants into current monocrop coffee or pepper and in the agroforestry systems to be planted on bare land and the use of beans in CHT will increase the nutritional value of the farm products. Nutrition will also be part of the criteria to select and evaluate proposed participatory research on relevant farming systems. Support to develop specialty products can also add to improved nutrition, particularly in regard to protein intake (mushrooms and nuts, honey, sericulture and small aquaculture in waterbodies within or near the agroforestry fields) and micronutrients (herbs and medicinal plants)¹⁰. Such nutritional values will also be characterized further along preparatory value chain studies and knowledge management to support nutrition / health marketing strategies. Finally, forest conservation and improvement will also lead to more sustainable access and use to relevant NFTP which plays a key role in diet of ethnic minorities, as well as aspects of livelihoods, such as use of herbs for ethnic minorities' traditional medical treatments.

RECAF's catalytic role in support financial service providers to develop and market products to support emission reduction, carbon sequestration and climate change adaptation

29. Currently, Government targets for the private sector continue to focus on raising the efficiency and competitiveness by increasing productivity, quality, and added value. Key incentives are price support subsidies for rice; irrigation service fee exemptions and lack of pricing on water extraction; seed and livestock breeding subsidies; credit subsidy schemes, reduction of land taxes and extension services. Only recently, the target of reducing adverse impacts on the environment has been added to agribusiness development policies and requirements for Environmental Impact Assessments to obtain investment permits have become stricter. Only companies exporting to specific exports markets (e.g. organic niche markets, timber exports to the EU under FLEGT) have an incentive to invest in sustainability and mitigation. Consequently, there has been little demand for financial products to facilitate such investments and commercial banks and MFIs have neither developed suitable credit

¹⁰ <https://www.ifad.org/en/web/latest/-/discovering-the-fruits-of-the-forests-in-viet-nam-and-preserving-them-for-future-generations>

products nor have they sufficient institutional capacity (including, at the institutional level, medium to long term funding capacity) and knowledge on the subject.

30. While the Viet Nam Bank for Social Policy and microfinance institutions target the poor with small loan amounts and the Viet Nam Development Bank (VDB) provides loans for sustainable investments by large scale enterprises, there is a “missing middle”, encompassing both size and tenor elements, resulting in a lack of long-term investment loans targeting poor and vulnerable groups that would allow them to integrate into structured value chains, and to invest in climate change mitigation and adaptation. In addition to this, MFIs have limited effective outreach due to low capitalization and many ethnic minorities and rural communities in particular have low access to the financial services designed for the poorest. Adaptation to climate change has been mainly in the form of investments in irrigation, which has also an immediate impact on productivity, and less in overall adjustments of the farming systems such as agroforestry systems.
31. The project will work both sides of the credit markets financing climate change mitigation and adaptation activities of smallholder farmers and associated value chain SMEs as required, addressing barriers to credit market development. On the demand side, a business case will be made through a training and capacity building component ensuring that farmers from both Kinh and ethnic minority groups, common interest groups (CIGs), cooperatives and SMEs have the skills to participate in the 4P platforms, can implement sustainable practices, and invest in climate change mitigation and adaptation and in alternative, viable livelihood activities. The project will also facilitate financial and business linkages between 4Ps, including buy sell contracts, internal value chain finance and risk management. This will be complemented by training on financial literacy, record keeping and financial management of enterprises. They will be also supported in their loan application process.
32. On the supply side, in order to develop the financial products which will address the financial needs, a blended approach will be required, combining different strategies to achieve financing objectives. WDFs and CDFs are the natural retail finance partners for financing women from ethnic minorities and other rural poor groups. In order to serve this segment, the staff of WDFs and CDFs will be trained on the business models developed under activity 2.1.1, including cash flow measurement, product design and related risk management and loan appraisal skills. They will be involved in value chain linkage activities to develop credit partnership models in productive alliances and contract farming arrangements. Constraints around funding shortfalls will be addressed through the expansion of their capital base for lending.
33. Therefore a study will be conducted on the operational efficiency, supervision and management of the WDFs and CDFs, in order to assess the feasibility of establishing a line of credit or finance facility for them to access and grow their capital available for lending for investments in RECAF priority value chains and in climate change mitigation and adaptation in general. This capital could potentially come from the GCF via VDB through the aforementioned parallel operation. A limited amount of capital will be provided as grant to WDFs through RECAF in order to grow their lending portfolio in time to support project activities, with the intention to use these to leverage additional funds.
34. Additionally, Agribank and other commercial banks will be supported to set up loan groups in collaboration with the FU or WU acting as agents, expanding their existing pilots. Partnerships between these banks and value chain companies, cooperatives and farmers will be supported to develop value chain financing for deforestation-free value chain development. Banks will also be supported to test and pilot innovations that would facilitate access of smallholder farmers to financial services, including fintech, cash-flow based financing, agricultural credit cards and other digital tools and internal value chain lending and payment circuits among others.

Rationale for IFAD's engagement in co-financing and IFAD's value added

35. Viet Nam's middle income status is reducing the availability of concessional finance for the country. It is therefore important for IFAD and other development partners to continue mobilizing grants from internal and external sources, particularly for capacity building and pro-poor activities falling outside the Government's debt management guidelines for use of loans. Under its new ODA policies the Government is now placing strict limits on investments through loans, as a consequence of a rapidly increasing debt-to-GDP ratio in the first half of this decade. Loans are now largely restricted to infrastructure investments. Thus, under RECAF, GCF grant financing, coupled with IFAD's proven last mile infrastructure-oriented loan, provide a strong and attractive platform for Government to achieve its policy goals of incorporating into national and provincial planning processes and public sector

investment, indicators and concerns for climate mitigation and adaptation, sustainable forest management and agricultural commodity production while targeting benefits to ethnic minority groups.

36. IFAD has built a 25+ year-long productive collaboration with Viet Nam through its support to the country's rural population and smallholder farming sector. Through its previous and ongoing operations, IFAD has consistently addressed rural livelihood development for the rural poor focusing its interventions on landless, women, youth, and ethnic minority groups, and incrementally introduced a market-oriented, climate informed, poverty reduction approach, described in the 2012-2017 COSOP (extended to 2019) and the 2019-2025 COSOP.
37. IFAD's comparative advantage is centered on supporting and encouraging innovation and experimentation with value chain development, small-scale infrastructure and financing, payment for ecosystem services (PES), market-oriented planning and public investment, land and forest land planning and allocation, private sector engagement, and climate smart agriculture. In addition, IFAD has also focused on strengthening grass-root community institutions with strong mainstreaming of social, climate and environmental issues so that investments in climate mitigation benefit poor rural households and the most vulnerable rural groups including ethnic minorities. RECAF will be deployed in the poorer, forested areas of the country where institutions tend to be weak, local communities have very limited access to public and private investment, and productive infrastructure deficits impede the inclusion of smallholder producers and ethnic minorities in poverty-reducing agricultural and forestry supply chains and their adoption of climate resilient, sustainable production systems and practices.

Lessons Learned

38. IFAD has already invested in three out of the five provinces targeted by RECAF, including Gia Lai, Dak Nong, and Ninh Thuan during the period 2010-2016. The experience of these previous IFAD-funded project in the region (3EM project in Dak Nong and TNSP in Ninh Thuan province) introduced new and innovative instruments such as the climate-informed Social Economic Development Planning (SEDP), the climate resilient value chain action planning, the common interest group development mechanism, the private-public-producer partnerships (4P) approach, the last mile's climate resilient infrastructure, and the saving and credit groups (SCG), which have all been deployed as key building blocks in the formulation of RECAF:
39. Rural infrastructure generates the highest impact when linked with value chain capacity building based on participatory and market oriented planning, where adaptation to climate change is mainstreamed, financial services are available and technical and business skills enhanced among producers along with the professionalization of their farmer organizations. Accordingly, a key design feature of RECAF is linking private sector entities and financial service providers with small producers through project investments that incentivise (e.g. infrastructure, enhancing producer capacities) and de-risk public and private investments, so as to generate the pull effect.
40. Increasing market and demand for nutritious food, safety and green products can leverage value addition and facilitate environmental and climate smart agriculture adaptation and protect forests. The adoption of environmental practices such as organic VietGAP orange plantations, FSC forest plantation, natural tea plantation, honeybee rearing in forest, and cardamom farming under the forest cover are enhancing and protecting local forests, soils, and water. In mountain areas in Viet Nam, about 178 products are certified with a cooperative trademark and 23 have been issued geographical tracking identification; as a result, values have increased by 20 to 50%¹¹.
41. IFAD-funded projects in Viet Nam have demonstrated the strong impact of the Public-Private-Producer-Partnerships (4P) approach for poverty reduction. Projects provided financial incentives to enterprises that led to farm contracts, higher incomes and employment of poor women. IFAD experience has also confirmed the demand for finance by SMEs and larger private enterprises. In order to engage with small producers, private sector requires, among others: (i) involvement in planning processes for public infrastructure; (ii) support on land allocation for producers and processors; (iii) organization of producer groups; and (iv) effective technical and business development support services.
42. For the empowerment of ethnic minorities, and particularly ethnic women, engagement in community decision-making, representation in local institutions, off-farm employment opportunities, women's land-use entitlement, and women's saving and credit groups (SCGs) for investment in improved agricultural productivity, livestock production and animal health have all proved to be successful particularly when valuing their cultural diversity, knowledge and practices. Engaging poorer households with better-off

¹¹ FAO, 19, MOUNTAIN AGRICULTURE Opportunities for harnessing Zero Hunger in Asia

households in groups and supporting their financial inclusion enabled them to improve their capacity and capital resources to carry out production and link with businesses.

43. Common Interest Groups (CIG) and Collaborative Groups (CG) are central to increase efficiency of agricultural production and household income of smallholders by linking them to value chain led firms. Where market relations through value chain enterprises and/or input suppliers are forged, group members can sell produce with a more reliable volume, better quality and safety, and higher price (economies of scale); at the same time, they can obtain technical assistance, coaching, and market information from the enterprises. Group performance depends very much on the voluntary aggregation of members, on leadership capacities and availability of local service capacities (extension, lead farmers in remote areas etc.). Partnership and clear MoUs with the FU and WU are key for efficiency and sustainability.
44. There is strong role of combining Women Development Fund - Saving and Credit Group (WDF-SCG) and vocation training to facilitate poverty graduation, improve knowledge on nutrition and inclusion in nutrition sensitive value chain income development for poorest groups, women and youth. WDF-SCG can help link groups to commercial banks to further expand financial inclusion and provide income for service organization sustainably.
45. The convergence of multiple and complementary project activities to promote gender equality and women's empowerment has been an important factor in improving local gender roles and responsibilities. A strong partnership with WU was instrumental, especially in the WDF activities. Continued collaboration with the Women Union will enable a gender transformative approach across the Central Highland and Southern Coastal regions. Partnership with the FU can also enhance engagement of youth. For instance, the FU provides small loan packages from their own resources to encourage youth to develop business models and had over 90% success bringing best ones to commercial bank.
46. Capacity development is required to assist government executing agencies (Provincial People's Committee, district, communes, village development board) implement new process such as value chain and climate sensitive planning, 4Ps and co-financing instruments, REDD+, as well as to learn about climate change mitigation and adaptation, deforestation free value chain, and targeting. Developing capacities of CIGs and SCG and linking them to FU and WU is central to increase efficiency of agricultural production and household income of smallholders by linking them to value chain lead firms and supporting them to access rural finance.

Contribution to SDGs and alignment with country sector and IFAD objectives

47. RECAF will contribute to the Sustainable Development Goals (SDG), especially SDG 1 (end poverty), SDG 2 (zero hunger), and SDG 13 (climate action). The RECAF design reflects three strategic objectives of the 2019-2025 COSOP: (i) Leverage greater investment from the private sector into inclusive value chain development, (ii) Enhance and expand financial inclusion for climate resilient rural livelihoods; and (iii) Foster the environmental sustainability and climate resilience of smallholder economic activities. The project also reflects IFAD's mainstreaming and transformative agenda covering gender, youth, indigenous people and climate change resilience.
48. RECAF is fully aligned with relevant national policies and priorities:
 - REDD+ Action Program at national, provincial and commune level.
 - Agriculture Restructuring Program (ARP), supporting agricultural sector growth and competitiveness, ensuring food security, improving rural incomes, reducing negative environmental impacts, and effectively responding to climate changes.
 - National Target Program on Sustainable Poverty Reduction (NTP-SPR), aiming at eliminating poverty, especially in the remote and mountainous areas.
 - National Climate Change Strategy (2011), outlining objectives for 2011-2015 and 2016-2050.
 - NDC (2015), with priority actions and outputs for climate change mitigation and adaptation until 2020 and beyond (2021-2030).
 - *National Green Growth Strategy (2012) and Action Plan (2014)*, for reducing intensity of GHG emissions, promoting clean and renewable energy, greening production, encouraging development of green industry and agriculture.
 - National Microfinance Policy and the new National Financial Inclusion Strategy, calling for pro-

active promotion of market-based rural microfinance.

- National Nutrition Strategy (NNS)

Results Framework

49. See the Logical Framework in section E of the GCF FP and ORMS that includes IFAD core indicators.

Risks and mitigation

50. At the project main objective/goal level, the risk of external shocks to the policy environment, including the COVID-19 and increasing world commodity prices as a consequence of the Ukraine conflict, has the greatest prominence. This risk is ever present in a relatively open economy such as that of Viet Nam with the high proportion of income being derived from export revenue. This is a risk for RECAF since the project is dealing with zero-deforestation value chains that target international markets. At the national level, sound macro-economic policies, including market-determined exchange rates are the main means to mitigate this risk. The main mitigation measures at the project and enterprise levels are the emphasis on sound financial analysis of project investments, with emphasis on quality and high productivity and low cost per unit of output value.
51. At the development objective level, key risks are associated with that of the maintenance of stable socio-economic conditions in the project area and with business regulatory systems. The five provinces targeted by RECAF are enjoying economic growth leading to reduced poverty, with the biggest socio-economic risk associated with climate change. RECAF will advance the national agenda for NRAP and will ensure that all project-financed interventions are based on adaptation and mitigation. The relatively weak private business environment in the provinces is also a risk and the provincial governments (PPCs) have agreed to work with the project to create more favorable business environment, including benchmarking their provincial performance against provinces having high competitiveness indices.
52. Human resources are key for the successful implementation of RECAF. At the outcome/output levels, a risk is that there are limited skilled and efficient contractors and service providers to implement the project in a cost-effective manner, especially in the context of REDD+ related activities. Rigorous screening and investigation of potential contractors prior to engagement can tackle this risk adequately. The experience gained by IFAD in Viet Nam and the project provinces (Gia Lai, Dac Nong, and Ninh Thuan) in this respect remains vital. For specific technical areas in which the executing entities lack expertise, specialized service providers will be engaged. IFAD country team is currently engaged in the identification of potential external technical assistance that could be financed under the GCF-supported outcomes/outputs, as well as project management costs.
53. Identified risks and mitigating measures are thoroughly discussed in the IFAD's Integrated Project Risk Framework (IPRM), including financial management and procurement risk. Although not required, the PDT has prepared a Fiduciary Summary as part of the project design documentation. See also section G.1. Environmental and social risk assessment in the GCF FP. Section G.3 in the GCF FP discusses RECAF's financial management and procurement arrangements.

Alignment of the IFAD-GCF design process

54. RECAF IFAD and GCF project designs were undertaken simultaneously in collaboration with a team from the FAO Investment Centre from November 2021 to August 2022. RECAF is one of the first projects to pilot IFAD's new GCF procedures, which are being developed to ensure efficiency of the designs, and for GCF and IFAD investments to be truly blended as one project. Target dates for the IFAD and GCF Executive Boards are December 2022 and March 2023, respectively. In case the project is not approved at the March 2023 GCF Board as planned, but at a subsequent Board (e.g. June 2023), the mitigation measure is that all the post-approval processes will be initiated once the IFAD EB approval, including Funded Activity Agreement (between IFAD and GCF) drafting, Financing Agreement preparation (between IFAD and the Government), in line with GCF requirements, so that at GCF approval (if at a subsequent board) all these post-approval aspects are ready and documents can be signed, and the 1st disbursements from IFAD and from GCF are taking place as closely as possible. This will ensure project integrity and mitigate any start-up or implementation delays. In addition the costs to cover the initial PMU establishment will be covered by the Government to allow no delays in project implementation start-up.

Estimated cost sharing by IFAD for design

55. The total cost to cover the IFAD-GCF project design amounted to USD 344,390 during the period 2020-2022. This included a USD 35,000 contribution from the 1.2 M Climate Finance Design Gap grant, as well as USD 22,000 from ASAP2 during the project identification phase, both from ECG. IFAD

collaboration with the FAO Investment Centre has also resulted in a one-third FAO co-financing of the GCF project design.

Supervision arrangements

56. The Viet Nam IFAD Country Office (ICO) will carry out regular supervision and implementation support missions, in line with IFAD and GCF guidelines. The ICO will be supported by the regional Financial Management Services Division and Strategy and Knowledge Department teams. Predominantly national technical consultants will be recruited on a needs basis for focused technical support. A midterm survey and MTR will be executed during the third year. All missions will be implemented in close partnership with national and local authorities, development partners and other relevant institutions. The Central and Provincial PMUs will lead the project completion report (PCR) and be supported by the ICO. Similarly, the PCR will be preceded by an end-line survey and be complemented by stakeholder consultations.
57. The IFAD country team has already started to discuss with the Government of Viet Nam the specific technical specialists' profiles who will be available to be seconded by national and provincial counterpart agencies to support project implementation. IFAD is also engaged in the identification of external technical assistance that could be financed under the GCF-supported outcomes/outputs, as well as under project management costs (limited to up to 5% of total costs) or as development partnerships. These could include FAO, SNV, ICRAF and IFAD staff (at P or NPC level) and/or consultants charged to RECAF budget and financed by GCF, to support project management and other technical areas, such as rural finance, deforestation-free supply chain management, M&E and reporting, KM, or safeguards related issues. In coordination with the Government, IFAD is working to prepare such a plan for secondment of specialized technical assistance to be financed by GCF.

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex: Annex 1 Nda Endorsement Letter

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department



Ministry of Planning and Investment

Socialist Republic of Vietnam

Mr. Yannick Glemarec
Executive Director
Green Climate Fund
175, Art center-daero, Yeonsu-gu
Incheon 406-840, Republic of Korea

Hanoi, 24 August, 2020

Re: Funding proposal to the GCF by IFAD regarding Achieving emission reductions in the Central Highland and South Central Coast region of Viet Nam to support National REDD+ Action Programme goals

Dear Sir,

We refer to the project *Achieving emission reductions in the Central Highland and South Central Coast region of Viet Nam to support National REDD+ Action Programme goals* as included in the funding proposal submitted by IFAD to us on 17 April 2020.

The undersigned is the duly authorized representative of the Ministry of Planning and Investment, National Designated Authority/focal point of Viet Nam.

Pursuant to GCF decision B.08/10, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the project as included in the funding proposal.

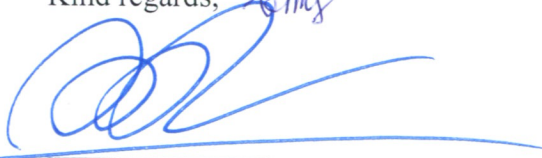
By communicating our no-objection, it is implied that:

- (a) The government of Viet Nam has no-objection to the project as included in the funding proposal;
- (b) The project as included in the funding proposal is in conformity with Viet Nam's national priorities, strategies and plans;
- (c) In accordance with the GCF's environmental and social safeguards, the project as included in the funding proposal is in conformity with relevant national laws and regulations.
- (d) Upon approval of the project, IFAD should work closely with NDA and relevant government agencies for complying with related regulations in Vietnam in order to effectively use GCF sources for Vietnam.
- (e) The no-objection herein is of a general nature and is not necessarily a commitment for any loan attached to the project.

We also confirm that our national process for ascertaining no-objection to the project as included in the funding proposal has been duly followed.

We acknowledge that this letter will be made publicly available on the GCF website.

Kind regards, 


Le Viet Anh
GCF NDA of Viet Nam
Ministry of Planning and Investment

cc. Pa Ousman Jarju, Director, Country Programming, GCF
Jerry Velasquez, Director, Mitigation and Adaptation, GCF
Clifford Polycarp, Country Operations Dialogue Manager, GCF

Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex: Annex 13 Ifad Commitment Letter To Nda

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department



Investing in rural people

18 June 2021

Mr. Le Viet Anh
Director General
Department of Science, Education, Natural Resources and Environment
GCF NDA of Vietnam
Ministry of Planning and Investment

Dear Mr. Le Viet Anh,

I am honoured to refer to the project *Reduced Emissions through Climate Smart Agroforestry (RECAF)* (or *Achieving emission reductions in the Central Highland and South Central Coast region of Viet Nam to support National REDD+ Action Programme goals*) jointly submitted to the Green Climate Fund (GCF) by the Ministry of Planning and Investment (MPI) in its capacity as National Designated Authority (NDA) for the Socialist Republic of Viet Nam and the International Fund for Agricultural Development (IFAD) as the Accredited Entity (AE).

In particular, I refer to your letter dated 24 August 2020 providing no objection to the project as included in the Funding Proposal (FP), confirming that the proposed activity is in accordance with the country's strategic framework and priorities, including its country programme, nationally determined contribution, national adaptation plan or other relevant climate change strategies and plans, as in line with the GCF Programming Manual.

In this regard, I am honored to update you on the latest and immediate future development of the project for your information:

Latest development:

- AE submitted the draft Concept Note (CN) to GCF Secretariat in Sep 2020;
- GCF Secretariat provided feedback and recommendations on the concept note to AE in Dec 2020. AE is working on the response to accommodate these comments to the highest possible degree;
- AE has been holding regular sessions with Dak Lak, Dak Nong, Lam Dong, and Ninh Thuan provinces and MARD to start gathering the required information and prepare the way for the first design mission, scheduled in September 2021.

Next steps:

- AE is planning to hold the Project Pre-Design Mission to Dak Lak, Dak Nong, Lam Dong, and Ninh Thuan provinces for collection of final database and information, and drafting of thematic reports and working papers for the GCF funding proposal towards end-June 2021;
- AE and the Government of Vietnam will address all comments provided by the GCF Secretariat on the CN and submit the responses to GCF Secretariat by tentatively mid-July 2021;

- AE commits to continue carrying out the pertinent studies in consultation with NDA for the development of the FP, for submission to the GCF by December 2021;
- AE commits to continue engaging with NDA and the project beneficiaries as part of the CN/FP preparation process through consultations and technical meetings.

In view of the above, the Accredited Entity would like to request a meeting with you to discuss in more detail the Funding Proposal and the related ongoing processes. We will contact your office to determine your availability to meet with us. Thank you for your consideration of this request.

Accept, Mr. Le Viet Anh, the assurances of my highest consideration.



Francisco Pichon
Country Director for Vietnam
Asia and Pacific Region
Programme Management Department

Copies for information:

Dr. Pham Hoang Mai
Director General
Foreign Economic Relations Department
Ministry of Planning and Investment

Mr. Duong Hung Cuong
Deputy Director General
Foreign Economic Relations Department
Ministry of Planning and Investment

Ms. Luong Thi Que Anh
Head of Division
International Organizations and INGOs Division
Foreign Economic Relations Department
Ministry of Planning and Investment

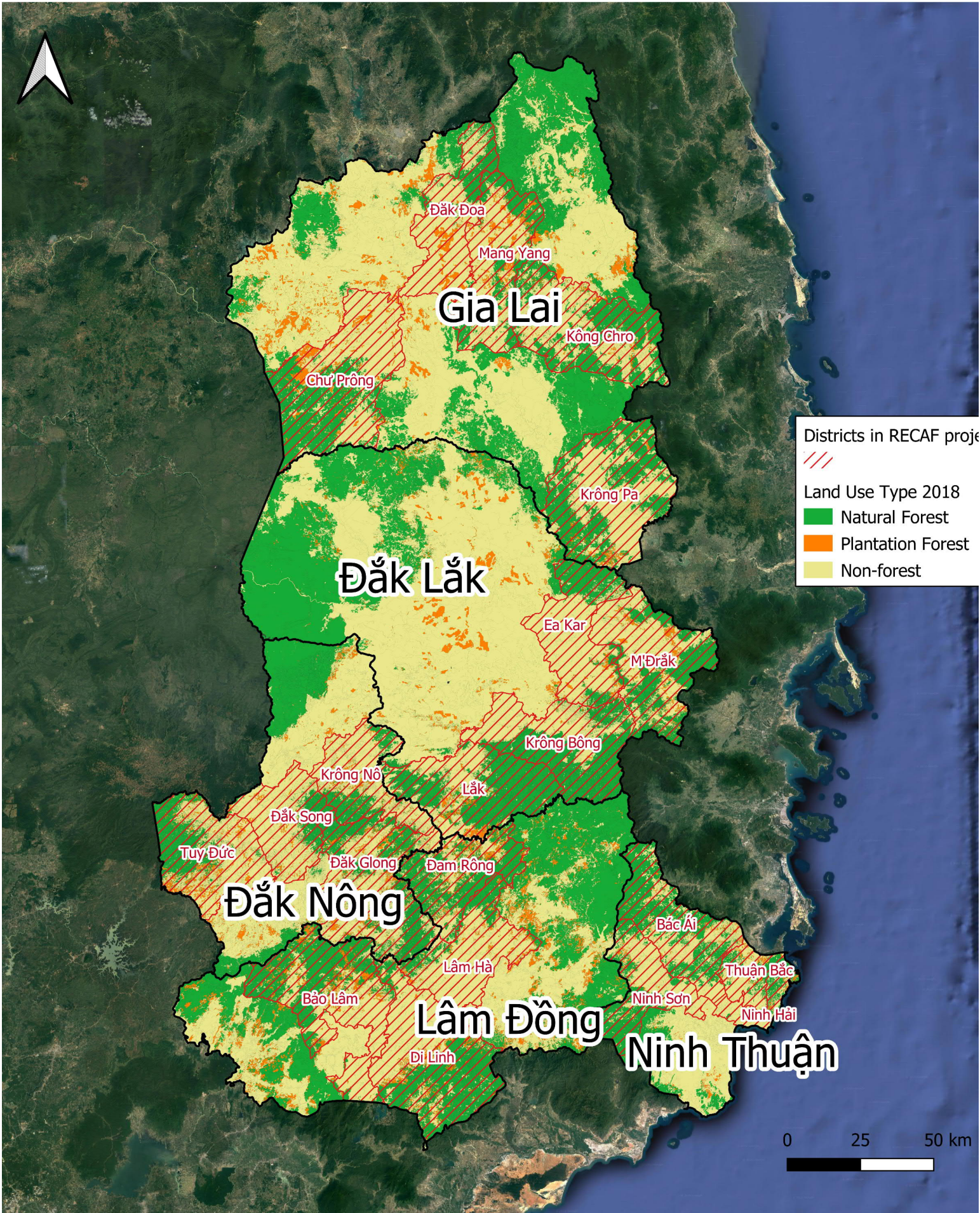
Viet Nam

**Reduced Emissions through Climate Smart Agroforestry
Project Design Report**

Annex: Annex 16 Map Of The Location Of Proposed Interventions

Document Date: 11/11/2022
Project No. 2000002336
Report No. 6081-VN

Asia and the Pacific Division
Programme Management Department



Districts in RECAF project
Land Use Type 2018

- Natural Forest
- Plantation Forest
- Non-forest

