

CLIMATE INVESTMENT FUNDS

May 17, 2017

[Approved by mail]: Caribbean-Saint Lucia- Supporting climate resilient investments in the agricultural sector in Saint Lucia- (PPCR, PSSA) (IDB) (PPCRLC506A) – Germany Comments

[Approved by mail]: Caribbean-Saint Lucia- Supporting climate resilient investments in the agricultural sector in Saint Lucia- (PPCR, PSSA) (IDB) (PPCRLC506A) – Germany Comments

Germany has no major objections to the implementation of the project. However, we have a few comments, which we would like to see incorporated during project implementation:

1. The proposal foresees institutional capacity building as a measure for sustaining targeted results in the project's component 1/ subcomponent 3. In this context, the project includes the development of business continuity plans; however, it is not further elaborated in which way the business continuity plan will contribute to post-project sustainability (e.g. use of more climate-resilient technologies and continuous use of climate-resilient practices, long-term improvement of production quality). Given the importance of sustaining achieved results, we suggest elaborating in detail on the business continuity plan and its value added. We further suggest that other multiplier effects conducive for post-project sustainability, e.g. trainings for trainers, shall be taken into consideration.

2. The project proposal includes the provision of direct insurance against major climate events for smallholder farmers. Saint Lucia is also a policy holder of an indirect climate risk insurance against extreme weather events of the regional insurance facility CCRIF (Caribbean Catastrophe Risk Insurance Facility). Germany therefore kindly asks to outline potential synergies of combining the envisaged direct insurance coverage of farmers with existent indirect insurance coverage at state level. It should be ensured that potential synergies are considered within project design and implementation and that lessons learned are identified and utilized further on how macro and micro insurance approaches can be combined within a country's policy mix for tackling residual climate risks.

Germany welcomes that the results framework does incorporate a gender target "of the number of females directly supported by the program which will be $\geq 25\%$ of the total number of people supported by the program" (cover page, p. 3).

Yet, this quota is only reflected in one indicator, i.e. "number of people who gain access to micro insurance products". The project does not provide measures for gender equality that go beyond the women's quota, in terms of a gender-differentiated impact. As there is certainly potential for a stronger consideration on the gender issue, we kindly ask to include further indicators that are targeting respective gender-balance.

Germany welcomes that the proposed results framework makes clear reference to PPCR core indicators 1, 4 and 5. However, indicator 2 (Evidence of strengthened government capacity and coordination mechanism to mainstream climate resilience) and 3 (Quality and extent to which climate responsive instruments/investment models are developed and tested) are marked as "n/a", although measures are mentioned that could potentially fall under these categories; e.g. the training of four employees of the Ministry of Agriculture could be regarded as a measure falling under indicator 2.

We thus kindly ask to further describe how the project will contribute to the PPCR core indicators 2 and 3.

German development cooperation has currently no activities in St. Lucia. However, German development cooperation is working at the regional level with CARICOM on a project which aims to improve climate resilience of Caribbean island and coastal states through systemic management of aqua-terrestrial resource management, which undertakes also activities in Saint Lucia. We therefore

recommend that potential synergies towards the mentioned project with regard to water management will be examined.
