FAO-GEF Project Implementation Review
2019 – Revised Template
Period covered: 1 July 2018 to 30 June 2019

1. Basic Project Data

General Information

Region:	Europe
Country (ies):	Azerbaijan
Project Title:	Forest Resources Assessment and Monitoring to Strengthen Forestry Policy and Knowledge Framework
FAO Project Symbol:	GCP/AZE/007/GFF
GEF ID:	9795
GEF Focal Area(s):	Climate Change Mitigation, Land Degradation
Project Executing Partners:	Ministry of Ecology and Natural Resources
Project Duration:	39 months

Milestone Dates:

GEF CEO Endorsement Date:	05.07.2017
Project Implementation Start Date/EOD :	01.10.2017
Proposed Project Implementation End Date/NTE[1]:	30.09.2019
Revised project implementation end date (if applicable) [2]	31.12.2020
Actual Implementation End Date[3]:	

Funding

GEF Grant Amount (USD):	1.484.247
Total Co-financing amount as included in GEF CEO Endorsement Request/ProDoc[4]:	7.000.000
Total GEF grant disbursement as of June 30, 2019 (USD m):	634,815

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[1] as per FPMIS

[2] In case of a project extension.

[3] Actual date at which project implementation ends/closes operationally -- only for projects that have ended.

[4] This is the total amount of co-financing as included in the CEO document/Project Document.

Total estimated co-financing materialized as of June 30, 2019[5]	2,729,000

Review and Evaluation

Date of Most Recent Project Steering Committee:	12.04.2019
Mid-term Review or Evaluation Date planned (if applicable):	N/A
Mid-term review/evaluation actual:	N/A
Mid-term review or evaluation due in coming fiscal year (July 2019 – June 2020).	**N/a (FAO should carry out a supervision mission, we can adjust based on that)**
Terminal evaluation due in coming fiscal year (July 2019 – June 2020).	**No**
Terminal Evaluation Date Actual:	N/A
Tracking tools/ Core indicators required[6]	Yes or **No**

Ratings

Overall rating of progress towards achieving objectives/ outcomes (cumulative):	Satisfactory	
Overall implementation progress rating:	Satisfactory	
Overall risk rating:	Low	

Status

Implementation Status *(1st PIR, 2nd PIR, etc. Final PIR):*	1st PIR

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[5] Please see last section of this report where you are asked to provide updated co-financing estimates. Use the total from this Section and insert here.

[6] Please note that the Tracking Tools are required at mid-term and closure for all GEF-4 and GEF-5 projects. Tracking tools are not mandatory for Medium Sized projects = < 2M USD at mid-term, but only at project completion. The new GEF-7 results indicators (core and sub-indicators) will be applied to all projects and programs approved on or after July 1, 2018. Also projects and programs approved from July 1, 2014 to June 30, 2018 (GEF-6) must apply core indicators and sub-indicators at mid-term and/or completion

Project Contacts

Contact	Name, Title, Division/Affiliation	E-mail
Project Manager / Coordinator	Bariz Mehdiyev, Natural Resources Programme Leader, FEAZE	Bariz.Mehdiyev@fao.org
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Project objective and Outcomes	Description of indicator(s)[7]	Baseline level	Mid-term target[8]	End-of-project target	Level at 30 June 2019	Progress rating [9]
Objective(s):						
Outcome 1.1: A methodological mechanism for data collection, assessment and reporting developed	At national level, Sustainable Forest Management (SFM) C&I assessed and reported by stakeholders including recommendations to MENR	There is no SFM C&I mechanism for the monitoring assessment and reporting of forestry	N/A	SFM General Coordinating Committee established, Azerbaijan national SFM C&I set is identified, monitored, assessed and reported	SFM General Coordinating Committee established, Azerbaijan national SFM C&I set is identified, developed, approved	**HS**
Outcome 1.2: An Operational National Forest Assessment and Monitoring System providing reliable and up to date information on forest resources	Number of hectares covered by NFAMS	0 The last forestry inventory was made in 1988. The data on forests is incomplete	N/A	Countrywide data and information collected, analyzed, classified and stored in a GIS based database, covering 72,737 hectares	Forest Information Center (GIS lab) established, Countrywide data and information collected, analyzed, classified and reported via Detailed Collect Earth Report: A Case Study of Agdash and Gakh and Findings for Azerbaijan, indicators to be covered under NFI prepared, field works for NFI expected to launch	**MS**

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[7] This is taken from the approved results framework of the project. Please add cells when required in order to use one cell for each indicator and one rating for each indicator.

[8] Some indicators may not identify mid-term targets at the design stage (refer to approved results framework) therefore this column should only be filled when relevant.

[9] Use GEF Secretariat required six-point scale system: **Highly Satisfactory** (HS), **Satisfactory** (S), **Marginally Satisfactory** (MS), **Marginally Unsatisfactory** (MU), **Unsatisfactory** (U), and **Highly Unsatisfactory** (HU).

Project objective and Outcomes	Description of indicator(s)[7]	Baseline level	Mid-term target[8]	End-of-project target	Level at 30 June 2019	Progress rating [9]
Outcome 2.1 Improved forest management planning in 2 pilot areas	No. of stakeholders trained Number ha under improved Sustainable Forest management practices	No forest management planning teams, stakeholders are not informed about new developments and technologies in forestry	N/A	10 persons including members of the idle management teams trained as trainers 38.405 ha under SFM practices	Triangular cooperation between MENR, Turkish General Directorate of Forestry and FAO formed to support FM activities, the Guideline for the development of multifunctional forest management plans for Azerbaijan drafted, 2 FM planning teams formed and trained (10 local foresters participated in study tour in Turkey), field works for FM data conducted in 60.000 ha	S
Outcome 2.2 Income generating activities for local small farm holders demonstrated and the possibility of their application is investigated	No. of farmers (dis-aggregated by sex) with diversified and improved livelihood strategies reducing pressures to nearby forests	Farmers are deprived of diversified income options; overgrazing is very common	N/A	Pastures rehabilitated – 1500 ha Income generating activities demonstrated for 10 farmers	50 ha pastures rehabilitated Gender and socio-economic assessment conducted. Baseline data on incomes or production levels for beneficiaries developed. Initial ideas for income generating activities developed	S
Outcome 2.3 Carbon stocks enhanced in degraded and deforested Forest Fund land	Number of ha of degraded forest rehabilitated using modern techniques. Number of ha of land afforested. Carbon stored and avoided emissions	The government carries out rehabilitation and afforestation activities with very limited funds and in a traditional way.	N/A	15.300 hectares rehabilitated using modern techniques (GEF plus co-financing) 5.300 hectares afforested using modern techniques (GEF plus co-financing)	93 ha rehabilitated in Gakh region within the project 1.500 ha rehabilitated in both regions by MENR as co-financing 51 ha reforested in Agdash within the project 200 ha reforested in Agdash by the MENR as co-financing. Totally, 10.155 ha rehabilitated in 2018 by the Ministry	MS

Project objective and Outcomes	Description of indicator(s)[7]	Baseline level	Mid-term target[8]	End-of-project target	Level at 30 June 2019	Progress rating [9]
Outcome 3.1: Project implementation based on RBM	M&E system ensuring timely delivery of project results	-	N/A	M&E system ensuring timely delivery of project results	3 progress reports prepared	MS
Outcome 3.2: Sustainability and upscale SFM ensured through provision of up to date information on forest resources and their trend and dissemination of lessons learned and good practices	Public perception of forest management is assessed and increased.	Public is not well informed about the ecologic, economic and social functions of forests.	N/A	Public perception of forest management is assessed and increased	Public Survey conducted, public perception assessed, report results are used during design of project interventions, Communication Strategy and Action Plan drafted, awareness raising campaign and activities have been initiated, web page development is nearly completed	S

Action plan to address MS, MU, U and HU rating [10]

Outcome	Action(s) to be taken	By whom?	By when?
Outcome 2.2 Income generating activities for local small farm holders demonstrated and the possibility of their application is investigated	Additional areas for pasture rehabilitation will be identified, pasture rehabilitation works implemented, effective practice to be demonstrated to local communities and counterparts, replicating the work that has already started to be implemented Selection of local farmers to demonstrate alternative income source activities finalized, pilot demonstrative actions for 10 farmers implemented, effective practices to be demonstrated to neighbour communities for further replication	Project staff MENR Service Providers	July 2019 – August 2020
Outcome 2.3 Carbon stocks enhanced in degraded and deforested Forest Fund land	Modernisation plan for Absheron Seed lab to be prepared Reforestation and rehabilitation works planned/finalized Exact numbers on reforested and rehabilitated areas collected (co-financing), reported	Project staff MENR	Dec 2019 November 2019 December 2019
Outcome 3.1: Project implementation based on RBM	Project monitoring system fully developed and functional (what does this entail? Hiring of M&E consultant?)	FAO Azerbaijan office	December 2019

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[10] To be completed by Budget Holder and the Lead Technical Officer

2. Progress in Generating Project Outputs

Outputs[11]	Expected completion date [12]	Achievements at each PIR[13]					Implement. status (cumulative)	Comments. Describe any variance[14] or any challenge in delivering outputs
		1st PIR	2nd PIR	3rd PIR	4th PIR	5th PIR		
Output 1.1.1: Concept paper and Guidelines on SFM prepared.	Q1 Y1	*Concept paper and guideline on SFM prepared, approved*					100%	Completed by 3rd quarter of 2018. The stakeholder discussions and official approval procedures have lasted longer than expected.
Output 1.1.2: SFM General Coordination Committee (GCC) established	Q1 Y1	*GCC established*					100%	Completed by 2nd quarter of 2018.
Output 1.1.3 National level SFM C&I set identified and agreed by stakeholders	Q1 Y1	*SFM C&I finalized and approved*					100%	Completed by 3rd quarter of 2018. The stakeholder discussions and official approval procedures lasted longer than expected

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[11] Outputs as described in the project logframe or in any updated project revision. In case of project revision resulted from a mid-term review please modify the output accordingly or leave the cells in blank and add the new outputs in the table explaining the variance in the comments section.

[12] As per latest work plan (latest project revision); for example: Quarter 1, Year 3 (Q1 y3)

[13] Please use the same unity of measures of the project indicators, as much as possible. Please be extremely synthetic (max one or two short sentence with main achievements)

[14] Variance refers to the difference between the expected and actual progress at the time of reporting.

Output 1.2.1 A capacity development program for cadres and stakeholders	Q3 Y2	*Training program implemented, 10 cadastre workers trained*						70%	2 sets of trainings organized for 25 local foresters/experts to increase capacity on forest inventory using Collect Earth – Open Foris tool. Additional trainings will be provided for the related staff within next planned activities under NFI component.
Output 1.2.2: An operational geographic information system for forest assessment and monitoring	Q4 Y1	*GIS lab (Forest Information Center) established Software installed*						90%	GIS lab established, equipped, software/programs installed. There are some specific equipment for field works still under procurement procedures to be finalized in coming months.
Output 1.2.3 Data collection and analysis.	Q3 Y3	*Collect Earth desk study to establish the baseline is completed*						20%	Report on desk study on Collect Earth prepared. VA to recruit local and international NFI expert announced. Data collection and analysis process will be launched from September 2019
Output 1.2.4 Participatory C & I assessment.	Q3Y3	*Baseline study is completed*						10%	Collect Earth report is shared with the MENR for review/ comments / suggestions. During next project period project will focus on further justification of data through field works. Based on the data and information collected and facts found, a national level

								workshop will be organized for the assessment and reporting of SFM Criteria & Indicators at national level.
Output 2.1.1: Guidelines for multifunctional management planning developed	Q2 Y2	The guideline is drafted					90%	International consultant drafted the Guideline on multi-functional FM to be present to MENR
Output 2.1.2: Two forest management planning teams trained	Q3Y2	2 FM planning teams trained					50%	Triangular Cooperation framework established between MENR, General Forest Directorate of Turkish Republic and FAO Azerbaijan. Study tour organized to Turkey with participation of 10 local foresters. Turkish foresters coached 10 foresters during field works on FM. Trainings will be continued using the Guideline on FM prepared in international standards
Output 2.1.3: Multifunctional forest management plans for 2 rayons (Qax and Agdas) developed and under implementation	Q3Y2	2 multifunctional FM plans under development					80%	2 management plans are piloted using Turkish experience. These plans will be updated based on approved Guideline on FM

Output								
Output 2.2.1: Pastures in 2 selected sites are rehabilitated	Q3Y3	50 ha of pastures rehabilitated using modern techniques					20%	Additional pilot sites will be selected. Applied practices will be demonstrated to surrounding communities to achieve replication. Baseline data on conditions of pastures at local communities collected through public survey
Output 2.3.1 Shemkir Nursery capacity is increased	Q3Y3	1 nursery modernised					10%	Based on Project Steering Committee (PSC) decision, pilot nursery in project document was changed to another one (Absheron nursery). Justification was that new pilot site is more suitable in climatic characteristics and close to the region with most demand for seedlings
Output 2.3.2 Seed lab modernized	Q3Y2	Detailed list for necessary equipment prepared. Some of equipment purchased					40%	There was a delay in procurement procedures due to difficulties to purchase specific lab equipment
Output 2.3.3 300 ha of degraded forest land are rehabilitated	Q3Y3	93 ha rehabilitated					30%	Difficulties emerged in identification of relevant service providers. Based on consultations with MENR, direct contracting was done with specialized Ministerial company to execute services, Rehabilitation activities will be continued during next project period
Output 2.3.4 300 ha land is afforested across the	Q3Y3	51 ha reforested					20%	Difficulties emerged in identification of relevant service providers. Based on consultations with MENR,

selected rayons								direct contracting was done with specialized Ministerial company to execute services, afforestation activities will be continued during next project period
Output 3.1.1: Gender sensitive Project Monitoring & Evaluation Plan and system in place	Q3Y2	FAO procedures on project monitoring applied					50%	FAO procedures on project monitoring applied
Output 3.1.2: Project Final Evaluations	Q4Y3	N/A					0%	Planned to organize during final quarter of Y3
Output 3.2.1: Communication Strategy Action plan (CSAP) to raise awareness developed	Q3 Y2	Public survey conducted, CSAP and Information materials developed, published					70%	Public Survey finalized during 1st quarter 2019. Final report approved and submitted to MENR. Based on Public Survey report CSAP is developed and currently under final review. Information brochures developed, published, distributed.
Output 3.2.2: A set of manuals or guidelines for forestry managers and technicians that captures and describe	Q3 Y3	Manual and guideline prepared for publication					20%	Guideline on FM are drafted then to prepare for publication. Desk study on Collect Earth is under preparation for publication.

the improved practices, measures and technologies								
Output 3.2.3: Web portal established	Q2 Y2	Draft page for testing developed					80%	Based on discussion with MENR it was decided to develop web page under Ministerial official web portal. Will be finalized by the end of July 2019.

Information on Progress, Outcomes and Challenges on project implementation.

Please briefly summarize main progress achieving the outcomes (cumulative) and outputs (during this fiscal year):

Component 1: Forest Resource Information Management System

Sustainable Forest Management (SFM) Criteria and Indicators have been revised and draft set of recommended SFM C&I and the concept paper has been discussed and validated by national stakeholders. Final version of document (translated to Azerbaijani) was submitted to the Ministry of Ecology and Natural Resources on 02 October 2018 for final approval and approved by the Ministry on 07 December 2018. Within *Outcome 1.2*, related to the Operational National Forest Assessment and Monitoring System, the project has established GIS laboratory (Forest Information Center) at the facilities of the Ministry of Ecology and Natural Resources and equipped with relevant IT and other related forestry inventory equipment. Forest Information Center got formally operational in April 2019. During reported period, the project organized 2 training sessions for Land Use, Land Use Change and Forestry Assessment Training with application of Collect Earth tool for 25 local foresters. Based on data collected, an international consultant has developed a "Detailed Collect Earth Report: A Case Study of Agdash and Gakh and Findings for Azerbaijan" by analyzing results from national data collection and intensified regional data collection according to predefined variables of interest (land use and land use change, fire, planted forests, etc.). The Report presents the results of collected forest-related data and information in Agdash and Gakh at regional level and in Azerbaijan at national level. Both current forest extent and land use change from 2000 to 2016 were assessed and are described in the report. A total of 5,933 sample points were established over a national and subnational grid and remotely assessed using Collect Earth software. Results of the assessment indicate that total forest area in Azerbaijan is approximately 1,260,213ha or 14.56% of total land with a 6.4% sampling error.

Component 2: Forest Management Planning

Under *Outcome 2.1*, following consultation process initiated by MENR a Triangular Cooperation framework was formed in-line with cooperation agreement among MENR and Turkish General Directorate of Forestry supported by FAO office in Azerbaijan. In 2018, 10 local foresters have participated in 12 days study tour in Bolu/Turkey during September 2018 in order to get practical knowledge on forest management planning. Following this, during October-November months 4 Turkish experts and 10 local foresters have conducted field works at 2 pilot regions – Gakh and Agdash in order to collect baseline data for forest management planning process. At present, collected data is being translated into electronic format and will be passed to Turkish expert for further support in data analysis and mapping process. In parallel, terms of references were developed for mapping expert and database expert to further support the process. Based on the decision of 3rd PSC meeting, the project has organized field works for data collection to finalize forest management planning works for Sheki and Barda Regional forestry units. This decision was based on a fact that due to recent structural changes in the Forestry Department Gakh and Agdash Forestry Units were subsumed under Sheki and Barda Regional Forestry Units respectively. Thus, Gakh and Agdash Forestry Units now became sub-forestry units under respective Regional Forestry Units and the work that has been done in Gakh and Agdash could not be turned into management plans of individual units. The project team has prepared field trip work plan and 10 local foresters (2 teams), who are equipped with necessary forestry inventory equipment, have started field works in May 2019 expected to be finalized by August 2019. In parallel to this, 2 local foresters are working on the analysis of collected data at the Forest Information Center to formulate data into management plans.

Under *Outcome 2.2,* Letter of Agreement (LOA) was signed with the Scientific Research Institute on Crop Husbandry within the Ministry of Agriculture in February 2019. The Service Provider has implemented pasture rehabilitation works at 50 ha of pasture in Agdash region. Pasture restoration activities were finalized in April 2019. ***Within the same component***, local consultant on pasture rehabilitation and alternative income sources has conducted field visit to the local communities around forestry areas in pilot regions. Based on initial findings from Public Survey conducted in the area, key sources of alternative income for local residents have been identified.

Under *Outcome: 2.3,* based on the decision taken at 3rd PSC, pilot region for nursery Modernization was changed to Absheron Nursery Unit, however it will not affect related project component target (increased capacity by 2.5 million potted seedlings per year). Justification was that new pilot site is more suitable in climatic characteristics and close to the region with most demand for seedlings. At present, the project team is conducting initial assessment in the area to develop modernization plan for the area.

Within the same component, The Service Provider has started reforestation and forest rehabilitation activities at pilot sites (51 ha reforestation in Agdash region and 50 ha in Gakh, 93 ha forest rehabilitation in Gakh region) since April 2019. At present, reforestation works at 50 ha in Agdash region is almost finalized and forest rehabilitation works at 93 ha in Gakh region is under way.

Component 3: Monitoring, evaluation and knowledge-sharing

Under *Outcome 3.1*, national consultant for socio-economic and gender issues has submitted her report in January 2019 describing the gender division of labour – different roles and activities women and men perform in agricultural/forest resources production and/or in other income generating activities, as well as barriers and constraints that affect farmers in both production and marketing activities. The report is used as a key document for further project planning in relation to the project activities related to enhancement of alternative income sources at target communities.

Under *Outcome 3.2*, a LOA signed with IDEA aiming to support strengthening the enabling environment for SFM, by the implementation of the awareness raising campaign on socio-economic and environmental benefits of the forests within the project. During reported period, IDEA has developed Communication Strategy and Action Plan which is currently under review of related FAO officers. Along with this, together with IDEA and the Ministry of Ecology and Natural Resources, an event dedicated to the Global Forestry Day was organized in March 2019 at a local primary school in Gakh region. During the event, an awareness raising session for pupils it was organized which was followed by the tree planting ceremony at the school yard.

During reported period, the project has contracted a service provider to conduct Public Survey with the main purpose of identification of gender-disaggregated data on perceptions of households and different stakeholders about forests, its socio-economic and environmental benefits, the level of dependence of local communities on forest resources and their role in forest management/protection system, the impact of surrounding communities to local forests and the level of participation of local communities in the forest management planning and implementation. Public Survey was finalized in February 2019 and final report was prepared.

Under *Outcome 3.3*, local web design company was contracted for the establishment of web page aimed to ensure upscaling of SFM through provision of up to date information on forest resources and their trends and dissemination of lessons learned and good practices. In order to achieve sustainability for maintenance of web portal after project's completion, together with the Ministry of Ecology and Natural Resources, it was decided to develop web page on the basis of current official web portal of the Ministry. At present, the Service Provider has submitted draft web page for testing for review and feedback from the project and the Ministry of Ecology and Natural Resources**.**

- **Key programmatic achievements**

Project has set fruitful cooperation environment with the MENR jointly accepting the project as integrated part of conceptual and systematic approach/program for national forest programming. SFM Concept Paper and C&I approved by MENR could also be mentioned as a key programmatic achievement.

Project has established Forest Information Center for the Ministry of Ecology and Natural Resources and improved capacity of local foresters in forestry inventory and forest management planning.

Efficient collaboration with Turkish General Directorate of Forestry established within Triangular Cooperation Framework enables national foresters to learn from practice in management planning according to the current Turkish standard. However, this at the same time possess a challenge since the project was designed to apply international standards. Hence, revision of the Guideline for multifunctional forest management planning will be considered to address the issue of promotion of international standards. MENR will then have a tool at hand which enables inclusion of international standards into the forest management planning.

Initial basis for National Forestry Inventory is formed and necessary data collected/analyzed using spatial information along with the capacity development actions for national foresters involved to the process.

Pilot demonstration works on reforestation, forest and pasture rehabilitation are implemented enabling to demonstrate effective practice and standards for the replication and upscaling of the government as well as serving a showcase for the surrounding areas and communities.

What are the major challenges the project has experienced during this reporting period?

- *Limited number of forestry staff who are involved in FM and NFI procedures and frequent changes*

In order to overcome this, effective collaboration with academic sector and non-governmental sector is promoted to ensure their involvement and ownership over the process. Some of the staff trained during previous project implementation period has left the Ministry or they change their divisions. It is a major obstacle in achieving sustainability of project interventions related to capacity development. During regular project meetings FAO has suggested the Ministry to consider additional measures within the process of structural changes of the Forestry Department to improve income level of staff to ensure their continuity and emphasized the importance of keeping a core staff constantly in place.

- *Structural changes in forestry management system*

Between April and July, administration of MENR went through some structural changes in forestry management system, especially in the regions through combining local forestry units to Regional Units. It led to delay in recruitment of local technical coordinators who are expected to work in the regions in close collaboration with local forestry units. The process is can only now be reconsidered and local technical coordinator are going to be recruited since January 2019.

- *Changes in priorities of the Ministry*

During project implementation period, the project has encountered with changes in priorities of the Ministry that were discussed and agreed in the 3rd PSC meeting. In order to better serve the locations identified as priority areas for forestation work, as well as the climatologic and soil quality advantages, the pilot area for Nursery Modernization has been changed. In addition, the Ministry is quite appreciative of the close collaboration that was achieved during the pilot reforestation works and they are committed to adapting the methods and practices that have been employed for the pilot project forestation sites. The Ministry proposes that they take on the work to achieve a greater part of the forestation targets and have requested the shifting of project funds to other activities which are deemed as greater needs for the Ministry due to lack of capacity, such as the Inventory and Management Planning.

Development Objective Ratings, Implementation Progress Ratings and Overall Assessment

	FY2019 Development Objective rating[15]	FY2019 Implementation Progress rating[16]	Comments/reasons justifying the ratings for FY2019 and any changes (positive or negative) in the ratings since the previous reporting period
Project Manager / Coordinator	S	S	*During project implementation so-far most components is in substantial compliance with the original plan. There are some project actions related to NFI, modernization of nursery and seed lab that are subject to remedial action already considered in revised project work plan for 2019 and 2020.*
Budget Holder	S	S	*Project receives strong support and ownership from the direct beneficiary, the Ministry of Ecology and Natural Resources and all project work and activities are planned in coordination, addressing the most urgent needs of the Ministry, ensuring the sustainability of outputs and monitoring the quality and adequateness of the target achievements. Certain outputs, such as the Multifunctional Management Plans, needs a lot of background work, developing the required capacities, practices and baseline information but the project should be able to meet the requirements and lay down a sound groundwork for further adaptation, mainstreaming and upscaling in Ministry's regular work.*
Lead Technical Officer[17]	S	S	*The project is considered to be well on track. Issues to be solved include attention to high costs of the NFI and making the best of the initiated Triangular cooperation with Turkey on forest management planning*

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[15] **Development/Global Environment Objectives Rating** – Assess how well the project is meeting its development objective/s or the global environment objective/s it set out to meet. Ratings can be Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U) or Highly Unsatisfactory (HU). For more information on ratings, definitions please refer to Annex 1.

[16] **Implementation Progress Rating** – Assess the progress of project implementation. For more information on ratings definitions please refer to Annex 1.

[17] The LTO will consult the HQ technical officer and all other supporting technical Units.

	S	**S**	*The project is on track and is expected to achieve the desired results. Attention needs to be paid to the targets under component 2, and ensure that the co-financing materializes to ensure targets are met.*
GEF Funding Liaison Officer			*The south-south cooperation with Turkey is very welcome. The Government of Turkey has been very supportive and has significant experience to share in the field of forest management and restoration.*
			A 1 year extension (until December 2020) is envisaged for this project. This will be required to complete target activities, particularly under component 2. This is requested because the project suffered some delays during the start-up period.

3. Risks

Environmental and Social Safeguards (Under the responsibility of the LTO)

Overall Project Risk classification (at project submission)	Please indicate if the Environmental and Social Risk classification is still valid[18]. If not, what is the new classification and explain.
Low risk	Valid

Please make sure that the below risk table include also Environmental and Social Management Risks captured by the Environmental and social Management Risk Mitigations plans.

Risk ratings

RISK TABLE
*The following table summarizes risks identified in the **Project Document** and reflects also **any new risks** identified in the course of project implementation. The <u>Notes</u> column should be used to provide additional details concerning manifestation of the risk in your specific project, **as relevant**.*

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[18] **Important:** please note that if the Environmental and Social Risk classification is changing, the ESM Unit should be contacted and an updated Social and Environmental Management Plan addressing new risks should be prepared.

	Risk	Risk rating[19]	Mitigation Action	Progress on mitigation actions[20]	Notes from the Project Task Force
1	Government engagement in the Project at the highest level is insufficient to ensure mainstreaming, upscaling and replication. As a result, the enabling and institutional measures to be proposed by the Project will not be adopted.	Medium

(is this still medium? I thought the cooperation so far with MENR may have lowered the risk. | The Project have several strategies to mitigate this risk: (i) most of the work in the early years will be undertaken at the local level, so during this period time will be taken to advocate and build partnerships at high level government; (ii) the project will demonstrate the advantages of SFM in economic terms, which should attract high level government interest; (iii) the project will establish partners with many stakeholders and will create joint approaches to fostering high-level commitment | The Project has built a fruitful collaboration environment with the high level governmental officials of the Ministry of Ecology. The Ministry has adopted project strategy of application of conceptual approach to SFM to explore the advantages of SFM in economic terms. Frequently organized PSC meetings has strengthened the ownership of the project. | |

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[19] GEF Risk ratings: Low, Medium, Substantial or High

[20] If a risk mitigation plan had been presented as part of the Environmental and Social management Plan or in previous PIR please report here on progress or results of its implementation. For moderate and high risk projects, please Include a description of the ESMP monitoring activities undertaken in the relevant period".

	Risk	Risk rating[19]	Mitigation Action	Progress on mitigation actions[20]	Notes from the Project Task Force
2	The enabling legal and institutional framework is not sufficiently conducive to the Project Objectives, and is not modified/adopted in a timely way. The policy, legal and regulatory framework for forestry in Azerbaijan has changed in recent years, however, it still has several weaknesses, which may hinder achieving some of the Project Objectives	Medium	The Project is designed so that most objectives can be reached through the site level, demonstration and pilot activities. However, some objectives (notably replication and upscaling) will require ultimately changes in the enabling framework. This situation will be monitored in a continuous manner by the Government and FAO, and strategic changes to the Project approach will be determined if necessary.	During project implementation constructive discussions with the Ministry lead to idea to develop/revise National Forestry Program for Azerbaijan covering the period of 2020-2030. Developed within additional FAO TCP project, revised NFP will play a role of a roadmap for the government during future SFM related actions.	
3	Financially sustainable models of forest management have not been identified/developed yet for Azerbaijan.	Medium Same as above—is this risk still medium? Seems it could be lowered	In response, the Project will develop activities and strategies to foster financial sustainability – this is a main strategy of the Project.	SFM Criteria and Indicators developed, submitted and adopted. Guidelines on Multifunctional Forestry Management Planning is drafted comprising main elements of financial sustainability in forest management planning.	

	Risk	Risk rating[19]	Mitigation Action	Progress on mitigation actions[20]	Notes from the Project Task Force
4	Climate change may lead to increased threats to forests, through fire, pests, diseases and changing climatic conditions (temperature, precipitation). Many of the forests are currently vulnerable to pests and diseases – these are two vectors that are likely to be exacerbated by the impacts of climate change.	Low	The time scale for climate change should mean that it does not significantly impact forests during the Project implementation. Further, the Project, by greatly increasing overall forest management capacity, should greatly contribute to climate change resilience in Azerbaijan.	Climate change adaptation related topics have been included to both SFM Criteria and Indicators and Guidelines on Multifunctional Forestry Management Planning. Climate change is the topic of all capacity development related actions within the project.	

Project overall risk rating (Low, Medium, Substantial or High):

FY2018 rating	FY2019 rating	Comments/reason for the rating for FY2019 and any changes (positive or negative) in the rating since the previous reporting period
Low	Low	Despite of change in administration and structural changes within the Ministry, the project has maintained and even improved collaboration level with the respective governmental officials to keep project risk at a low level.

4. Adjustments to Project Strategy

Please report any adjustments made to the project strategy, as reflected in the results matrix, in the past 12 months[21]

Change Made to	Yes/No	Describe the Change and Reason for Change
Project Outcomes	No	
Project Outputs	No	

Adjustments to Project Time Frame

If the duration of the project, the project work schedule, or the timing of any key events such as project start up, evaluations or closing date, have been adjusted since project approval, please explain the changes and the reasons for these changes. The Budget Holder may decide, in consultation with the PTF, to request the adjustment of the EOD-NTE in FPMIS to the actual start of operations providing a sound justification.

Change	Describe the Change and Reason for Change
Project extension	Original NTE: 30.09.2019 Revised NTE: 31.12.2020 Justification: As agreed in the 3rd PSC meeting, extension of the project duration has become necessary as a result of the unexpected 2 months delay in project start due to internal state procedures on project signature for approval to start. During the inception period, the administration of the Ministry has changed, resulting with some stagnation in project progress leading to the need for additional time to achieve project outputs (such as setting-up NFI system, capacity development related actions on the forestry inventory and multi-functional management planning, field activities related to NFI and management planning). Finally, the start of the work to achieve the targets on forest and

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[21] Minor adjustments to project outputs can be made during project inception. Significant adjustments can be made only after a mid-term review/evaluation or supervision missions. The changes need to be discussed with the FAO-GEF Coordination Unit, then approved by the whole Project Task Force and endorsed by the Project Steering Committee.

	pasture rehabilitation was also delayed to the second year of implementation due to the seasonal nature of the activity. The extension of duration is considered to be able to witness the outcomes of the forest planting activities.

5. Gender Mainstreaming

Information on Progress on gender-responsive measures as documented at CEO Endorsement/Approval in the gender action plan or equivalent (when applicable)?

During the reporting period a gender analysis was undertaken within socio-economic assessment at the project target regions. The analysis that is conducted has clearly shown the role of agricultural activities and forestry resources in socio-economic situation of local population. Gender related analysis has shown clear differences in the role of females in household management and decision-making process. Female's participation is relatively low and the project plans to conduct awareness raising actions to increase activeness of female residents in management issues. The report clearly indicates that: "*men and women in target communities had difficulty in identifying opportunities for improving livelihoods and income generation activities; therefore, it is important to employ villages with up-to-date information on agricultural production and increase their marketing and negotiation* skills. *This should be done alongside with gender-sensitization since community members hold traditional views on women's and men's gender roles. Special consideration should be given to youth unemployment as many leave the villages they habited'.*

M&E system has gender-disaggregated data. Participants of all events are tracked using gender disaggregated data. Project has involved gender expert to the execution of gender and socio-economic assessment. Project also benefits from the close supervision and support of the Gender Focal Points in the FAO Country Office as well as the Gender Specialists in FAO's regional and sub-regional networks.

6. Indigenous Peoples Involvement

Are Indigenous Peoples involved in the project? How? Please briefly explain.

N/A

7. Stakeholders Engagement

Please report on progress, challenges and outcomes on stakeholder engagement (based on the description of the Stakeholder engagement plan included at CEO Endorsement/Approval (when applicable)

There were minor changes in the list of stakeholders involved compared to the table that was included in the CEO Endorsement Document:

- The Department of Forest Development within the Ministry of Ecology and Natural Resources was renamed to Forestry Development Services due to structural changes within the Ministry
- Scientific Research Institute of Forestry was abolished and joined to Forestry Development Services
- Division of Ecology and Nature Protection Policy was renamed as Ecological Policy Division
- Department of Protection of Biodiversity and Development of Especially Protected Nature Reserves renamed to Biodiversity and Fishery Services
- International Dialogue for environmental Action (IDEA) NGO is involved as key stakeholder to the awareness raising component of the project
- Scientific Research Institute on Crop Husbandry was involved to pasture rehabilitation related project interventions
- Turkish General Directorate of Forestry is involved as key stakeholder to support the forest management planning component of the project in the framework of Triangular Cooperation for capacity development and support in the activities

8. Knowledge Management Activities

Knowledge activities / products (when applicable), as outlined in knowledge management approved at CEO Endorsement / Approval

Degradation of forest resources in Azerbaijan has been caused mainly by illegal cuts, overgrazing and livestock raising. These causes are driven by local farmers trying to improve their social welfare. The project is showcasing alternatives to relieve pressures on neighboring forests by providing local farmers with improved livelihoods linked to more efficient agroforestry systems and better pasture management and income generating activities.

The Project is on track to generate global environmental benefits in the Land Degradation as well as climate change focal areas, which will be underpinned by socio-economic benefits to local communities at the selected project sites. Simulations using FAO's Ex-Ante Carbon Balance Tool (EX-ACT) show that over a 20 year period, the successful achievement of project activities will avoid/capture roughly 3.16 million tons of CO_2 equivalent. The project will also deliver benefits in terms of reversing land degradation. The project addresses trees and forests mostly in production landscapes, making the linkages with carbon sequestration. Notably it includes: landscape regeneration through use of locally adaptive species, including agroforestry and farmer-managed natural regeneration and SLM approaches to avoid deforestation and forest degradation in production landscapes - including practices for rehabilitation of degraded pastures.

Links to media coverage related to the project activities is provided below:

➢ **Inception workshop of the project**

https://apa.az/sosial_xeberler/fao-azerbaycanda-dayaniqli-mese-teserrufatinin-qurulmasini-destekleyirik-2592.html

http://newscenter.az/2018/02/07/fao-azerbaycanda-dayaniqli-meshe-teserrufatinin-qurulmasini-destekleyir.html

➢ **FAO presented revised National Forestry Program to the Ministry of Ecology and Natural Resources of the RA**

http://unazerbaijan.org/en/fao-presented-the-national-forestry-programme-on-the-protection-and-continuous-development-of-forests-in-azerbaijan/ (EN version)

https://report.az/ekologiya/milli-mese-proqrami-teqdim-olunub/

http://eco.gov.az/az/xeberler/milli-mese-proqrami-teqdim-edilib-9454?fbclid=IwAR0fqSXJIgvCV3UYrNB3MZuF_5XXr7PtMM4AgXVxSvQ2WEHdRV-Z6I0EjlU

https://az.trend.az/azerbaijan/society/3076527.html

➢ **GCP/AZE/007/GFF: Media coverage of the meeting at the MoE_11 July 2018**

https://az.trend.az/azerbaijan/gundem/2927601.html

http://milliyol.az/azerbaycanda_me_elerin_inventarla_d_r_lmas_na_ba_lan_1_b-32470-xeber.html

https://www.azerbaycan24.com/azerbaycanda-meselerin-inventarlasdirilmasina-baslanilib/

9. Co-Financing Table

Sources of Co-financing[22]	Name of Co-financer	Type of Co-financing	Amount Confirmed at CEO endorsement / approval	Actual Amount Materialized at 30 June 2019-	Actual Amount Materialized at Midterm or closure (confirmed by the review/evaluation team)	Expected total disbursement by the end of the project
Government	Ministry of Ecology and Natural Resources of Azerbaijan Republic (MENR)	In-kind	6,000,000	2,606,000[23]		6,000,000
Implementing Agency	FAO	In-kind	1,000,000	123,000		1,000,000
	TOTAL		7,000,000	2,729,000		

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[22] Sources of Co-financing may include: Bilateral Aid Agency(ies), Foundation, GEF Agency, Local Government, National Government, Civil Society Organization, Other Multi-lateral Agency(ies), Private Sector, Beneficiaries, Other.

[23] Co-finance letter is attached

Please explain any significant changes in project co-financing since Project Document signature, or differences between the anticipated and actual rates of disbursement

FAO has a USD 10,000,000 partnership programme for the support of the Forestry sector with the Government of Turkey, which is developed to benefit the countries in Central Asia and Azerbaijan. The programming cycle of the FAO-Turkey Forestry Partnership (FTFP) was intended to be implemented between the years 2016-2020, thus providing the intended co-financing for forestation activities mobilized by FAO. The projects under this partnership fund, as well as other sources are expected to become operational in the coming year so that FAO can increase the co-financing activities in support of the achievement of project targets and outputs.

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№ 27/371   << 04 >> *üpel* 2019-cu il

BMT-nin Ərzaq və Kənd Təsərrüfatı Təşkilatının
Azərbaycanda Tərəfdaşlıq və Əlaqələndirmə Ofisinin rəhbəri

Xanım Mələk Çakmaka

Hörmətli Mələk xanım,

Məlumat üçün bildiririk ki, birgə icra etdiyimiz "Azərbaycanda meşə sahəsi üzrə bilik çərçivəsinin möhkəmləndirilməsi üçün meşə ehtiyatlarının qiymətləndirilməsi və monitorinqi" layihəsi çərçivəsində Nazirliyimiz tərəfində layihənin icrası zamanı natura şəklində töhfə olaraq layihənin başlanmasından bu günə qədər layihə işlərinin icrasına müvafiq mütəxəssislərin cəlb edilməsi, layihə heyəti üçün zəruri təminatla təmin edilmiş ofis və görüşlər üçün otaqların verilməsi, tədbirlərin və layihə fəaliyyətlərin icrası üçün zəruri avadanlıqların, nəqliyyatın və texnikanın təmini, layihənin hədəf ərazilərində əlavə meşə ərazilərində meşə bərpa və meşə əkini, meşəçilik sahəsi üzrə əlavə maarifləndirmə tədbirləri kimi fəaliyyətlər icra edilmişdir.

Nazirliyimiz tərəfindən layihənin komponentləri üzrə natura şəklində edilmiş töhfənin maddi rəqəmlər şəkildə ifadəsi aşağıdakı cədvəldə öz əksini tapmışdır:

Komponent/nəticə	Natura şəklində töhfə (ABŞ dolları)	
	Layihə üzrə cəmi nəzərdə tutulan	Hesabat dövründə
1-ci komponent: Meşə Ehtiyatları barədə Məlumatları İdarəetmə Sistemi		
1.1 Məlumatların toplanması, qiymətləndirilməsi və hesabatın verilməsi üçün metodoloji mexanizm işlənib hazırlanmışdır	150,000	150,000
1.2 Operativ Milli Meşə Qiymətləndirmə və Monitorinq Sistemi	150,000	85,000
1-ci komponent üzrə yarımcəm	**300,000**	**235,000**

Komponent/nəticə	Layihə üzrə cəmi	Hesabat dövründə
2-ci komponent: Karbonun udulmasına, meşə ehtiyatlarının və onların yerli icmaların sosial vəziyyətinin yaxşılaşmasına gətirib çıxaran çoxfunksiyalı meşə idarəçiliyi		
2.1 2 pilot ərazidə meşə təsərrüfatının planlaşdırılmasının təkmilləşdirilməsi	900,000	372,000
2.2 Yerli kiçik fermerlər üçün gəlir gətirən fəaliyyətlərin nümayiş etdirilməsi və tətbiqi imkanlarının araşdırılması	700,000	220,000
2.3 Deqradasiyaya uğramış və qırılmış meşə fondu torpaqlarında karbon ehtiyatlarının genişlənməsi	3,500,000	1,483,000
Subtotal component 2	**5,100,000**	**2,075,000**
3-cü komponent: Monitorinq, qiymətləndirmə və biliklərin mübadiləsi		
3.1 NƏl əsasında layihənin yerinə yetirilməsi	50,000	27,000
3.2 Meşə ehtiyatları barədə yenilənmiş məlumatların, onların istiqamətlərinin təmin edilməsi və əldə edilmiş təcrübələrin və müvafiq qaydaların yayılması vasitəsilə dayanıqlı və orta səviyyədən yuxarı DMT-nin təmin edilməsi	250,000	129,,000
3-cü komponent üzrə yarımcəm	**300,000**	**156,000**
Layihənin idarə olunması	300,000	140,000
Ümumi vəsait	**6,000,000**	**2,606,000**

Hörmətlə,

Direktor   Ağaqardaş Qaraşov

Annex 1. – GEF Performance Ratings Definitions

<u>**Development/Global Environment Objectives Rating**</u> – Assess how well the project is meeting its development objective/s or the global environment objective/s it set out to meet. DO **Ratings definitions: Highly Satisfactory (HS -** Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as "good practice"); **Satisfactory (S -** Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings); **Moderately Satisfactory (MS -** Project is expected to achieve **most** of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits); **Moderately Unsatisfactory (MU -** Project is expected to achieve of its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives); **Unsatisfactory (U -** Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits); **Highly Unsatisfactory (HU -** The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.)

<u>**Implementation Progress Rating**</u> – Assess the progress of project implementation. **IP Ratings definitions**: **Highly Satisfactory (HS):** Implementation of all components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be resented as "good practice". **Satisfactory (S):** Implementation of most components is in substantial compliance with the original/formally revised plan except for only a few that are subject to remedial action. **Moderately Satisfactory (MS):** Implementation of some components is in substantial compliance with the original/formally revised plan with some components requiring remedial action. **Moderately Unsatisfactory (MU):** Implementation of some components is not in substantial compliance with the original/formally revised plan with most components requiring remedial action. **Unsatisfactory (U):** Implementation of most components is not in substantial compliance with the original/formally revised plan. **Highly Unsatisfactory (HU):** Implementation of none of the components is in substantial compliance with the original/formally revised plan.