



FAO-GEF Project Implementation Report

2023 – Revised Template

Period covered: 1 July 2022 to 30 June 2023

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1. Basic Project Data

General Information

Region:	Asia Pacific
Country (ies):	Sri Lanka
Project Title:	Enhancing and bridging knowledge gaps in Sri Lanka's NDC implementation of AFOLU sector for Enhanced Transparency Framework (ETF)
FAO Project Symbol:	GCP/SRL/074/CBT
GEF ID:	10040
GEF Focal Area(s):	Climate Change
Project Executing Partners:	Ministry of Environment
Initial project duration (years):	Two years
Project coordinates: <i>This section should be completed ONLY by:</i> a) Projects with 1st PIR; b) In case the geographic coverage of project activities has changed since last reporting period.	

Project Dates

GEF CEO Endorsement Date:	22 December 2020
Project Implementation Start Date/EOD :	22 nd March 2021
Project Implementation End Date/NTE¹:	31 st August 2023
Revised project implementation End date (if approved) ²	31 st December 2024

Funding

GEF Grant Amount (USD):	USD 863,242
Total Co-financing amount (USD)³:	USD 1,796,000
Total GEF grant delivery (as of June 30, 2023 (USD):	USD 107,975
Total GEF grant actual expenditures (excluding commitments) as of June 30, 2023 (USD)⁴:	USD 32,393
Total estimated co-financing materialized as of June 30, 2023⁵	USD 202,000

¹ As per FPMIS

² If NTE extension has been requested and approved by the FAO-GEF Coordination Unit.

³ This is the total amount of co-financing as included in the CEO Document/Project Document.

⁴ The amount should show the values included in the financial statements generated by IMIS.

⁵ Please refer to the Section 13 of this report where updated co-financing estimates are requested and indicate the total co-financing amount materialized.

M&E Milestones

Date of Last Project Steering Committee (PSC) Meeting:	23 rd June 2023
Expected Mid-term Review date ⁶ :	N/A
Actual Mid-term review date (if already completed):	N/A
Expected Terminal Evaluation Date ⁷ :	30 June 2024
Tracking tools (TT)/Core indicators (CI) updated before MTR or TE stage (provide as Annex)	N/A

Overall ratings

Overall rating of progress towards achieving objectives/ outcomes (cumulative):	<i>Moderately Unsatisfactory</i>
Overall implementation progress rating:	<i>Moderately Unsatisfactory</i>
Overall risk rating:	<i>Moderate</i>

ESS risk classification

Current ESS Risk classification:	<i>Low</i>
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Status

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

Contact	Name, Title, Division/Institution	E-mail
Project Director (PD)	Mr. Leel Randeni, Director (Climate Change)	leelrandeni@gmail.com
Budget Holder (BH)	Vimlendra Sharan (FAO Representative Sri Lanka and the Maldives)	Vimlendra.Sharan@fao.org
GEF Operational Focal Point (GEF OFP)	Dr Anil Jasinghe, Secretary, Ministry of Environment	sec@env.gov.lk
Lead Technical Officer (LTO)	Beau Damen - Office of AGD/Regional Representative - Natural Resources Officer	Beau.Damen@fao.org
GEF Technical Officer, GTO (ex Technical FLO)	Yurie Naito – Technical Officer	Yurie.Naito@fao.org

⁶ The Mid-Term Review (MTR) should take place after the 2nd PIR, around half-point between EOD and NTE. The MTR report in English should be submitted to the GEF Secretariat within 4 years of the CEO Endorsement date.

⁷ The Terminal Evaluation date should be discussed with OED 6 months before the project's NTE date.

2. Progress towards Achieving Project Objective(s) (Development Objective)

(All inputs in this section should be cumulative from project start, not annual)

<i>Please indicate the project's main progress towards achieving its objective(s) and the cumulative level of achievement of each outcome since the start of project implementation.</i>							
Project or Development Objective	Outcomes	Outcome indicators⁸	Baseline	Mid-term Target Mid-term Target⁹	End-of-project Target	Cumulative progress¹⁰ since project start Level (and %) at 30 June 2023	Progress rating¹¹
By 2022, Sri Lanka is preparing reports to the UNFCCC under the Paris Agreement Enhanced Transparency Framework (ETF) covering all components identified in Sri Lanka's	Outcome 1.1 Institutional arrangements coordinating information and data collection from the agriculture and land use sectors into ETF processes and reports enhanced	A: Coordinated sharing of data, information, and analyses from agricultural and land-use sub-sectors in a manner that facilitates ETF processes and reports	Data, information, and analyses from the majority of agricultural and land-use sub-sectors are not being produced and shared in a timely and coordinated manner; no agreed protocols for	Data-provision/ data-sharing protocols established; Primary opportunities and mechanisms identified and being strengthened for improved sharing of data, information, and analyses	ETF-relevant data, information, and analyses within the agricultural and land-use sub-sectors are shared in accordance with adopted and enacted protocols for data-sharing/ data-provision.	AFOLU mapping started, several meetings with two key stakeholders (Agriculture and forestry) undertaken	MS

⁸ This is taken from the approved results framework of the project.

⁹ 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.

¹⁰ Please report on results obtained in terms of Global Environmental Benefits and Socio-economic co-benefits as well.

¹¹ Use GEF Secretariat required six-point scale system: **Highly Satisfactory** (HS), **Satisfactory** (S), **Moderately Satisfactory** (MS), **Moderately Unsatisfactory** (MU), **Unsatisfactory** (U), and **Highly Unsatisfactory** (HU). Refer to Annex 1.

Nationally-Determined Contribution (NDC), including strengthened agriculture and land use sector components, inventories of emissions sources and sinks and information necessary to track progress against priority actions in the NDC.			such data-sharing	for key categories in the agricultural and land-use sub-sectors.			
	B: CBIT Tracking Tool Indicator 5: Qualitative assessment of institutional capacity for transparency-related activities (Scale: 1 – 4)		2: Designated transparency institution exists, but with limited staff and capacity to support and coordinate implementation of transparency activities under Article 13 of Paris Agreement. Institution lacks authority or mandate to coordinate transparency activities under Article 13.	2: Designated transparency institution exists, but with limited staff and capacity to support and coordinate implementation of transparency activities under Article 13 of Paris Agreement. Institutional strengthening and capacity building to build up authority or mandate to coordinate transparency activities under Article 13.	3: Designated transparency institution has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities under Article 13 of the Paris Agreement. Institution has authority or mandate to coordinate transparency activities under Article 13. Activities are not integrated into national planning or budgeting activities.	None	MU
	C: ETF readiness in terms of		Low level of readiness as per section A of	Updated AFOLU readiness assessment and	Measurable increases in readiness level		MU

		institutional and human capacities	AFOLU readiness assessment and expected ETF requirements	finalized ETF requirements	(Note: Quantitative targets to be defined based on updated AFOLU readiness assessment and finalized ETF requirements. Targets will also address the % of women participating)		
		D: Level of engagement of agricultural and land-use sub-sectors with ETF processes	Very limited engagement of agricultural and land-use sub-sector stakeholders, including government, CSOs, and private-sector	Sub-sector coordination mechanisms established (e.g., NCCMF, TWG, MRV portal)	Broad engagement of stakeholders from agricultural and land-use sub-sectors via established coordination mechanisms	Several discussions with agencies related agriculture, and forestry initiated and on going	MS
	Outcome 1.2: Best practices on ETF reporting processes, information gathering, system infrastructure, methodologies in the	E: Degree of engagement with other sectors	Agricultural and land-use sub-sectors not contributing to ETF capacities of other sectors	Increased engagement with inter-sectoral coordination mechanisms	Agricultural and land-use sub-sectors engaging with, benefitting from, and contributing to ETF capacities in other sectors	None	MU
		F: Degree of engagement with regional	Agricultural and land-use sub-sectors	Increased engagement with regional	Agricultural and land-use sub-sectors engaging	None	MU

	<p>agriculture and land-use sectors disseminated to relevant priority sectors (e.g. energy, industry/trade, transportation).</p>	<p>and global ETF counterparts</p>	<p>minimally contributing to ETF capacities of regional and global counterparts</p>	<p>and global ETF coordination mechanisms</p>	<p>with, benefitting from, and contributing to ETF capacities of regional and global counterparts; at least 1 formal document of best practices and lessons learned shared; at least 2 specific summaries/ case studies of lessons learned circulated; regular engagement with established coordination mechanisms</p>		
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	<p>Outcome 2.1 Reporting on inventories of emissions sources and sinks and mitigation activities from agriculture and land-use sectors strengthened</p>	<p>G: AFOLU CCM component of CBIT Tracking Tool Indicator 3: Quality of MRV systems (Scale: 1 – 10)</p>	<p>3: AFOLU CCM measurement systems are in place for a few activities, improved data quality and methodologies, but not cost or time efficient; wider access to reporting is still limited and information is partial; verification is rudimentary/ non-standardized</p>	<p>3: AFOLU CCM measurement systems are in place for a few activities, improved data quality, methodologies, and where possible sex-disaggregated, but not cost or time efficient; wider access to reporting is still limited and information is partial;</p>	<p>6: AFOLU CCM measurement systems are strong and cover a greater percentage of activities – feedback loops exist even if they are not fully functioning; reporting is available through multiple pathways and formats but may not be complete/ transparent; verification is done through standard methodologies but only partially (i.e. not all data are verifiable)</p> <p>[Verification is expected to be the constraint at this stage.]</p>		MU
		<p>H: Availability of formal, adopted metadata</p>	<p>None</p>	<p>Drafted by TWG</p>	<p>Endorsed and adopted by relevant stakeholders</p>		MU

		parameters and QC protocols for agricultural and land-use sub-sectors					
		I: Sufficiency of technical and human capacities to enact CCM-related QC protocols for agricultural and land-use sub-sectors	Very low, particularly for decentralized locations	Technological needs determined based on drafted protocols; materials developed for human needs	High for all stakeholders with direct relevance to the NCCMF protocols	None	MU
	Outcome 3.1: Strengthened measurement of climate-change impacts, vulnerabilities, and adaptation-related activities in the agricultural and land-use sectors.	J: Availability of formal, adopted metadata parameters and QC protocols for CCA in the agricultural and land-use sub-sectors	None	Drafted by TWG; including sex-disaggregated data provisions	Endorsed and adopted by relevant stakeholders	None	MU
		K: Sufficiency of technical and human capacities to enact CCA-related QC protocols for	Very low, particularly for decentralized locations	Technological needs determined based on drafted protocols; materials	High for all stakeholders with direct relevance to the NCCMF protocols	None	MU

		agricultural and land-use sub-sectors		developed for human needs			
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Measures taken to address MS, MU, U and HU ratings on Section 2

Outcome	Action(s) to be taken	By whom?	By when?
All Outcomes	Operationalize the PMU (Project Office) and hold the inception workshop	Ministry of Environment	September 2023
	Establish Technical Working Groups	Ministry of Environment	September 2023
	Finalize and obtain approval from the PSC for Annual work plan and budget	PMU and Ministry of Environment	October 2023
	Selecting Service Providers and drafting the Letter of Agreement.	Ministry of Environment,	August/September 2023
	Issue the 2 nd LOA mainly targeting immediate and long term activities prioritized at the inception workshop	FAO	September 2023

3. Implementation Progress (IP)

(Please indicate progress achieved during this FY as per the Implementation Plan/Annual Workplan)

Outcomes and Outputs ¹²	Indicators (as per the Logical Framework)	Annual Target (as per the annual Work Plan)	Main achievements ¹³ (please DO NOT repeat results reported in previous year PIR)	Describe any variance ¹⁴ in delivering outputs
Outcome 1.1 Institutional arrangements coordinating information and data collection from the agriculture and land use sectors into ETF processes and reports enhanced				
Output 1.1.1 Coordination mechanism established/strengthened integrating relevant authorities from the agriculture and land use sector into national UNFCCC reporting processes	Coordinated sharing of data, information, and analyses from agricultural and land-use sub-sectors in a manner that facilitates ETF processes and reports ¹⁵	Coordination meeting for stakeholder mapping and technical working groups to create an AFOLU sector MRV and build a framework for ETF transition and management	The process had been initiated under the first LOA to undertake all activities specified for this output. Stakeholder mapping exercise initiated by CCS	None
Output 1.1.2 Assessment prepared to assess institutional, data collection, analysis and reporting capacity gaps and needs for meeting ETF requirements with specific focus on the priority NDC actions for the agriculture, forestry and land-use sectors.	CBIT Tracking Tool Indicator 5: Qualitative assessment of institutional capacity for transparency-related activities	Coordination meeting for stakeholder mapping and technical working groups to prepare a need assessment and Training workshops for necessary capacity for stakeholders including CCS	Not Achieved	Output not achieved in total

¹² Outputs as described in the project Logframe or in any approved project revision.

¹³ Please use the same unit of measurement of the project indicators as per the approved Implementation Plan or Annual Workplan. Please be concise (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.

¹⁵ Indicator refers to the institutional arrangements for data-sharing and data-provision, not the production of data/ information (i.e., measurement), which is covered under Components 2 and 3.

	(Scale: 1 – 4)			
Output 1.1.3 National ETF monitoring and reporting roadmap for the AFOLU sectors prepared and adopted	ETF monitoring and reporting roadmap	Coordination meeting for stakeholders and technical working groups to build a framework for ETF roadmap to generate data necessary for UNFCCC reporting	Not achieved	Output not achieved in total
Output 1.1.4 Capacity developed to clarify measurement and reporting of key NDC information (baselines, Business-As-Usual targets) and support provided for ETF reporting in AFOLU sectors	ETF readiness in terms of institutional and human capacities	Training workshops for necessary capacity for stakeholders including CCS to liaise with AFOLU stakeholders to train stakeholders to generate data necessary for ETF reporting in AFOLU sector	Not achieved	Output not achieved in total
Output 1.1.5 Sri Lanka's engagement strengthened in the AFOLU sectors with international transparency-related processes under the UNFCCC.	Level of engagement of agricultural and land-use sub-sectors with ETF processes	Coordination meeting for stakeholder and technical working groups to generate data necessary for UNFCCC reporting	Not achieved	Output not achieved in total
Output 1.2.1. Multi-sectoral coordination mechanism strengthened integrating relevant authorities into national UNFCCC reporting processes.	Degree of engagement with other sectors	Coordination meeting for stakeholder and technical working groups to generate data necessary for UNFCCC reporting	Not achieved	Output not achieved in total
Output 1.2.2 ETF lessons learned from AFOLU sectors monitored, captured, scaled up and shared to enhance wider national reporting	Degree of engagement with regional and global ETF counterparts	Participation of regional and global CBIT and ETF forum	Not achieved	Output not achieved in total
Output 1.2.3 Peer exchange program on transparency activities established for relevant priority sectors	Program on transparency activities established for priority sectors	Coordination meeting for stakeholder and technical working groups	Not achieved	Output not achieved in total
Outcome 2.1 Strengthened capacity to measure GHG emissions, removals, and emission-reduction activities from agricultural, forestry and land-use sectors.				
Output 2.1.1 Quality-control (QC) protocols established for regular, systematic estimates of emissions, removals, and emission-	AFOLU CCM component of CBIT Tracking Tool	Coordination meeting to estimate resource requirements and sources for initial and sustained	Not achieved	Output not achieved in total

reduction activities in the agricultural and land-use sectors	Indicator 3: Quality of MRV systems	support and Stakeholder coordination and establishment of Technical working Groups for MRV System arrangements for ETF – AFOLU framework		
Output 2.1.2 Information technology systems upgraded to integrate, analyze, and archive diverse data types.	Availability of formal, adopted metadata parameters and QC protocols for agricultural and land-use sub-sectors	Technical capacity building workshops for stakeholder of Agriculture, Forestry and Other Land Use sector Validation workshops for MRV system and Conduct pilot tests of measurement protocols as needed	Not achieved	Output not achieved in total
Output 2.1.3 Capacity and technology upgraded in relevant institutions to strengthen mitigation-related MRV, including country-specific emissions factors, activity data, and Tier 2 reporting for key sub-categories in the agriculture, forestry and land-use sectors. (Coordinates with 3.1.3.)	Sufficiency of technical and human capacities to enact CCM-related QC protocols for agricultural and land-use sub-sectors	Training of relevant stakeholders to enable measurements in line with data provision guidelines and preparation of training materials	Several discussion with the Department of Forest Conservation in updating the forest cover maps and Forest Reference levels done	
Output 2.1.4 Relevant measures validated and piloted for key mitigation sub-categories in the agriculture, forestry and other land-use sectors.	Key mitigation sub-categories in the agriculture, forestry and other land-use sectors piloted with validated measures	Conduct validation pilot testing and preliminary validation of proxy measures	Not achieved	Output not achieved in total
Outcome 3.1 Strengthened capacity to measure climate-change impacts, vulnerabilities, and adaptation-related activities in the agricultural and land-use sectors				

Output 3.1.1 Measurement framework developed for climate-change impacts, vulnerabilities, and adaptation-related activities prioritized in the NDC for the agriculture, forestry and land-use sectors	Availability of formal, adopted metadata parameters and QC protocols for CCA in the agricultural and land-use sub-sectors	Stakeholder consultations for the development of an analytical framework to assess adaptation challenges and opportunities in AFOLU sector and Stakeholder consultation to conduct an assessment of vulnerability based on a revalidation of agro-ecological zoning	Several discussions with the Department of Agriculture on the revalidation of Agro ecological zones done	
Output 3.1.2. Information technology systems upgraded to integrate and analyze adaptation-related data.	Adaptation-related data are being analyzed on an upgraded IT system	Estimate resource requirements and sources for initial and sustained support for MRV of adaptation activities in AFOLU sector and Development of an information system on climate change adaptation priorities at national and local levels	Not achieved	Output not achieved in total
Output 3.1.3. Capacity and technology upgraded in relevant institutions to strengthen M&R for adaptation priorities identified in the NDC for the agricultural and land-use sectors. (Coordinates with 2.1.3.)	Sufficiency of technical and human capacities to enact CCA-related QC protocols for agricultural and land-use sub-sectors	Preparation of knowledge management plan, products and demonstrate for adaptation activities	Not achieved	Output not achieved in total
Output 3.1.4. Relevant measures validated and piloted for adaptation priorities identified in the NDC for the agricultural and land-use sectors.	Validated and piloted measures are in place for NDC adaptation priorities in agricultural and land-use sectors	Conduct validation pilot testing and preliminary validation of proxy measures	Not achieved	Output not achieved in total

4. Summary on Progress and Ratings

Please provide a summary paragraph on progress, challenges and outcomes of project implementation consistent with the information reported in sections 2 and 3 of the PIR (max 400 words)

Since 2022, considerable progress had been made to start the project implementation, while several challenges hindered its timely progress:

- Financial and economic crisis that the country is going through since the start of COVID pandemic leading to frequent closure of government institutions lead to delays
- With the approval granted from the Cabinet of Ministers, the project implementation agreement was signed by the Executing Agency (Ministry of Environment) and FAO on 31st October 2022.
- On the request of the government, the project period was extended up to December 2024 and thereafter an addendum to the project implementation agreement was signed on 26th January 2023 covering the project period.
- After lengthy consultations, the 1st LOA for disbursement of funds was signed on 26th April, nevertheless funds could be transferred only on 6th June due to sudden USD/LKR fluctuations. This LOA disbursed USD 107,975.36 as per the prevailing UN operational rate. It was initially budgeted for USD 99,000, as the Budget Holder's authorization presently was up to a maximum of USD 100,000. The process to increase it up to USD 200,000 will be finalized in July 2023. The development of 2nd LOA had been initiated.
- According to the government Circular MOFE &PD/ERD/2020/1 dated 12.02.2020 line Ministries and executing agencies are advised to manage new projects with existing institutional setup rather than establishing Project Management Units (PMUs). Therefore the project implementing modality had to be changed accordingly and in this respect, the positions allocated for the PMU staff had to be converted into the consultancy positions and required. Due to existing government procurement procedures, preparation of TORs, Request for proposals and bidding documents are time consuming. Seven Ministerial Procurement Committees were established in this regard and the paper advertisement for the posts were published on 23rd June 2023. Closing date for the bidding process will be 6th July.2023
- A meeting to establish the Project Steering Committee was held on 23rd June 2023 and the first meeting of the PSC will take place two weeks after the inception workshop, where the annual budget and work plan will be discussed and approved
- Several discussions were held with officials from the Ministry of Agriculture and the Forest Conservation Department for issue of contracts for revalidating agro- ecological zones (3.1.1.5), and updating forest maps and Forest Reference Levels (2.1.3.1)
- Director, Climate Change Secretariat had been appointed as Project Director and will be the focal point for the project.

Development Objective (DO) Ratings, Implementation Progress (IP) Ratings and Overall Assessment

Please note that the overall DO and IP ratings should be substantiated by evidence and progress reported in the Section 2 and Section 3 of the PIR. For DO, the ratings and comments should reflect the overall progress of project results.

	FY2023 Development Objective rating¹⁶	FY2023 Implementation Progress rating¹⁷	Comments/reasons¹⁸ justifying the ratings for FY2023 and any changes (positive or negative) in the ratings since the previous reporting period
Project Manager / Coordinator	N/A	MS	<i>Director Climate Change Secretariat will act as the project Director and all other consultants who are yet to be recruited will be under his supervision.</i>
Budget Holder	MS	MS	1 st instalment of the 1 st LOA had been released. Budget holder Authorization is being increased up to USD 200,000
GEF Operational Focal Point¹⁹	MS	MS	<i>Procurement committees established and a dedicated officer for the project had been appointed for coordinating project activities.</i>
Lead Technical Officer²⁰	MU	MU	<i>Progress has been made during the reporting period, but project implementation needs to accelerate. In 2024, the first Biennial Transparency Reports under the Enhanced Transparency Framework will be prepared. This project has the potential to strengthen the systems that will contribute to the preparation of the BTR. Achieving this outcome will require more attention from the project executing partners and effort to overcome process constraints. Based on the progress made to date, it is likely that additional technical support and input will be required.</i>
GEF Technical Officer, GTO (ex Technical FLO)	MU	MU	<i>Despite national financial and social crisis, the country office worked tirelessly with the government to start the project implementation. During the second half of 2023, we expect PMU to be up and running and some project activities to start.</i>

¹⁶ **Development Objectives Rating** – A rating of the extent to which a project is expected to achieve or exceed its major objectives. For more information on ratings and definitions, please refer to Annex 1.

¹⁷ **Implementation Progress Rating** – A rating of the extent to which the implementation of a project's components and activities is in compliance with the projects approved implementation plan. For more information on ratings and definitions, please refer to Annex 1.

¹⁸ Please ensure that the ratings are based on evidence

¹⁹ In case the GEF OFP didn't provide his/her comments, please explain the reason.

²⁰ The LTO will consult the HQ technical officer and all other supporting technical Units.

5. Environmental and Social Safeguards (ESS) – N/A

This section is under the responsibility of the LTO (PMU to draft)

Please describe the progress made to comply with the approved ESM plan. Note that only projects with **moderate** or **high** Environmental and Social Risk, approved from June 2015 should have submitted an ESM plan/table at CEO endorsement. This does not apply to **low** risk projects. Please indicate if new risks have emerged during this FY.

Social & Environmental Risk Impacts identified at CEO Endorsement	Expected mitigation measures	Actions taken during this FY	Remaining measures to be taken	Responsibility
ESS 1: Natural Resource Management				
ESS 2: Biodiversity, Ecosystems and Natural Habitats				
ESS 3: Plant Genetic Resources for Food and Agriculture				
ESS 4: Animal - Livestock and Aquatic - Genetic Resources for Food and Agriculture				
ESS 5: Pest and Pesticide Management				
ESS 6: Involuntary Resettlement and Displacement				
ESS 7: Decent Work				
ESS 8: Gender Equality				
ESS 9: Indigenous Peoples and Cultural Heritage				
New ESS risks that have emerged during this FY				

In case the project did not include an ESM Plan at CEO endorsement stage, please indicate:

Initial ESS Risk classification (At project submission)	Current ESS risk classification Please indicate if the Environmental and Social Risk classification is still valid ²¹ . If not, what is the new classification and explain.
Low risk	Still valid

<i>Please report if any grievance was received as per FAO and GEF ESS policies. If yes, please indicate how it is being/has been addressed.</i>

²¹ **Important:** please note that if the Environmental and Social Risk classification has changed, the ESM Unit (Esm-unit@fao.org) should be contacted. The project shall prepare or amend an Environmental and Social Management Plan (ESMP) or other ESS instruments and management tools based on the new risk classification (please refer to page 13 <https://www.fao.org/3/cb9870en/cb9870en.pdf>)

6. Risks

The following table summarizes risks identified in the Project Document and reflects also any new risks identified during the project implementation (including COVID-19 related risks). The last column should be used to provide additional details concerning manifestation of the risk in the project, as relevant.

	Type of risk	Risk rating ²²	Identified in the ProDoc Y/N	Mitigation Actions	Progress on mitigation actions	Notes from the Budget Holder in consultation with Project Management Unit
1	Time consuming for following governmental Procedures	Moderate P=3 I= 4	N	Consultants will work as a team and they will speed up the implementation of activities under the overall supervision of Director Climate Change Secretariat, who will act as the project director.	Activities are on going	
2	Fund transfer delays through LOA procedure	Moderate P=3 I=4	N	Extra technical assistance provided; the LOA limit is being increased up to USD 200,000	Obtained Process is being finalized	
3	Co-financing	Moderate P=3 I=3	Y	Possibility of linking with other ongoing projects is being looked into	FAO implemented GCF-Readiness project had been identified as a suitable candidate	
4	COVID-19 risks and opportunities:					

²² Risk ratings means a rating of the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risk of projects should be rated on the following scale: Low, Moderate, Substantial or High. For more information on ratings and definitions please refer to Annex 1.

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

FY2022 rating	FY2023 rating	Comments/reason for the rating for FY2023 and any changes (positive or negative) in the rating since the previous reporting period
Moderate	Moderate	2022 risks related to Institutional closure due to COVID -19 and fuel crisis have subsided. Yet the country is still undergoing financial crisis. and time consuming for following governmental procedures and LOA procedures are hindering the progress of the project negatively

7. Follow-up on Mid-term review or supervision mission (only for projects that have conducted an MTR)

If the project had an MTR or a supervision mission, please report on how the recommendations were implemented during this fiscal year as indicated in the Management Response or in the supervision mission report.

MTR or supervision mission recommendations	Measures implemented <u>during this Fiscal Year</u>
Recommendation 1: Additional technical assistance to accelerate the LOA Preparation	On the recommendation of LTO technical advice received in LOA preparation
Recommendation 2:	
Recommendation 3:	
Recommendation.....	
Recommendation.....	

Has the project developed an Exit Strategy? If yes, please summarize	
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8. Minor project amendments

Minor amendments are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5% as described in Annex 9 of the GEF Project and Program Cycle Policy Guidelines²³. Please describe any minor changes that the project has made under the relevant category or categories and provide supporting documents as an annex to this report if available.

Category of change	Provide a description of the change	Indicate the timing of the change	Approved by
Results framework			
Components and cost			
Institutional and implementation arrangements	Recruitment of PMU staff on consultancy basis by the government		
Financial management			
Implementation schedule	Implementation schedule was changed accordingly to complete the project activities within given project completion date	Extended up to 31 st December 2024	Requested by the Government and approved by FLO, LTO and BH
Executing Entity			
Executing Entity Category			
Minor project objective change			
Safeguards			
Risk analysis			
Increase of GEF project financing up to 5%			
Co-financing	Government co-financing will be only in-kind due to financial constrains the country is facing and the amount indicated in the pro-doc might reduced		
Location of project activity			
Other minor project amendment (define)			

23 Source: <https://www.thegef.org/council-meeting-documents/guidelines-project-and-program-cycle-policy-2020-update>

9. Stakeholders’ Engagement

Please report on progress and results and challenges on stakeholder engagement (based on the description of the Stakeholder engagement plan) included at CEO Endorsement/Approval during this reporting period.

Stakeholder name	Type of partnership	Progress and results on Stakeholders’ Engagement	Challenges on stakeholder engagement
Government institutions			
All relevant stakeholder	Government institutions	Preparatory meeting to Project Steering committee was held	
Forest Department	Implementing	Discussions on forest reference map preparation	
Ministry of Agriculture	Implementing	Discussions on Agro-ecological map preparation	
NGOs²⁴			
Private sector entities			
Others²⁵			
New stakeholders identified			

²⁴ Non-government organizations

²⁵ They can include, among others, community-based organizations (CBOs), Indigenous Peoples organizations, women’s groups, private sector companies, farmers, universities, research institutions, and all major groups as identified, for example, in Agenda 21 of the 1992 Rio Earth Summit and many times again since then

10. 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 this reporting period.		
Category	Yes/No	Briefly describe progress and results achieved during this reporting period.
Gender analysis or an equivalent socio-economic assessment made at formulation or during execution stages.		None at this stage.
Any gender-responsive measures to address gender gaps or promote gender equality and women’s empowerment?		None at this stage.
Indicate in which results area(s) the project is expected to contribute to gender equality (as identified at project design stage):		
a) closing gender gaps in access to and control over natural resources		None at this stage.
b) improving women’s participation and decision making		None at this stage.
c) generating socio-economic benefits or services for women		None at this stage.
M&E system with gender-disaggregated data?		<i>Please provide progress on gender sensitive indicators of the project results framework.</i>
Staff with gender expertise		None at this stage.
Any other good practices on gender		None at this stage.

11. Knowledge Management Activities

Knowledge activities / products (when applicable), as outlined in Knowledge Management Approach approved at CEO Endorsement / Approval, during this reporting period.

Does the project have a knowledge management strategy? If not, how does the project collect and document good practices? Please list relevant good practices that can be learned and shared from the project thus far.	No A of knowledge management plan, products and demonstrate for mitigation and adaptation activities will be prepared by the PMU by the end of 2023.
Does the project have a communication strategy? Please provide a brief overview of the communications successes and challenges this year .	No The communication strategy for the project will be developed at the Inception workshop
Please share a human-interest story from your project, focusing on how the project has helped to improve people's livelihoods while contributing to achieving the expected Global Environmental Benefits. Please indicate any Socio-economic Co-benefits that were generated by the project. Include at least one beneficiary quote and perspective, and please also include related photos and photo credits.	N/A
Please provide links to related website, social media account	N/A
Please provide a list of publications, leaflets, video materials, newsletters, or other communications assets published on the web.	N/A
Please indicate the Communication and/or knowledge management focal point's name and contact details	Climate Change Secretariat, Ministry of Environment Tel: +94 112034193 Education Training and Research Division of the Ministry of Environment Tel: +94 112034171

12. Indigenous Peoples and Local Communities Involvement

Are Indigenous Peoples and local communities involved in the project (as per the approved Project Document)? If yes, please briefly explain.

If applicable, please describe the process and current status of on-going/completed, legitimate consultations to obtain Free, Prior and Informed Consent (FPIC) with the indigenous communities.

Do indigenous peoples and or local communities have an active participation in the project activities? If yes, briefly describe how.

N/A

13. Co-Financing Table

Sources of Co-financing ²⁶	Name of Co-financer	Type of Co-financing ²⁷	Amount Confirmed at CEO endorsement / approval	Actual Amount Materialized at 30 June 2023	Actual Amount Materialized at Midterm or closure (confirmed by the review/evaluation team)	Expected total disbursement by the end of the project
Recipient Government	Ministry of Environment	In-kind	1,596,000	2,000		1,596,000
FAO	FAO	In-kind (through TCP/SRL/3805 - Mainstreaming climate change into provincial development planning)	200,000	200,000		200,000
TOTAL			1,796,000	202,000		1,796,000

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

GCP/SRL/063/GFF – Rehabilitation of degraded agricultural lands in Kandy, Badulla and Nuwara Eliya Districts in the Central Highlands is completed and was financed under GEF cycle 5. Instead FAO **TCP/SRL/3805** - Mainstreaming climate change into provincial development planning is used for FAO co-financing.

In kind co-financing from the government might be less than anticipated due to financial crisis the country is facing. Utilizing additional co-financing from FAO led GCF Readiness project “Capacity enhancement of the National Designated Authority and other relevant stakeholders in Sri Lanka to re-evaluate technical needs for climate change adaptation and mitigation and assess climate finance priorities for agriculture by developing innovative climate smart investment mechanisms through increased partnerships between public and private sectors” is being looked into.

²⁶Sources of Co-financing may include: GEF Agency, Donor Agency, Recipient Country Government, Private Sector, Civil Society Organization, Beneficiaries, Other.

²⁷Grant, Loan, Equity Investment, Guarantee, In-Kind, Public Investment, Other (please refer to the *Guidelines on co-financing* for definitions)

https://www.thegef.org/sites/default/files/documents/GEF_FI_GN_01_Cofinancing_Guidelines_2018.pdf

Annex 1. – GEF Performance Ratings Definitions

Development Objectives Rating. A rating of the extent to which a project is expected to achieve or exceed its major objectives.	
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 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

Implementation Progress Rating. A rating of the extent to which the implementation of a project’s components and activities is in compliance with the project’s approved implementation plan.	
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.

Risk rating will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risk of projects should be rated on the following scale:	
High Risk (H)	There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.
Substantial Risk (S)	There is a probability of between 51% and 75% that assumptions may fail to hold or materialize, and/or the project may face substantial risks
Moderate Risk (M)	There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/or the project may face only moderate risk
Low Risk (L)	There is a probability of up to 25% that assumptions may fail to hold or materialize, and/or the project may face only low risks

Annex 2.

GEO LOCATION INFORMATION

The Location Name, Latitude and Longitude are required fields insofar as an Agency chooses to enter a project location under the set format. The Geo Name ID is required in instances where the location is not exact, such as in the case of a city, as opposed to the exact site of a physical infrastructure. The Location & Activity Description fields are optional. Project longitude and latitude must follow the Decimal Degrees WGS84 format and Agencies are encouraged to use at least four decimal points for greater accuracy. Users may add as many locations as appropriate. Web mapping applications such as [OpenStreetMap](#) or [GeoNames](#) use this format. Consider using a conversion tool as needed, such as: <https://coordinates-converter.com> Please see the Geocoding User Guide by clicking [here](#)

Location Name	Latitude	Longitude	Geo Name ID	Location & Activity Description
Sri Lanka	7.75	80.75	1227603	

Please provide any further geo-referenced information and map where the project interventions is taking place as appropriate.