



Towards a Land Degradation-Neutral Azerbaijan

Part I: Project Information

GEF ID

10708

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT **No**

NGI **No**

Project Title

Towards a Land Degradation-Neutral Azerbaijan

Countries

Azerbaijan

Agency(ies)

FAO

Other Executing Partner(s)

Ministry of Ecology and Natural Resources of Azerbaijan

Executing Partner Type

Government

GEF Focal Area

Land Degradation

Taxonomy

Sustainable Land Management, Focal Areas, Land Degradation, Land Degradation Neutrality, Influencing models, Communications, Private Sector, Stakeholders, Type of Engagement, Gender Equality, Gender

Mainstreaming, Learning, Capacity, Knowledge and Research, Land Productivity, Land Cover and Land cover change, Restoration and Rehabilitation of Degraded Lands, Improved Soil and Water Management Techniques, Sustainable Agriculture, Strengthen institutional capacity and decision-making, Demonstrate innovative approach, Participation, Information Dissemination, Consultation, Large corporations, Awareness Raising, Behavior change, Local Communities, Beneficiaries, Theory of change, Knowledge Generation, Capacity Development

Sector

Mixed & Others

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 1

Climate Change Adaptation

Climate Change Adaptation 1

Submission Date

9/28/2020

Expected Implementation Start

7/1/2022

Expected Completion Date

7/1/2025

Duration

36In Months

Agency Fee(\$)

198,719.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
LD-1-1	Maintain or improve flow of agro-ecosystem services to sustain food production and livelihoods through Sustainable Land Management (SLM)	GET	1,270,000.00	11,685,242.00
LD-2-5	Create enabling environments to support scaling up and mainstreaming of SLM and LDN	GET	821,781.00	2,254,758.00
Total Project Cost(\$)			2,091,781.00	13,940,000.00

B. Project description summary

Project Objective

To support the national efforts to develop and implement LDN national targets, and demonstration of SLM in Absheron Peninsula and surrounding areas, contributing to rehabilitation of degraded lands and improved livelihood resilience???

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing(\$)
-------------------	----------------	-------------------	------------------	------------	----------------------------	----------------------------

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing(\$)
1. Strengthening the enabling environment and operational basis for practical implementation of LDN in Azerbaijan	Technical Assistance	<p>1.1 Enhanced institutional coordination and policies for LDN.</p> <p><u>Targets:</u></p> <ul style="list-style-type: none"> - Strengthening of at least two (2) policies in support of LDN. - Intersectoral coordination mechanisms in place on SLM and DLDD in support of LDN. - LDN Working Group established. <p>1.2 Land degradation status and trends assessed by participatory processes.</p> <p><u>Targets:</u></p> <ul style="list-style-type: none"> - LDN baseline based on the three (3) change of state LDN indicators set. - Participatory evaluation of land degradation types and drivers. <p>1.3 LDN principles integrated into national decision-making processes related to management of</p>	<p>1.1.1 Revised LDN-related policies/legislations and relevant instruments based on a gap analysis.</p> <p>1.1.2 Vertical and horizontal coordination mechanisms among the main actors involved in LDN established and strengthened.</p> <p>1.1.3 Interdisciplinary and multi-institutional LDN working group established.</p> <p>1.2.1 National LDN baseline based on three (3) change of state indicators validated by national experts and supplemented with national LD indicators.</p> <p>1.2.2 Main types of LD and their direct and indirect causes identified for different land use and land cover types.</p> <p>1.3.1 National voluntary LDN targets established.</p>	GE T	615,430.00	1,234,357.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing(\$)
2. Demonstrating the LDN approach in degraded landscapes of the Absheron peninsula and surrounding areas.	Investment	<p>2.1. Strengthened participatory and cooperative mechanisms to support integrated land-use planning and behavioral change in support of LDN.</p> <p>Targets:</p> <ul style="list-style-type: none"> - 2 gender balanced farmers organizations established/strengthened - 500 farmers trained in SSM & SLM. - 6 Land-use plans supporting the achievement of LDN on 31,300 ha of land (18,000 in Gobustan, 13,700 in Siyazan). - Two value chains (at least one (1) focused on women) improved through LDN principles. - 500 value-chain actors with strengthened capacity in sustainable VC management that integrates LDN principles <p>2.2. Scaling out of SLM approaches and technologies in degraded lands of the Absheron</p>	<p>2.1.1. Gender balanced farmers organizations established and strengthened in Gobustan and Siyazan districts.</p> <p>2.1.2. Knowledge exchange mechanisms among farmers and extensionists established; and adapted information packages for sustainable soil management and soil testing methods developed.</p> <p>2.1.3. Participatory integrated gender-sensitive land-use plans developed and priorities identified in Gobustan and Siyazan districts.</p> <p>2.1.4. Two gender sensitive land-based value-chains strengthened in Gobustan and Siyazan districts.</p> <p>2.1.5. Training programs on value-chains management (e.g., marketing,</p>	GE T	1,105,001.00	11,177,510.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing(\$)
3. Monitoring, evaluation and knowledge management/lessons learned.	Technical Assistance	<p>3.1. Knowledge management and lessons learned disseminated at the national level.</p> <p>Targets:</p> <ul style="list-style-type: none"> - Best practices and lessons learned summarized and organized in a framework for scaling-up at regional and national levels. - At least three (3) gender sensitive LDN knowledge products developed and disseminated. - Lessons learned on SLM and LDN mainstreamed in the national and regional development plans <p>3.2. Monitoring and evaluation.</p> <p>Targets:</p> <ul style="list-style-type: none"> - Functioning monitoring system for GEBs and co-benefits established. - Functioning system for reporting the status of LDN to the UNCCD 	<p>3.1.1. Experience sharing on Project-related ?lessons-learned? and a national LDN guidelines published.</p> <p>3.1.2 Gender-sensitive communication strategy developed and implemented to support the LDN targets and mainstreaming of lessons learned</p> <p>3.2.1 Project mid-term and final evaluation conducted.</p> <p>3.2.2 Global Environment Benefits, co-benefits and costs of SLM monitored, and lessons analyzed.</p> <p>3.2.3. LDN target-setting reporting mechanism is in place.</p>	GE T	271,890.00	864,324.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing(\$)
				Sub Total (\$)	1,992,321.00	13,276,191.00
Project Management Cost (PMC)						
GET				99,460.00	663,809.00	
Sub Total(\$)				99,460.00	663,809.00	
Total Project Cost(\$)				2,091,781.00	13,940,000.00	

Please provide justification

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
GEF Agency	FAO	Grant	Investment mobilized	750,000.00
Recipient Country Government	Ministry of Ecology and Natural Resources	In-kind	Recurrent expenditures	6,000,000.00
Recipient Country Government	Ministry of Ecology and Natural Resources	Public Investment	Investment mobilized	2,640,000.00
Recipient Country Government	Ministry of Agriculture	In-kind	Recurrent expenditures	4,550,000.00
Total Co-Financing(\$)				13,940,000.00

Describe how any "Investment Mobilized" was identified

FAO co-financing: Co-finance sources will be leveraged from the following ongoing projects - ?Improved water governance: towards sustainable agricultural development?, ?Catalyzing the efficiency and sustainability of Azerbaijan?s hazelnut sector?, ?Development and application of sustainable sheep production and food value chains?, and the pipeline project ?Improving reforestation for development and environmental sustainability?, which target to improve natural resource management, ecosystem conservation and sustainable agricultural production in Azerbaijan. MENR con-financing: Government of Azerbaijan will mobilize investment (2.640.000 USD) for co-financing from ongoing projects funded by other donors aiming to improve existing policy and strategies for better management and conservation of natural resources and improvement of land productivity.

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
FAO	GET	Azerbaijan	Land Degradation	LD STAR Allocation	2,091,781	198,719	2,290,500.00
Total Grant Resources(\$)					2,091,781.00	198,719.00	2,290,500.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)
PPG Required **true**

PPG Amount (\$)
100,000

PPG Agency Fee (\$)
9,500

Agency	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)	Total(\$)
FAO	GET	Azerbaija n	Land Degradatio n	LD STAR Allocation	100,000	9,500	109,500.0 0
Total Project Costs(\$)					100,000.0 0	9,500.0 0	109,500.0 0

Core Indicators

Indicator 3 Area of land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2700.00	2700.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2,700.00	2,700.00		

Indicator 3.2 Area of Forest and Forest Land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.3 Area of natural grass and shrublands restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (incl. estuaries, mangroves) restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
31300.00	31300.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
----------------------	----------------------------------	----------------------	---------------------

Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
----------------------	----------------------------------	----------------------	---------------------

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
31,300.00	31,300.00		

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
----------------------	----------------------------------	----------------------	---------------------

Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted
-------	-----------

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	486125	169449	0	0
Expected metric tons of CO ₂ e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	486,125	169,449		
Expected metric tons of CO ₂ e (indirect)				

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Anticipated start year of accounting	2021	2022		
Duration of accounting	11	11		

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)				
Expected metric tons of CO ₂ e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	12,000	870		
Male	11,000	870		
Total	23000	1740	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

Part II. Project Justification

1a. Project Description

a. Global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)

1. Land is the primary source of natural capital from which we derive a wide range of ecosystem services, which make human life possible. Land Degradation (LD), the loss or reduction in land productivity, is happening at an alarming pace, contributing to a dramatic decline in the productivity of croplands and rangelands worldwide and it will worsen without rapid remedial action. When land is degraded, the natural capital is lost, and thus all the benefits that land and nature contribute to people. Lack of action to address land degradation will increase emissions and reduce carbon sinks and is inconsistent with the emissions reductions required to limit global warming to 1.5°C or 2°C. Climate change exacerbates variations in yields and income from agriculture, threatening the resilience of agro-ecosystems and stability of food production systems. The rate at which fertile soil is being lost per year is alarming, largely due to unsustainable agriculture practices. In drought-prone areas, like Azerbaijan, land degradation problems are particularly severe, especially affecting the most vulnerable rural communities and smallholder farmers, who are highly dependent on agriculture for their livelihoods and food security and nutrition. In Azerbaijan, at least 77% of the population (7,823,000 people) live in either rain-fed areas with high drought frequency or irrigated areas with high water stress and land degradation is affecting their livelihoods and well-being. To increase the resilience of the land and the population dependent on it, the government of Azerbaijan is committed to work towards achieving Land Degradation Neutrality (LDN). LDN provides a framework for a balanced approach, which considers trade-offs and anticipates new degradation in order to maintain or enhance the stocks of natural capital associated with land resources and the ecosystem services that flow from them. This project will support the national efforts to develop and implement LDN national targets and achieve Sustainable Development Goal 15 and its target 15.3 on LDN, through the implementation and mainstreaming of SLM to rehabilitate degraded lands and improve livelihoods and resilience of ecosystems and communities.

Country context

Geographic and socio-economic context

2. The Republic of Azerbaijan's territory covers an area of 86,600 km² and it is located in the southern Caucasus, at the border with Eastern Europe and Western Asia. Its neighboring countries are Russia, Georgia, Armenia, Turkey and Iran, and its eastern border comprises 825 km of the Caspian Sea shoreline. The country is divided into 10 economic regions, 63 rayons and, the south-western portion of the country corresponds to the Nakhchivan Autonomous Republic, which is geographically separated

from the rest of the country. Azerbaijan has a population of 10,067,100 inhabitants, 4,755,100 of whom (52.8%) live in rural areas. The total population is increasing, by approximately 1% per year, with rising demands for agricultural products including food, feed, fiber, and fuel.

3. Azerbaijan is an Upper Middle-Income economy with a GDP of USD 42.61 billion, occupying the 90th place in the world. Much of the revenue comes from gas and oil and this is the main economic activity of the country. Rapid development in Azerbaijan as a result of the oil boom in 2005-2015 has led to a significant decrease in poverty in the country, growth of population revenues, as well as improvement of education and healthcare systems. Oil is still the main contributor of its economy, and the recent drop of oil prices has negatively affected the country. One of the main goals of Azerbaijan today is to lessen its economy's dependence on the oil sector and the government has announced acceleration of agriculture development as a major strategic policy. Although the agriculture sector accounts for 7 % of GDP, it has a significant potential for export revenues and it is a key source of employment [2]. About 55% of all lands in the country (47,797 km²) are currently used for agriculture, from which 43% is arable land, and 50% are hayfields and pastures, with only 0.2 hectares of arable land per capita. Due to the fact that most of the cultivated lands are located in arid areas where the groundwater is close to the soil surface, agriculture production in the country is based on irrigation combined with drainage systems to regulate the water-salt balance of the crop root zone.

4. Mountains dominate the northern, southern, and western regions of Azerbaijan, covering 47% of the country (Figure 1). Plains dominate the center of the country, and 18% of its territory is below sea level (Məseyibov, 1980). Azerbaijan is very diverse in terms of ecosystems and biodiversity, as it is situated at the juncture of several bio-geographical areas and contains species of European, Central Asian as well as Mediterranean origin. The biological diversity of the Caspian Sea and its coastal zone makes the region particularly significant. Azerbaijan can be divided into five broad ecosystem complexes, all of which contribute to the high levels of biodiversity: forests; freshwater, wetland and swamps; grasslands and semi-deserts; high mountains; and marine and coastal ecosystems. At present, the forests cover 9,894 km², 11% of the territory. 200 years ago, forests covered more than 35% of the country.

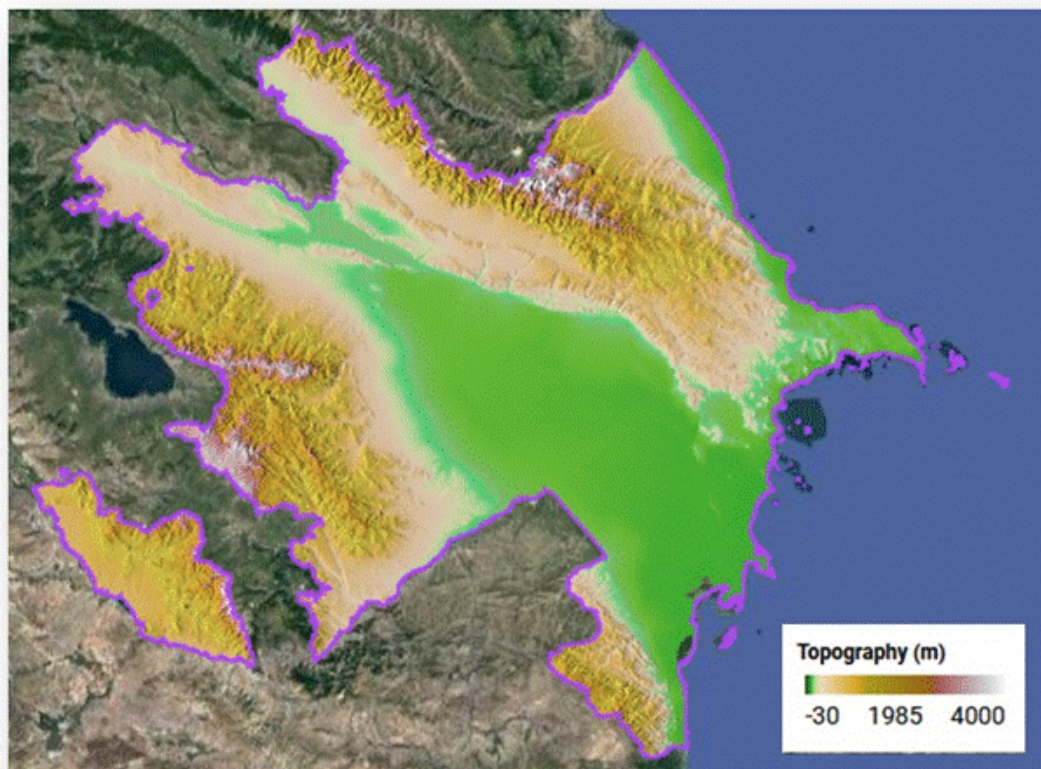


Figure 1. Topography of the Republic of Azerbaijan.

Land tenure and governance

5. The main state bodies in the field of land management and regulation of property relations at the national level are the Ministry of Economy (MoE), the State Service on Property Issues (related to property relations) under the MoE, the Ministry of Ecology and Natural Resources, its State Environmental Security Service, Forest Development Service, "Greening and Landscape Construction of Azerbaijan" OJSC, the Ministry of Agriculture (MOA) (related to agricultural lands), its Agrarian Services Agency, local executive authorities and municipalities.
6. According to the country's Constitution (Article 13) and the Land Code (Article 5), there are state, municipal and private types of land in the Republic of Azerbaijan. All types of land ownership are equal and protected by the state. Agricultural lands are regulated by Articles 12-17 of the Land Code, and property rights of the state and municipality over land are regulated by Articles 46-47 of the Code. According to Article 50.3 of the Land Code, temporary land use is defined as short-term (up to 15 years) and long-term (15 to 99 years).
7. Most of the agricultural lands in the country are privately owned. After agrarian reforms, the average size of land distributed to each rural family ranged between 1.5 to 5 ha in different regions of the country, with an average of 2.02 ha. The farmers are free to use their land and choose the cropping

pattern, but in most cases, due to the complexity of physical and geographical conditions, they cannot apply crop rotation because of the small size of the plots and surface irrigation constraints at the field level. The changes that have occurred in the agriculture sector during the last two decades due to transition to a market economy and demands for ensuring food security have led to an urgent need to implement integrated actions for sustainable agriculture in Azerbaijan.

Climate and water resources

8. A large range of climates can be found in Azerbaijan, with semi-deserts and dry lowlands and foothills to mountain tundra and high mountain regions. However, most of the territory is in the subtropical climatic zone, leading to mild winters and moisture shortages in the summer, with recurrent droughts. The northeast of the Greater Caucasus Mountains is located in the temperate climate zone. Sharp changes of altitude due to the orographic structure of the Major and Minor Caucasus Mountains and the location of the Kur-Araz lowlands form the unique climate in Azerbaijan. In the coldest month of the year (January), the average monthly temperature in the plains and foothills does not fall below 0 °C. In the hottest month of the year (July), the average temperature in the lowlands is mainly 26-27 °C, in other plains and foothills it does not fall below 24 °C.

9. Climate conditions and relief of the area strongly influence the availability of water resources. The lowest average annual precipitation (less than 150-200 mm) in Azerbaijan is found in the south-eastern Gobustan area and in the southern coast of the Absheron Peninsula. Annual precipitation is less than 300 mm in the central and eastern part of the Kur-Araz lowland, southeast of the Samur-Davachi lowland, in the main parts of the Araz, Gobustan and Absheron peninsula of Nakhchivan. Precipitation gradually increases from the shores of the Caspian Sea to the west, from the plains to the mountains. Around 70% of the surface water resources are generated outside of the country.

10. Surface water is the main source of irrigation in the country on 91% of irrigated areas, with only 180.6 thousand hectares irrigated by groundwater. A characteristic feature of surface runoff in Azerbaijan is its uneven distribution from year to year. This negatively affects the use of water resources. The surface runoff for a high-water year exceeds that of a dry-water year sometimes by 5-10 times. Due to the fact that most of the internal river's flow in the spring and most of them are not regulated, it is impossible to effectively use flood water and only 10-15% of this water is used for irrigation, the rest flows into the Caspian Sea. As the demand for irrigation increases during the summer months, river flow decreases by as much as 10% during this period, and in many cases, some rivers dry up completely. This negatively affects the water supply of agricultural crops in the summer months, with the consequent decrease of expected yields. The average annual water deficit in the country is 3.7 billion cubic meters in ordinary years, and 4.75 billion cubic meters in low precipitation years. Since over 90% of irrigation and collector-drainage schemes consist of open-type earth channels, water losses are high, mineralized phreatic water rises to the cultivation layer and surrounding areas become salinized. The annual operational reserves of usable groundwater are about 9 billion cubic meters. The main groundwater resources are concentrated in the Samur-Davachi, Sheki-Zagatala, Ganja-Gazakh, Mil-Garabagh, Jabrayil, Nakhchivan foothills.

11. Over the past 100 years, the average annual temperature in Azerbaijan has increased by 0.4-1.3 C. The temperature rise is unevenly distributed depending on the regions. In the last 10 years, the number and intensity of floods in small mountain rivers has increased. The Third National Communication to the UNFCCC (2015) provides detailed information about climate change and forecasts for Azerbaijan. The used HadCM3 model forecasts a 1.5°C increase in temperature in comparison with the 1961-90 average values in all the regions during the period of 2011-2040. It forecasts an increase of temperature in the range of 3.5-5°C in comparison with the 1961-90 average values, in most regions of Azerbaijan during the period of 2071-2100. The forecasts do not project any significant changes in precipitation for the period 2011-2040, but prediction for the period of 2041-2070 is a 0-5% increase.

12. The climate risk of the project is rated as moderate on a scale from low, to moderate, substantial, and high. Since irrigation is one of the key factors in the development of agricultural crop production, it results in vulnerability of the agricultural sector. The increasing temperature will bring losses due to evaporation and will cause water shortages. The climate change scenarios forecast intensive evaporation that will activate the movement of groundwater in the unsaturated zone exacerbating the salinization of soils, contributing to their degradation and decrease in productivity in the future. In general, the climate predictions highlight the importance of capacity development to strengthen climate change adaptation and mitigation efforts in Azerbaijan.

Land degradation and its direct and indirect drivers in Azerbaijan

13. The complex physical and geographical conditions of Azerbaijan, its dense population, industrial development, and extensive agriculture, have contributed to land degradation and erosion, salinization, sodification and pollution of soils. Land degradation in Azerbaijan affects the natural capital, food security, well-being, and health of the inhabitants. According to the analysis of land productivity dynamics (LPD), one of the key LDN indicators which assesses the change in time of vegetation productivity, for the period 2001-2020 there are 3 million ha in the country (36%) presenting declining or stressed productivity, which can be considered as degraded areas (Figure 2). Grasslands and croplands contribute each with 1.4 million of ha in these conditions. From these, 651,000 ha of grasslands and 783,000 ha of croplands present the more severe and long-term declining category, probably exacerbated by the negative trends in precipitation present in the country and presence of fires in the southern region.

14. These assessments are in accordance with other recent studies, according to which in total 3,741,000 ha of the country's territory has been subject to various degrees of land degradation. From these, 37% was degraded by water erosion, 3.4% by irrigation erosion, and 4.5% by wind erosion. These processes are more intensive in the densely populated Kur-Araz lowland, the Absheron peninsula and along the plains of the Nakhchivan Autonomous Republic, which have an arid and semi-arid climate. There are 665,000 ha of saline and 480,000 ha of sodic soils. Salinization of soils has led to a 10-20% decrease in overall productivity in low-salinity areas, 20-40% in moderately saline soils, and 65-75% in severely saline soils (Azizov, 2006).

15. Along with natural factors related to topography and climate, anthropogenic factors are among the main drivers of land degradation. Deforestation, intensive grazing, outdated irrigation systems, traditional farming methods, and the lack of protective forest strips have accelerated land degradation. Improper management of farms, irrigation without drainage, and overgrazing have led to the expansion of the boundaries of degraded lands under conditions of aridization. There is increasing concern about soil interrelated environmental problems such as soil degradation, desertification, erosion, and loss of fertility. Particularly the arid and semi-arid areas in Azerbaijan with mostly light sandy soils with poor organic matter (OM) and physical properties, are strongly affected by the above-mentioned aspects. Ongoing climate change in the region is exacerbating this situation.

16. In Azerbaijan land degradation has a gender-related impact as it affects men and women differently, mainly due to unequal access to land, water, credit, extension services, and technology. Women account for around 22.9% of the official employment statistics in agriculture, however official labour force statistics do not provide a complete picture of gender differences in the informal economy and sex-disaggregated data on family farming and status of women in rural areas. The study of the Asian Development Bank indicates that agriculture is the main sector where women are involved in comparison to other leading sectors of the economy (oil and gas, construction).

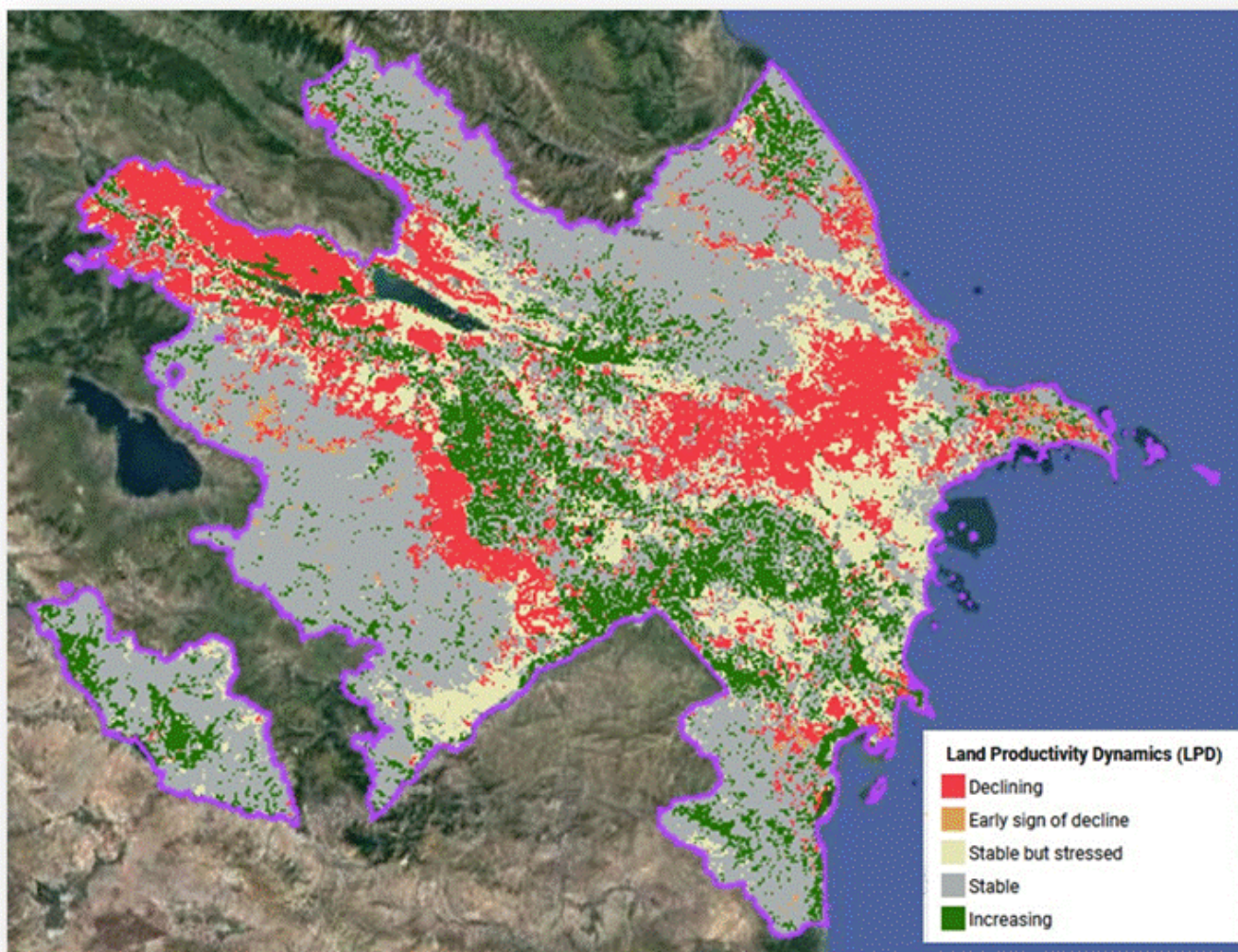


Figure 2. Land Productivity Dynamics in Azerbaijan for the period 2001-2020. Red and Orange areas correspond to sites where vegetation productivity is declining and represent potential degradation.

Source: Overview of LDN in Europe and Central Asia, FAO 2021,

<https://www.fao.org/documents/card/en/c/CB8117EN>

Area of Intervention

Project Area

17. The area was selected based on its representativeness of the country's land degradation processes, its economic importance and the diversity of land uses and stages of land degradation. It includes the

Absheron peninsula and surrounding lands, including higher lands, forests, pastures and croplands. It comprises 7 administrative territorial units and 3 economic districts. Absheron, Khizi and Sumgayit are included in the Absheron Economic Region, Shabran and Siyazan are included in the Guba-Khachmaz Economic Region, and Gobustan district is included in the Mountainous Shirvan Economic Region (Figure 3). An interactive web application was developed for exploration and description of project area and pilot sites (FAO Project Design Support System) which can be accessed in the following link: <https://projectgeffao.users.earthengine.app/view/azerbaijan-ldn>

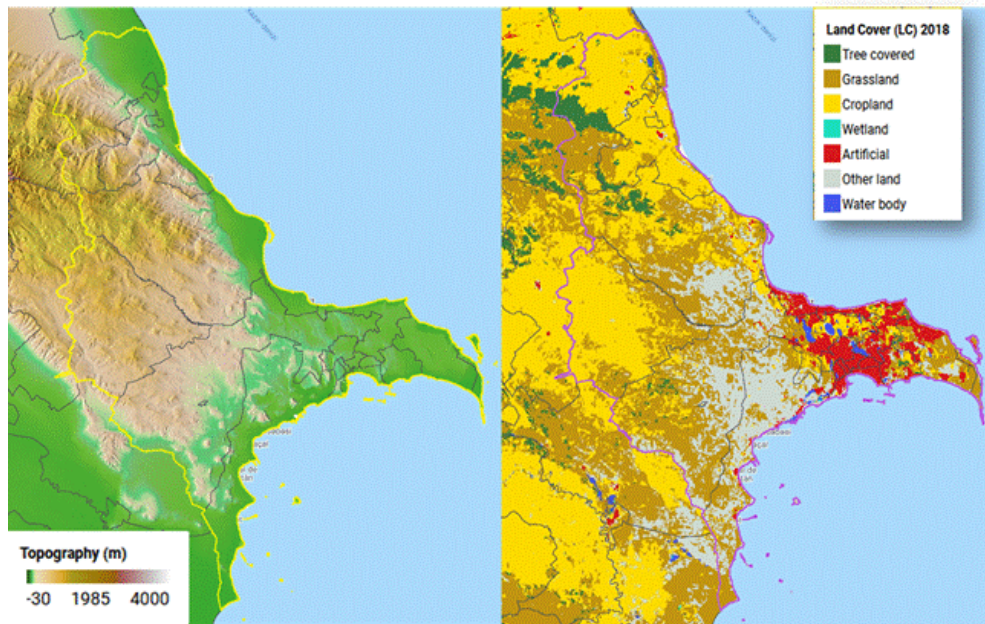


Figure 3. Topography (left) and Land Cover Maps of project area that can be visualized and explored in the project design support system. District boundaries are shown in grey. Source: FAO PDSS, 2021.

18. The total project area covers 925,111 ha. The dominant land uses are grasslands (37%) and cultivated land (32.5%) according to ESA 2018 land cover (Figure 3). Almost 40% of the vegetated land (364,000 ha) show declining or early signs of decline in the trends of vegetation productivity, and almost 27% (24,7000 ha) are stable but stressed, indicating potential degradation processes are affecting 67% of the area (Figure 4).

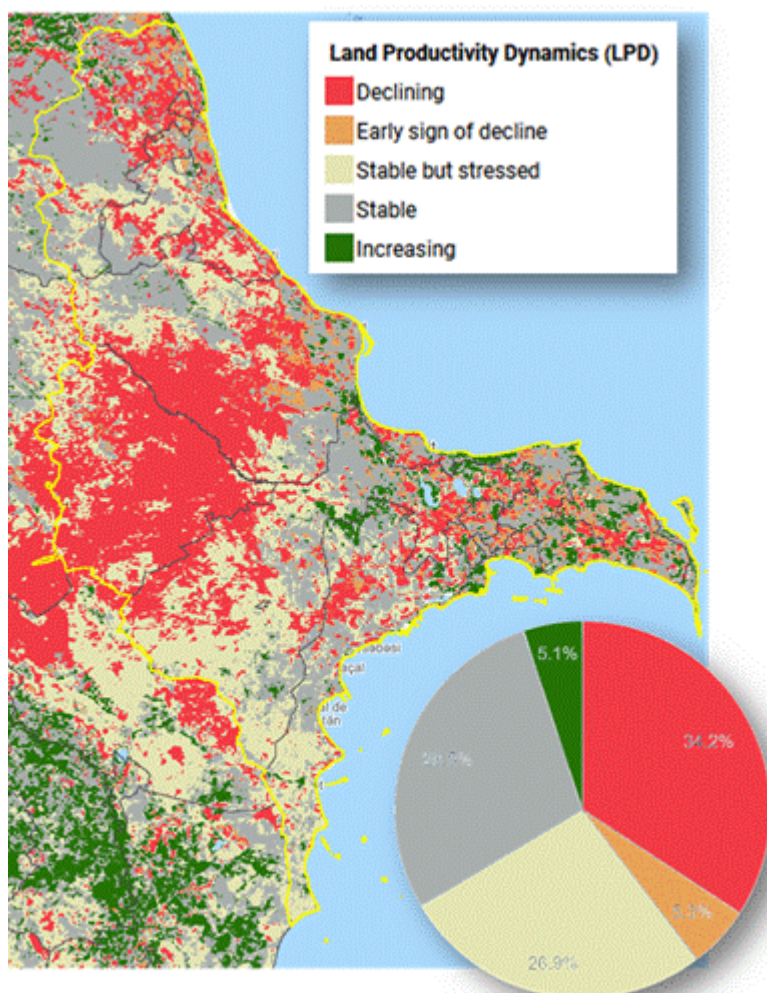


Figure 4. Analysis of Land Productivity Dynamics between 2001 and 2020, in the project area shows a high percentage of the land with declining, early signs of decline or stable but stressed categories, indicating serious levels of degradation processes in the area. Source: FAO, 2021.

19. According to the LDN indicator Land Productivity dynamics (LPD), 34.2 % of the area shows declining productivity, 5.3% early signs of decline and 28.5% is stable but stressed. Only 5.1% of the area is improving (Figure 4). Most of the area that is declining corresponds to cultivated land and grasslands. More than half of the cultivated land and 37% of the grasslands of the project area are degrading according to LPD between 2001 and 2020 (Figure 5).

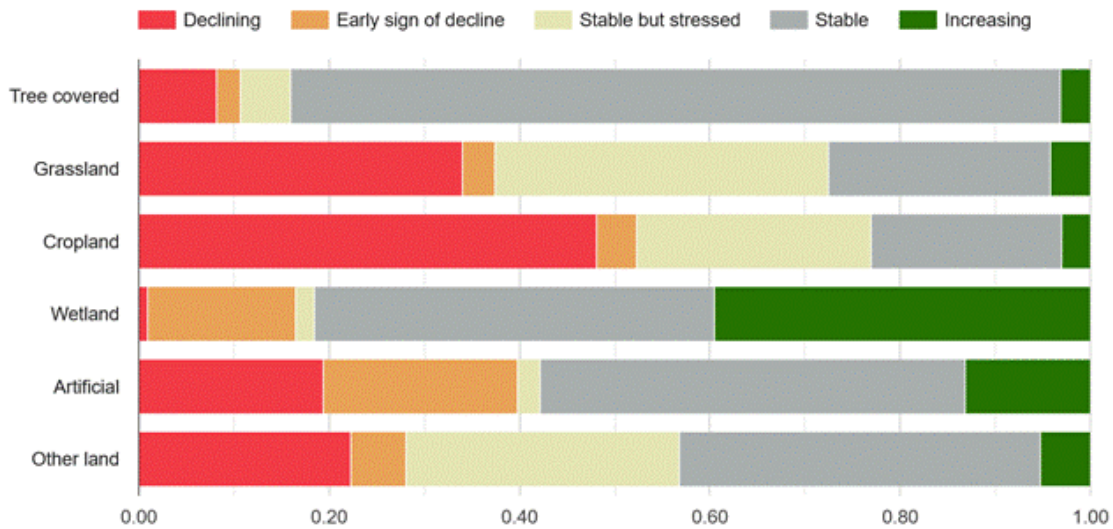


Figure 5. Distribution of Land Productivity Dynamic classes per land cover type in the project area for the period 2001-2020. Source: FAO, 2021.

20. According to the land cover transitions analysis for the 26-year period between 1992 and 2018, there was a net increase in artificial lands and croplands and net losses of other lands and grasslands. A net gain of 48,978 ha of artificial lands was observed, mostly in Baku district. Also, a net loss of grasslands of 12,020 ha is observed in the project area. Urbanization is happening at high rate in Absheron Peninsula, where the population density is the highest of the country (Table 1). In 2019, the average monthly salary of the population across the districts included in the project areas, except for Baku, was lower than the national average (635.1 AZN- USD 374). In Baku, this figure averaged to 868.8 AZN (USD 511). The average monthly salary was 494.3 AZN (USD 291) in Siyazan, 457.2 AZN (USD 269) in Absheron, and 393 AZN (USD 231) in Gobustan. The lowest rate (360.9 AZN- USD 230) was recorded in Khizi district.

Table 1. Demographic statistics for project districts.

Project areas	Territory, thsd sq. km	Population, thsd person (at the beginning of the 2020)	Population density for 01.01.2020 (per 1 sq. km, person)
Baku	2,14	2293,1	1072
Absheron	1,97	214,1	109
Sumqayit	0,09	345,3	3837
Gobustan	1,37	47,4	35
Shabran	0,70	59,9	55
Kh?z?	1,67	17,1	10
Siyazan	0,70	42,6	55

Source: [State Statistical Committee](#) data

Project intervention sites

Implementation Landscape 1: Degraded croplands and rangelands in Gobustan

21. The selected landscape for the implementation of field interventions in Gobustan district include the villages of Gobustan, Darakand, Chelov, Jayirli and Cemcemli, covering 20,840 ha of degraded croplands and rangelands (Figure 6). Farming is the main occupation of the population, who specialize in growing grain and barley. Gobustan district produces about 40,000 tons of grain a year, which creates a solid foundation for the development of livestock and poultry. There is availability of summer and winter pastures, which are very important for the development of livestock, especially for sheep breeding. After the harvest, cattle (sheep and cows) graze the lands, increasing soil compaction, and intensifying wind erosion of bare soils. Viticulture was present in the area during the Soviet Union and currently there are some remaining vineyards. The area is a hotspot of degradation, with 80% of the land showing declining land productivity, but it also represents one the areas with highest levels of SOC in the country. Water scarcity is a limiting factor for agriculture, with very limited or null irrigation

systems present. Farmers are usually the owners of the land, which are mostly men. Women either rent out their land or the son in the family cultivates it. Women are mainly employed in the urban areas.

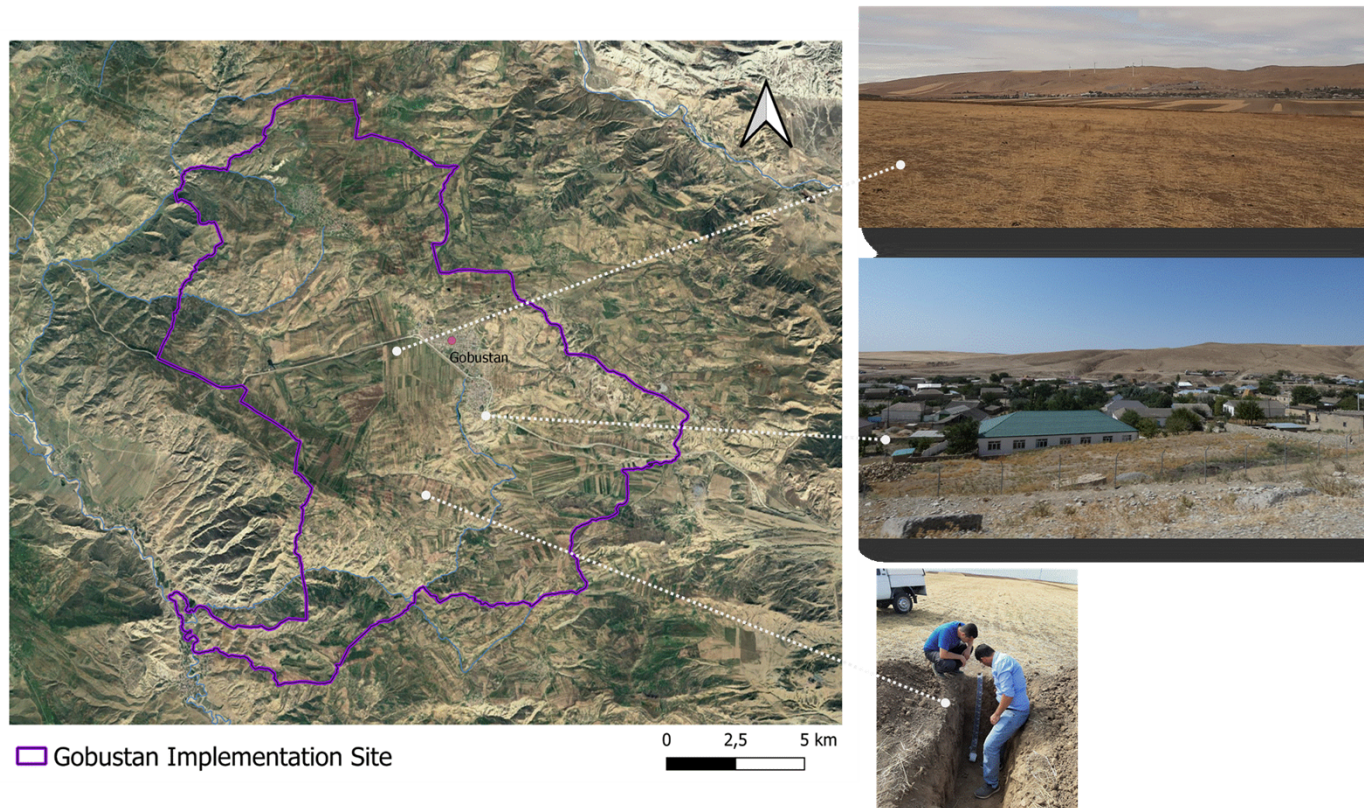


Figure 6. High resolution satellite image of the Implementation Landscape in Gobustan. Images of the soils and landscapes taken during the field visits are included.

Implementation Landscape 2: Degraded croplands on the Caspian Coast in Siyazan

22. The landscape selected in Siyazan district covers 14,257 ha on the coast of the Caspian Sea, near the 'Takhta-Korpu' water reservoir, including Sarvan village and Boyuk Gamy, along the Baku-Guba road (Figure 7). The landscape includes plains and dry steppes, with semi-desert vegetation. The areas near to the coast are covered by bushes and that are being replaced by arable lands with intensive agriculture. Soil degradation is serious, especially due to salinization and wind erosion. Lands show varying degrees of salinization of lands, and given that arable lands are small, intensive and unsustainable land management intensifies degradation processes, reducing productivity. There is no crop rotation with an increase of pests due to monoculture and compaction of the crop layer and loss of

soil fertility. The water reservoir was built in 2013 to enlarge the agricultural area but soil salinization and heavy soil texture are serious constraints for agriculture. There is interest to develop sustainable agriculture in the area and increase the effectiveness of the reservoir and the area of irrigated land. The area is rich in biodiversity. It is home to migratory birds, as thousands of birds move north and south each year, both along the coast and through the hills.

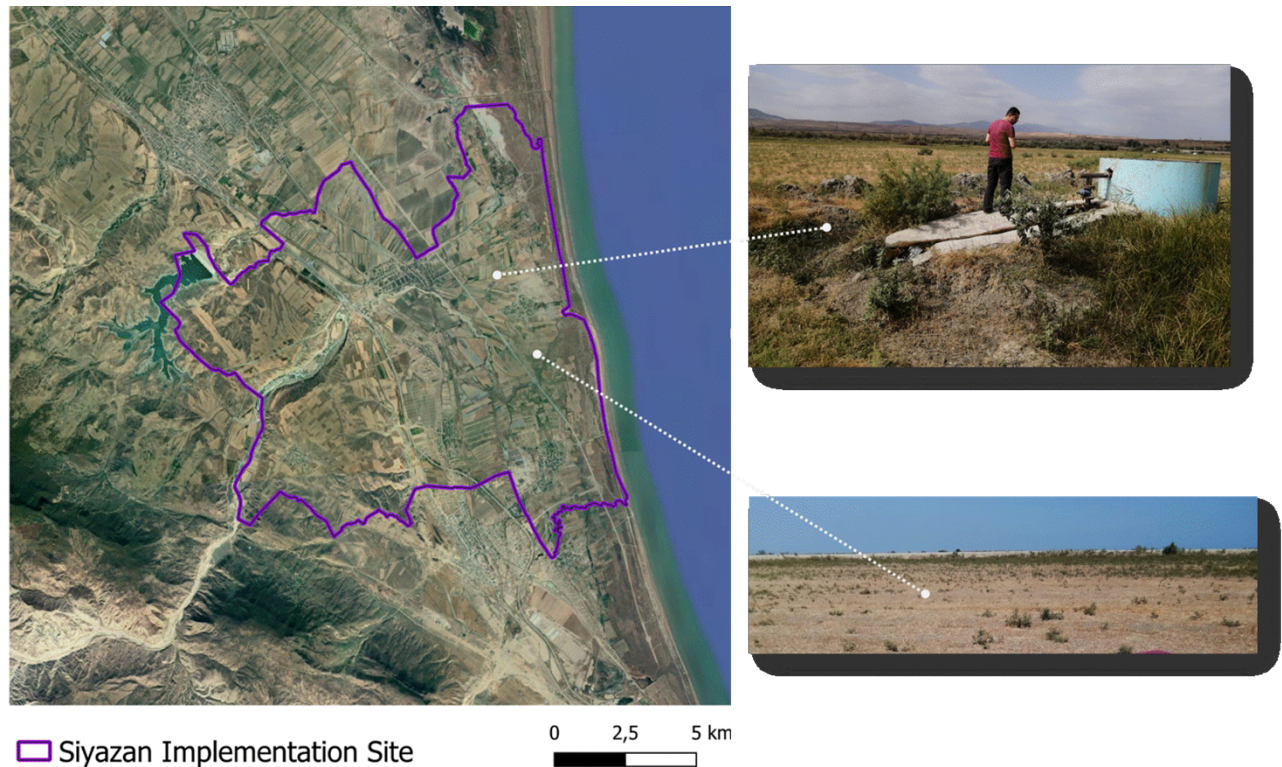


Figure 7. High resolution satellite image of the Implementation Landscape in Siyazan. Images of the soils and landscapes taken during the field visits are included

Implementation sites around Baku (598 ha)

23. Within Absheron Peninsula, four government-owned sites were selected to reverse land degradation. These areas are highly degraded and were prioritized by MENR to be restored. At their current state they are not suitable for agricultural use, are not irrigated and present high percentages of bare soil with some sparse halophytic plants. In total they occupy 606.5 ha in the most populated region of Azerbaijan and are embedded in a highly modified and fragmented landscape, that consists of a matrix of urban and industrial areas, with some patches of cultivated lands (mostly olive, almond, and fodder crops are produced) and some grasslands. The main settlements close to the implementation sites are Qarachukhur, Zykh, Zira and Mushvigabad.

Implementation Site 1: Qarachukhur (198 ha)

24. This site is located 15 km east of Baku, close to urban and residential areas in Suraxani district (Figure 8). The selected site covers 198 ha of degraded lands that are currently not used for production nor recreation. Soils are compacted, salinized and exposed to wind erosion. Vegetation cover is low and consists mainly of shrubs and grasses.

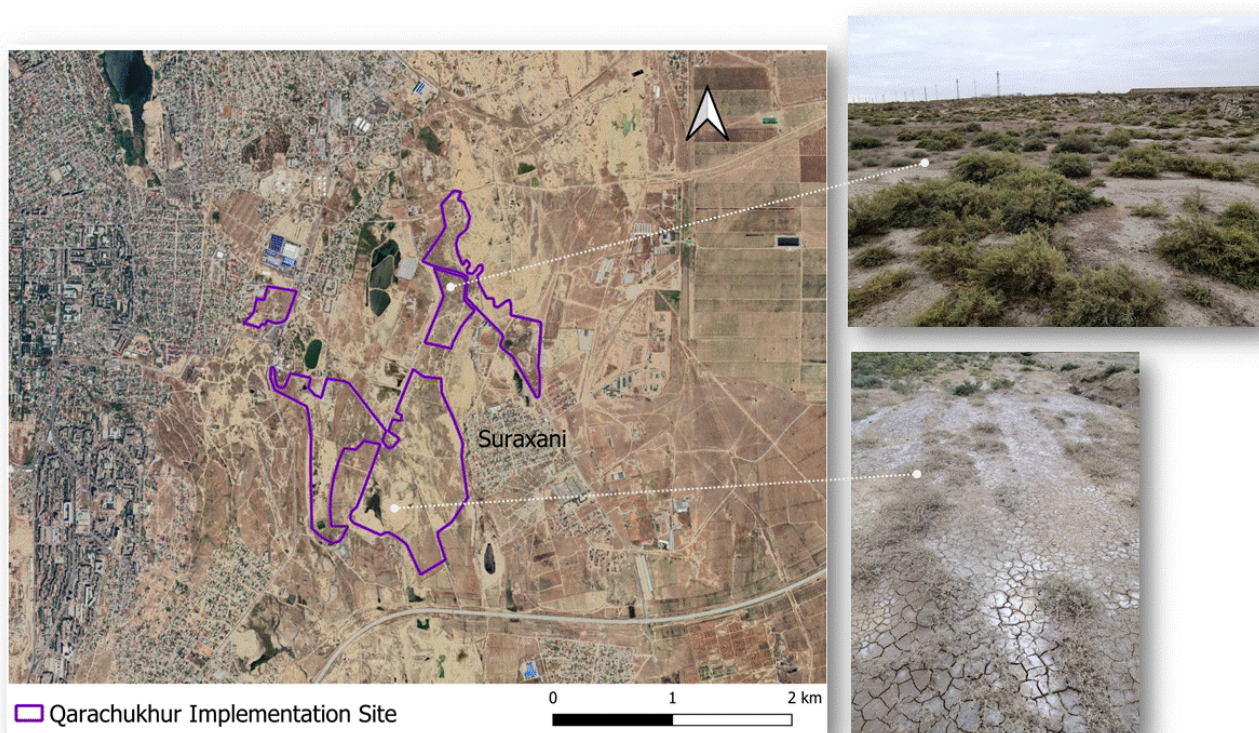


Figure 8. Location of Qarachukhur implementation site and detail of the vegetation cover and soil.

Implementation Site 2: Zigh (217 ha)

25. This site is located on the coast of the Caspian Sea and next to Zykh Lake, 15 km southeast of Baku, in Suraxani district (Figure 9). There are several large enterprises in the surrounding area, such as BakuBus LLC, and some livestock farms. The "Salt Zykh Lake" is used by people for medicinal purposes. The selected site covers 217 ha of highly salinized lands that are currently not used for agriculture. Some areas are partially swamped, with large areas of bare land and partially covered by Wormwood (*Artemisia* sp.) and other weeds.



Figure 9. Location of Zyk implementation site and details of the landscape.

Implementation Site 3: Qoshaqishlaq (183 ha)

26. This site is located in Pirallahy district of the Absheron Peninsula on the coast of the Caspian Sea (Figure 10). The site is owned by the government and is not currently being used. The area was used in the past for grazing, and pastures were grown. It covers 183 ha of sandy soils with high levels of salinization. It presents household waste, building materials, and large stones. There are sparse halophytic plants.



Figure 10. High resolution satellite image of Qoshaqishlaq Implementation Landscape in Absheron Peninsula. Images of the sandy and salinized soils and landscapes taken during the field visits are included.

27. The selected field sites represent the whole spectrum of the LDN response hierarchy of avoiding, reducing and reversing land degradation, with the smallest land area allocated to reversing land degradation and the largest land areas to avoiding and reducing land degradation.

Barriers

28. There are many issues that hamper achieving LDN in Azerbaijan. The project will strategically address the three main barriers which relate to different processes and levels: (1) a weak enabling environment, (2) limited awareness and knowledge on how to revert, reduce and avoid land degradation and (3) lack of monitoring mechanisms in place for adaptive management of land resources. As a crosscutting issue, gender inequality is related to the three barriers, with women having low access and control of resources and knowledge, as well as reduced participation and effective authority in decision making processes in Azerbaijan. Therefore, women's input, knowledge and guidance are still not

considered, and women are not empowered enough in the country's efforts to avoid, reduce and reverse degraded land.

Barrier 1: A weak enabling environment to achieve LDN

29. Effective LDN implementation requires a number of conditions to be in place, starting with an enabling environment that ensures successful implementation of actions to achieve LDN and mitigate potential risks. Although Azerbaijan actively invests in environmental sustainability at the national and regional level, there is still little consideration of the LDN framework. The main issues underlying the weak enabling environment for LDN in Azerbaijan are:

30. Weak political commitment to implement the UNCCD: Azerbaijan is one of the few countries in the region that has not submitted a report to the 2017-2018 UNCCD reporting process through the Performance Review and Assessment of Implementation System (PRAIS3) and also lacks a National Action Programme (NAP) to combat desertification and implement UNCCD targets. Moreover, Azerbaijan does not have a national LDN Working Group and has not finalized the target setting process of the national voluntary LDN targets. This step is key to effectively mainstream SLM and LDN into policies and strengthen the capacities of the central and local government on LDN. In addition, the country has not undertaken a baseline assessment on land degradation status and trends, which is necessary to monitor progress towards LDN. However, a new UNCCD focal point has been appointed recently and the government has renewed interest to achieve LDN.

31. Inadequate LDN policies and strategies: Despite the adoption and implementation of several political documents related to land management in the country, state programs, the Strategic Road Map and Action Plans, these are not enough for the sustainable management of land resources. As previously stated, there is no NAP to implement UNCCD and there is still no specific policy, or strategy to promote the introduction and dissemination of LDN or regulations to include the neutrality mechanism as a way to counterbalance gains and losses in Land Use Planning processes. Likewise, there are no significant national budget allocations to LDN, and the existing policies and regulations do not clearly identify sources of financing and investment to prevent and combat land degradation nor indicate the executive bodies in charge to implement them.

32. Weak institutional framework governing land management: Different ministries and institutions share the responsibility for combating degradation hampering the exchange of information and planning of joint actions. The MENR, which hosts the UNCCD focal point, has no direct contact with the farmers and agricultural enterprises. In some specific cases, e.g., related to the need for forest fire prevention, the MENR works together with the MOA, but the cooperation is not permanent. Moreover, there is a lack of both horizontal and vertical coordination related to land degradation monitoring and implementation of SLM. The contact between central ministries and local authorities is not always successful, hence there is a need to strengthen vertical coordination. As a result, the perspectives, concerns, and interests of various underrepresented farmer groups, including female farmers are not integrated into SLM policies. The analysis of the institutional framework in the field of land management shows that there are certain gaps in this area, duplication of efforts, and there is a need for improvement in this regard.

33. Insufficient and non-transparent knowledge management: There are difficulties regarding the access to maps and other information required for monitoring natural resources. The State Committee on Land and Cartography was abolished in 2016, and its functions were shared between the State Committee on Property and the MENR, hence some important documents and data are difficult to access. The absence of mechanisms for knowledge sharing in the ministries and committees also contributes to the inefficiency of some activities related to the implementation of SLM practices. National LDN indicators supporting the three global indicators were not identified. Integration of expert knowledge through regular consultative and feedback processes to develop national validated assessments on land degradation are not present. Open access knowledge platforms and DSSs related to natural resources still need to be developed.

Barrier 2: Limited awareness, incentives and knowledge on how to reverse, reduce and avoid Land Degradation

34. Implementation of SLM is critical to reverse, reduce and avoid land degradation and thus, to achieve LDN. Although sustainable management of natural resources is a priority for the government of Azerbaijan, the awareness and knowledge of land users on the importance of SLM is still low. From a historical perspective, this is related to the land reform process that has been carried out in Azerbaijan since 1997, which has resulted in land fragmentation into small plots which are managed by different landowners. Lack of farmer associations and cooperation hamper the possibility to transform agriculture from small-scale unsustainable production to competitive and sustainable production, through innovative technologies, better access to markets and integrated land use planning. As a result, land degradation processes have accelerated, and at the local level, land users are generally not aware of alternative land management practices and their benefits. In particular, there is limited knowledge of which, how, where and when to apply cost-effective sustainable soil management technologies and approaches, complicating the mainstreaming of SLM in Azerbaijan. There is a need to strengthen the role of the government institutions together with the representatives of NGOs to raise farmers and land users' awareness on the importance of SLM practices, to promote the LDN concept and guide the farmers towards behavioral change. The main issues related to the limited awareness and motivation for SLM application in Azerbaijan are:

35. Small land parcels and low cooperation and association among farmers: The predominance of small farms is one of the main problems of the agricultural sector in Azerbaijan. Most of the farms cover from 1.5 to 2 ha of land. When farmers only have small plots at their disposal and are not organized in associations or cooperatives, they are unable to benefit from economies of scale, participate in programs and services, receive sector information; have access to modern agricultural machinery, efficient land reclamation and irrigation systems, and obtain credit on favorable terms. Producers also face serious difficulties in accessing markets and selling and exporting their produce. Due to limited financial resources of small farms in Azerbaijan, farmers are unable to expand production, the introduction of rotational cropping systems is challenging, reclamation and irrigation of lands is difficult, and they do not have access to alternative, innovative and sustainable land management practices.

36. Widespread unsustainable land management: Farmers' need to change behavioral patterns for the adoption and mainstreaming of SLM in Azerbaijan. Small-family farms apply practices that have become unsustainable, and still prefer to continue with traditional farming. For example, monoculture and lack of crop rotation is widespread in rural areas, leading to increased soil degradation. The main reasons for this are limited knowledge of alternative sustainable practices and their benefits, and farmers' reluctance to take risks with their application due to the small economic margins.

37. Lack of education and incentive programs providing effective knowledge and support for SLM: In Azerbaijan, there are extension programs for farmers in rural areas led by the MOA and several restoration and reforestation programs have been undertaken by the MENR in forests or oil contaminated areas. However, effective SLM programs must consider the biophysical, economic and social constraints for a whole region or community, for all types of land uses. In Azerbaijan there is still a lack of holistic approaches to land management required to implement LDN, including the use of a landscape-scale approach for testing, introducing and adapting SLM options within a larger economic and ecological framework. Skills, capacities and experience in LDN and SLM at the relevant state institutions at the central, regional and local levels are limited. Among farmers there is a general lack of awareness about the potential positive impact of sustainable land management practices and their associated long-term benefits. The local communities have little access to knowledge materials on alternative practice and their benefits. Moreover, there are not enough incentives for farmers to adopt SLM and in many cases, where these mechanisms exist, they are not effective due to lack of knowledge. For example, the Azerbaijani government provides subsidies to farmers to buy fertilizers but when the necessary soil analysis to effectively apply them is absent, application of fertilizers often leads to inefficient results, which reduces farmers' motivation. Although the Government of Azerbaijan invests in projects aimed at afforestation, and land improvement, it has so far not created the environment that creates incentives for farmers to adopt SLM practices. SLM practices will not be adopted unless they are economically feasible. For example, the use of saline water for irrigation is a common practice that leads to the loss of land productivity, but it is still widely used due to the absence of other sources of water.

38. Advanced soil degradation: In many areas of Azerbaijan land productivity is extremely low due to advanced erosion processes combined with harsh climatic conditions or as a result of high intensity land use that degrade and contaminate the soils. Compaction of arable land in Azerbaijan has led to the deterioration of the water-holding capacity of the soil and abandonment of earlier productive land. In addition to extreme compaction, many areas suffer from high salinization and soil pollution. Reversing land degradation of these areas is a priority for Azerbaijan, but it is very costly and requires high investments from the government and local land users.

Barrier 3: Lack of monitoring mechanisms in place for adaptive management of land resources

39. Monitoring progress towards LDN is challenging because SLM adoption may deliver benefits slowly, over several decades, particularly when focusing on rehabilitation of degraded lands. However, spatial and temporal monitoring of degradation is the basis for actually achieving LDN, as it informs decision making processes and can modify recommendations when new knowledge indicates adverse

impacts or opportunities for enhanced outcomes. A long-term commitment to monitoring of LDN is still needed in Azerbaijan to detect recovery or decline in land conditions over time. The main underlying issues related to this barrier are:

40. Weak documentation of best SLM practices: Even though Azerbaijan has experience in implementing SLM through national and international projects, there are only two approaches documented and published in the Global WOCAT SLM database, and no SLM technologies. WOCAT is the primary recommended database by UNCCD for the reporting on best SLM practices. In addition, there are no national knowledge management systems with standardized information, detailing best practices and their costs and benefits publicly available. This restricts the sharing and spreading of valuable knowledge on SLM, hampering evidence-based decision-making and the scaling up of good practices.

41. Lack of a comprehensive framework for monitoring SLM and LDN across scales: In Azerbaijan there are no scientifically-sound and locally relevant SLM and LDN indicators and metrics identified, required to measure the LDN baseline at different spatial scales (benchmarking current condition) and for monitor change. Indicators that reflect soil health and land conditions across scales and detect off-site impacts are not available nor identified. Transparent and unified national monitoring protocols and datasets are also missing in Azerbaijan, leading to failure to show national and regional trends and thresholds within different land cover types and landscape areas. Monitoring of LDN process indicators, which can be used to monitor capacity building and policy processes and are particularly important where measurable outcomes are slow to appear, are also not in place. Moreover, there is no spatially explicit system that allows identification and anticipation of losses of natural capital that need to be balanced by gains within given land types, which is the basic mechanism to achieve LDN through integrated land use planning.

b. Baseline scenario and any associated baseline projects

42. The Strategic Road Map of Azerbaijan on Agricultural Production and Processing (2016) defines overall priorities related to restoration and rehabilitation of degraded lands for short-, medium- and long-term periods. Also, some aspects of agricultural developments are described in the "National Strategy for the Protection and Sustainable Use of Biodiversity in the Republic of Azerbaijan for 2017-2020" and the "Strategic Roadmap for the Prospects of the National Economy of the Republic of Azerbaijan". Other legal documents such as the Land Code, Forest Code, Water Code, and other relevant laws and supporting regulations stipulate the responsible bodies for management of resources, their protection, and sustainable use. There are several regulations related to creating the national framework on land degradation and land-related issues that are presented in Table 2:

Table 2. Policy documents, laws (normative legal acts) and international conventions on SLM

Date of document	Title of the document (law, program etc.)	Applicable area (scope)
06.12.2016	Strategic Road Map for the agricultural production and processing in the Republic of Azerbaijan	With a view to creating a favorable environment for the formation of a competitive agricultural production and processing sector through the implementation of the Strategic Roadmap (SRM) in 2016-2020, guided by the principles of sustainable development in the country, it is planned to implement 9 strategic goals. Strategic Goal 7 covers issues of environmental protection, sustainable use of natural resources and management of the impact of natural factors on agriculture. The main priorities of this strategic goal are to improve the mechanism of sustainable use of agricultural lands and water resources, to create a mechanism to reduce the adverse effects of climate change and other natural factors on agriculture, to improve the mechanism of environmental protection in agriculture and to develop environmentally sound agricultural production.
02.02.2021	Azerbaijan 2030: National priorities for socio-economic development	<p>Through this policy document, it is planned to realize five National Priorities related to the socio-economic development of the country in the next decade: i) competitive economic with sustainable growth; ii) a dynamic and inclusive society based on social justice; iii) competitive human capital and a space for modern innovations; iv) great repatriation to the de-occupied territories; v) clean environment and a country of "green growth". These National Priorities are also of particular importance in the implementation of the commitments arising from the UN's "Transforming our world: 2030 Agenda for Sustainable Development".</p> <p>According to the 5th National Priority, given the scale of global climate change, the application of environmentally sound technologies will be given priority, the use of clean energy sources, waste recycling and rehabilitation of polluted areas will be promoted, the environment will be improved, greenery will be restored and increased, and efficient use of water resources and sustainable energy sources will be ensured.</p>
28.09.2006	Comprehensive Action Plan on Improving the Environmental Situation in the Republic of Azerbaijan	The Comprehensive Action Plan envisions the implementation of a number of important measures to prevent negative environmental impact factors and improve the environmental situation in the country, including the treatment of wastewater, reconstruction of sewerage networks, reclamation of contaminated lands, planting of forests and greenery in large areas and implementation of other necessary measures in order to restore the quality of water bodies, air and soil in the coastal zone of the Caspian Sea, Absheron Peninsula and other regions of the country. The vast majority of measures envisaged in this policy document have already been implemented, and the remainder are being implemented.

18.02.2003	National Program on environmentally sustainable socio-economic development in the Republic of Azerbaijan	<p>The purpose of the National Program was to protect the existing environmental systems, economic potential, and ensure efficient use of natural resources with a view to meeting the needs of present and future generations in the country.</p> <p>To ensure the environmentally sustainable development, it was considered necessary to address and contain serious environmental problems stemming from the economic activities, and the implementation of the National Program was aimed at this.</p>
18.02.2003	<p>National Program on Rehabilitation and Expansion of Forests in the Republic of Azerbaijan.</p> <p>Development of the 2nd National Forest Program in Azerbaijan (with the support of the FAO) has been completed, and the document has been submitted to the Cabinet of Ministers for consideration and approval.</p>	<p>The National Program was adopted with the aim of increasing the green cover of the country by restoring forests through regionalized species, increasing their quality and productivity, and planting new forests and greenery using additional land plots.</p> <p>As a result of the program implementation, achievements have been made in planting short-cycled, fast-growing trees, expanding protective afforestation, protection of agricultural lands, prevention of soil degradation and erosion, protection of water sources, protection of forests from fire and pests.</p> <p>The program has also triggered the planting of new forests, the creation of additional jobs, the development of ecotourism for recreation.</p>

29.01.2019	<p>State Program on socio-economic development of regions of the Republic of Azerbaijan in 2019-2023.</p> <p>This is the 4th program. Earlier, the 3rd program (2004-2008, 2019-2013, 2014-2018) was implemented.</p>	<p>The main goal of the program is to ensure sustainable and balanced development of regions in the country, including a competitive economy based on the principles of sustainable development, social welfare, efficient use of natural resources (including lands) and a favorable environment to create a geological safety system enabling reliable environmental protection.</p> <p>To achieve these goals, the Program will implement, inter alia, the following in relation to the environment, agriculture and land:</p> <ul style="list-style-type: none"> - improve the level of self-sufficiency of the country in basic food products, increase the production of environmentally sound products; - increase the reliability of environmental protection and sustainability of the management of natural resources; - improving the supply of irrigation water to arable lands; - develop the road and transport infrastructure in villages; - promote farmer partnership and development of cooperation in agriculture; - facilitate access to financial resources for entrepreneurs and farmers, create of innovative forms of farming. <p>One of the sections of the program concerns the use of ecology and natural resources, improvement of the supply of irrigation water, and another one concerns the increase of the role of women and youth in regional development.</p>
13.07.2016	<p>2016-2020 State Program on development of real estate cadastre system in the Republic of Azerbaijan and increased efficiency of land use and protection.</p>	<p>The main purpose of the program was to develop the real estate cadastre system in the country, improve the process of registration of real estate ownership and other property rights, regulate land relations, improve the public management of land resources, ensure use of lands as intended, undertake land monitoring in relation to the introduced changes in quantitative and qualitative indicators, develop land management designs and schemes for the establishment of large farms on land plots, ensure efficient use of lands and protection of land resources, restoration and increase of land fertility, reclamation of degraded lands, especially those polluted by oil wastes, ensure protection from soil erosion, degradation, desertification, exogenous ecological processes and other negative impacts, and develop the land market.</p>

14.07.2017	2017-2022 State Program on the Development of Agricultural Cooperation in the Republic of Azerbaijan	<p>The purpose of the State Program is to promote joint economic activity of consumers of agricultural products, to create favorable conditions for the organization of agricultural cooperatives on a voluntary basis, to ensure the sustainable operation of cooperatives, as well as to support the formation and development of cooperation in agriculture.</p> <p>The following tasks are envisaged within the program.</p> <ul style="list-style-type: none"> - strengthen awareness raising, advocacy, and extension services on the activities of cooperatives; - develop the agricultural cooperation system, provide state support to cooperatives for this purpose; - ensure efficient use of land, enable application of innovations; - enhance financial services for cooperatives, provide preferential loans, improve the insurance mechanism for them; - support the formation of cooperation infrastructure for the production, processing, sale of agricultural products, as well as logistics and other services. <p>The overall analysis of the implementation of the Program over the past period reveals that the implementation of measures aimed at developing the agricultural cooperation in the country has not provided the expected results. The process of merging farmers and cooperatives is currently dormant.</p>
25.06.1999	Land Code	<p>The Land Code provides for the improvement of land relations based on the application of various types of land ownership in the country, the fulfillment of land obligations of landowners, users and tenants and the protection of land rights, the creation of conditions for efficient land use and protection, restoration and increase of soil fertility, man-made pollution and reclamation of degraded lands, preservation and improvement of the natural habitat.</p> <p>According to the Code, the land legislation of the country consists of this Code, other laws related to land and relevant regulatory legal acts ensuring their implementation.</p> <p>The legal status of a land plot includes its intended use, the form of the right over the land plot (right to ownership, use or permit), as well as the determined encumbrance (restriction) regarding the use of the land plot.</p>

10.12.1998	Law on Land Lease	This Law determines the legal basis for the lease of the state-owned, municipal and privately owned lands, and the lease relations in the country. According to the law, land lease is a temporary use of land on a contractual basis with compensation. The legal and economic relations between the lessor and the lessee constitute the lease relations over the land. Article 10 of the law sets out general rules for the lease of land. Article 10-1 provides the terms of the lease of state-owned agricultural lands.
30.12.1999	Law on Land Fertility	<p>The law determines the legal basis for the restoration, increase and protection of the fertility of state-owned, municipal and privately owned lands in the country. According to the law, land fertility is the ability of the soil to regularly provide plants with nutrients, moisture reserve and other important substances for their life under favorable morphological, physical-chemical, mechanical and biological conditions.</p> <p>The purpose of the legislation on land fertility is to set out the general rules of state regulation of restoration, increase and protection of natural fertility properties of lands in the territory of the country, regardless of the form of ownership.</p>
29.06.2001	Law on Municipal Land Management.	The law regulates the general rules of ownership, use and lease of municipal lands, legal relations in the field of their use and protection. The law defines the composition of municipal lands and the basic principles of their management. According to Article 12 of the Law, lands provided for agricultural needs or intended for these purposes are considered to be agricultural lands of the municipality.
07.12.1999	Law on the Territories and Lands of Municipalities.	This Law approved the list of municipalities in the country in accordance with the Law on the Status of Municipalities. According to the law, the management of lands owned by the municipality, as well as their use and disposal is carried out in accordance with the requirements of civil, land, urban planning, architecture and construction legislation and the charter of the municipality.
24.04.1998	United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa.	Since the Convention's ratification, a National Report on the implementation of this international document in the country has been organized; relevant measures have been taken to develop a National Action Plan; and regional workshops have been held. The first National Forest Program, as well as the State Program on the efficient use of summer and winter pastures, hayfields, and desertification prevention, have been approved and implemented. Within the scope of the Comprehensive Action Plan on Improving the Environmental Situation (2006), a number of projects have been implemented for the rehabilitation and reclamation of lands contaminated by man-made impacts (mainly with oil and iodine-bromine wastes). Such initiatives are still being carried out. At present, the 2nd National Code Program has been prepared (with the support of FAO) and submitted to the Cabinet of Ministers.

24.06.2011	European Landscape Convention	The purpose of this international treaty, to which Azerbaijan is a party, is to assist in the protection, management and planning of the landscape, as well as to build cooperation in Europe on landscape regulations. In accordance with the Constitution, all the provisions of the Convention apply across the country, covering nature, rural areas, cities and suburbs. These include land, inland waters and sea areas. The approaches outlined in the Convention are reflected in the relevant legislation of the country, including the Urban Planning and Construction Code. By the resolution of the Cabinet of Ministers, Azerbaijan Greening and Landscape Construction OJSC was established under the Ministry of Ecology and Natural Resources.
14.03.2000	UN Convention on Biological Diversity	As part of the implementation of the Convention, a number of actions have recently been taken to preserve ecosystems, rare and endangered species of flora and fauna in Azerbaijan. A special Law on Specially Protected Natural Areas and Objects was passed, and two national strategies (2006 and 2017) on the conservation and sustainable use of biodiversity were adopted and implemented in the country.
14.03.1995	United Nations Framework Convention on Climate Change	With a view to addressing issues arising from the Convention, the State Commission on Climate Change, and a relevant Working Group were established in 1997 by a presidential decree. Their members were replaced in 2020.

43. The baseline also includes several initiatives supported by international agencies and institutions in conjunction with line ministries, described below:

44. GIZ/Ministry of Agriculture: *“Management of natural resources and safeguarding of ecosystem services for sustainable rural development in the South Caucasus (ECOserve)”* project aims to improve conditions for the sustainable and biodiversity-friendly use of natural resources in the dominant land-use systems (grazing, agriculture, and forest) in the South Caucasus. The focus is on the dominant land-use systems in the South Caucasus countries, specifically agriculture in Azerbaijan.

45. UNDP/ Ministry of Ecology and Natural Resources: *“Adaptation planning support for Azerbaijan”*. As reflected in its National Determined Contribution (NDC), the government of Azerbaijan has embarked on the preparation and implementation of a National Adaptation Plan (NAP). This GCF project will support Azerbaijan to facilitate the development of the NAP and improve climate change adaptation (CCA) actions in Azerbaijan in three priority sectors identified by the MENR through stakeholder consultations: water, agriculture, and coastal areas. The NAP readiness support objective is to increase capacity on climate resilience and adaptation in those three sectors through the implementation of actions and activities that will reduce or eliminate barriers for an effective adaptation process at both the national and local levels.

46. FAO/Ministry of Ecology and Natural Resources: *Conservation and sustainable use of biodiversity: Strengthening network of protected areas through improved governance and management?* funded under GEF-7 cycle, aims to strengthen the effectiveness of Azerbaijan's protected area system to deliver Global Environmental Benefits, using a landscape approach to governance and management. One of the project outputs is related to the restoration of the degraded lands through application of the Integrated Landscape Approach that can be linked with current project.
47. FAO/Ministry of Ecology and Natural Resources: *Improved water governance, towards sustainable agricultural development?* project focuses on improved capacities for managing water use and resources in the agricultural sector, planning interventions for more effective use, including assessments on water saving technologies, effective irrigation methods, preventing harmful impacts of excessive application of water; analyzing and planning for drainage needs, etc. These would all contribute to preventing land degradation.
48. FAO/Ministry of Agriculture: *Catalyzing the efficiency and sustainability of Azerbaijan's hazelnut sector?* project targets to disseminate Good Agricultural Practices, which contribute to SLM practices as well as enabling the extension of land covered under hazelnut cultivation. In addition, the project is also exploring bio control mechanisms against aflatoxin, contributing to the prevention of chemical contamination of lands.
49. FAO/Ministry of Agriculture: *Development and application of sustainable sheep production and food value chains?* project has a specific output on mainstreaming sustainable grazing land management practices, which are crucial to prevent land degradation and improve land management.
50. FAO/Ministry of Ecology and Natural Resources: *Improvement of Forest Land Restoration for Environmental Development and Sustainability?* project targets to strengthen national capacities for the development of afforestation and forest restoration works, including forest nursery production, effective plantation techniques, and assessment of potential afforestation areas. In order to ensure the sustainability of the project, an analysis of degradation drivers will be carried out in a participatory manner involving all concerned main stakeholders.
51. Above mentioned projects will support implementation of proposed project in terms of baseline information on policy, institutional and technical capacities, beneficiaries, and overall landscapes. Current situation indicates that a tremendous effort is required to achieve SDG 15 as well as the set national LDN target to be in-line with national target set in Strategic Roadmaps. But it's obvious that despite all the efforts during recent years still there is need to support government of Azerbaijan to accomplish the necessary procedures for LDN target setting. Azerbaijan therefore still needs support to all the steps involved in target setting process. The proposed project is thus designed to assist Azerbaijan in taking the steps required to finalize LDN target setting process and set-up sustainable LDN governance and monitoring system.

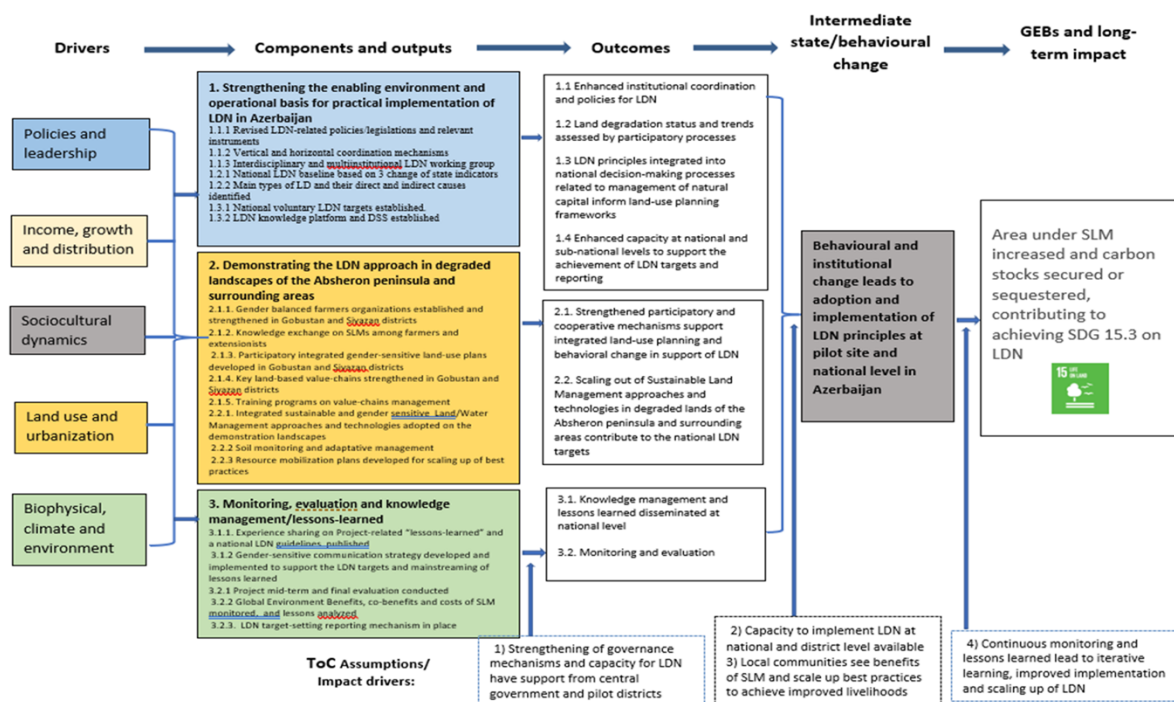
c. Proposed alternative scenario with a brief description of expected outcomes and components of the project and the project's Theory of Change

1.3.1 Project Theory of Change

52. The project takes a landscape approach, which allows barriers to be addressed in a multifaceted way, integrating sectors, involving stakeholders and working at different scales ? tackling the underlying drivers of degradation and challenges related to land degradation and LDN. The project will work to formulate comprehensive land-use planning to rationalize land use in a way that addresses interconnectedness and trade-offs across multiple land-use types, promote good governance to align policy directives at the national and sub-national level, and promote innovations in sustainable land management (SLM). Barrier 1 on the weak enabling environment to achieve LDN in Azerbaijan is linked to indirect drivers of land degradation and loss of productive land related to policies and leadership, as well as income growth and distribution. Barrier 2 on limited awareness, incentives and knowledge on how to reverse, reduce and avoid land degradation is also linked to drivers related to socio-cultural dynamics, land use and urbanization processes, as well as biophysical, climate and environmental drivers. Barrier 3 on lack of monitoring mechanisms for adaptive management of land resources is linked to all the above drivers. To remove these barriers to SLM and implementation of LDN, the first component of the project will strengthen the enabling environment for LDN (addressing barrier 1). The second component will provide support to demonstrations and scaling up of resilient SLM practices in degraded landscapes to address barrier 2. These two components will be complemented by component 3, about monitoring, evaluation and dissemination and communication of lessons learned to address the third barrier. As a result, the project components will work together supporting behavioral and institutional change that leads to adoption and implementation of LDN principles at national level and balancing of gains and losses of productive land at project implementation sites. This is expected to lead to the ultimate goal of achieving LDN and SDG target 15.3 through implementation and scaling up of SLM.

53. Reaching the intermediary state of behavioral change is based on the assumptions that 1) strengthening of governance mechanisms and capacity for LDN has support from the central government and pilot districts, that 2) capacity to implement LDN at national and local level has been successfully created and is available, and 3) that local communities see benefits of SLM and scale up best practices to achieve improved livelihoods and LDN. The ultimate goal of increasing the area under SLM and increased carbon stocks on productive land is based on the assumption 4) that there will be continuous monitoring of the implementation of LDN through SLM and that lessons learned lead to iterative learning, improved implementation and scaling up of LDN.

Figure 11. Project Theory of Change



1.3.2 Component 1: Strengthening the enabling environment and operational basis for practical implementation of LDN in Azerbaijan

54. This component will create a conducive and enabling environment in Azerbaijan for implementing the LDN approach that can deliver multiple environmental, economic and social benefits by balancing losses and gains of productive land. LDN policy gaps will be addressed and collaboration and coordination among key sectors will be strengthened. An understanding of the key indirect and direct drivers of land degradation that lead to loss of productive land, as well as the associated costs to local communities and the national economy will be developed. To achieve this, a multi-sector and inter-institutional participatory process is proposed that builds on high-impact good practices and national capacities, enhancing national ownership. A national LDN Working Group will be established and national voluntary LDN targets based on the baseline assessment will be set with identified measures to achieve them. LD and SLM monitoring systems will be strengthened to inform decision making and a DSS will be established to help set and monitor LDN targets in the pilot districts and eventually at national level. This will be achieved through four outcomes with associated outputs and activities that will strengthen the policy and institutional enabling environment for LDN, enhance the understanding of LD drivers, and enhance the capacity to implement LDN at national and local level.

Outcome 1.1: Enhanced institutional coordination and policies for LDN

55. A sound legal and institutional framework governing land management is of paramount importance for the successful implementation of LDN activities. To achieve this, an assessment of the regulatory framework to identify possible gaps, inconsistencies, weaknesses and opportunities will take place. It will cover most of the technical, legal, policy and financial aspects related to land degradation and consider the synergies with other key national policy frameworks (i.e., NDCs, national SDG strategies, etc.). In addition, a Roadmap for new policies that encourage LDN shall be proposed, to incentivize and help to coordinate SLM practices and activities across sectors and remove deterrents undermining the implementation of these practices. To ensure that LDN efforts are linked to land administration at the appropriate level, the assessment will also provide information on the mechanisms for interactions between local, national and international governance levels.

Output 1.1.1: Revised LDN-related policies/legislations and relevant instruments based on a gap analysis

56. The Strategic Roadmap for the production and processing of agricultural products in the Republic of Azerbaijan (Strategic Goal 7, Priority 7.3) stipulates assessment of possibilities, and development of proposals for enhancing the efficiency of agricultural land use, reclamation of saline and degraded lands for cropping purposes, introduction of SLM technologies, and intensification of measures for the preservation of pastures and hayfields. Based on a preliminary gap analysis undertaken during the PPG phase of this project, the following activities are proposed:

- ? Further analysis of policy gaps and constraints to implement LDN principles, including identification of gender-responsive provisions.
- ? Development of a National Strategy (for 2021-2030) for Combating land degradation and increasing land fertility, as well as a National Action Plan to ensure its implementation.
- ? Prepare a draft State Program on Development of livestock production in the Republic of Azerbaijan, strengthening efficient use of pastures.
- ? Raise awareness on the VGGT (Voluntary Guidelines on the Responsible Governance of Tenure) and explore the nexus land tenure and land degradation at national level.
- ? In light of the unsatisfactory implementation of the 2017-2022 State Program on Development of agricultural cooperation in the Republic of Azerbaijan, monitor and assess its implementation, identify shortcomings and gaps, prepare justified proposals aimed at strengthening agricultural cooperation in the country, including, first of all, proposals to increase and stimulate financial support provided by the state.

Output 1.1.2. Vertical and horizontal gender-sensitive coordination mechanisms among the main actors involved in LDN established and strengthened.

57. The institutional analysis performed as part of the PPG revealed that there are many governmental and non-governmental organizations involved in land management in the country. To strengthen coordination mechanisms with a strong technical perspective, and assure gender inclusion, the following activities are proposed:

- ? Analysis of the existing inter-sectoral coordination mechanisms between local, national and international governance levels involved in the implementation of SLM and LDN including a gender lens.
- ? Establishment of a coordinating body on land issues under the Cabinet of Ministers, such as a National Coordinating Council (Commission), with a view to carrying out land management more efficiently, effectively and expeditiously, and avoiding duplication in this area. Relevant administrative and procedural documents will be drafted for this purpose.
- ? Establishment of gender-balanced land management groups at municipal level in target communities integrating LDN principles.
- ? Development of coordination mechanisms among all levels of stakeholders for integrated land use planning in Gobustan, Siyazan and Baku districts.

Output 1.1.3. Interdisciplinary and multi-institutional LDN Working Group established.

58. A gender-balanced multi-institutional and technical LDN working group will be established for implementing the LDN target setting process and guide progress towards achieving national targets following the UNCCD process. The national LDN Working Group will seek the support of international partners and will be established considering inclusiveness and gender equality. Representatives from the academic sector, including young researchers and postgraduate students will be invited to participate. Activities to establish the national LDN Working Group will be carried out in coordination with the National UNCCD focal point and include:

- ? Identification of main government institutions, NGOs, farmers associations and research groups involved with LDN and SLM, including the stakeholders identified in Annex I2.
- ? Organization of a workshop to present the LDN conceptual framework and the objectives of the Group
- ? Adoption of TORs, formalization and institutionalization of the structure of the national LDN Working Group

Outcome 1.2: Land degradation status and trends assessed using participatory processes.

59. The causes of land degradation, the processes involved and the impact they have on ecosystem services change over space and time as well as with respect to changing social perceptions of the value of ecosystem services. As such, mapping land degradation is a challenging but indispensable task to

achieve LDN. Therefore, a comprehensive, data driven and participatory assessment integrating qualitative and quantitative data and considering both the biophysical and socio-economic dimensions of land degradation will be performed at the national level in Azerbaijan.

Output 1.2.1: National LDN baseline based on three change-of-state indicators validated by national experts and supplemented with national LD indicators.

60. Validation of satellite derived indicators through field verification and expert consultations through bottom-up and participatory mapping approaches involving local experts will be undertaken to develop and choose the most appropriate and representative methodologies and results to assess land degradation at the national level. A national LDN baseline will be established after validation and improvement of calculation of LDN change of state indicators. Main activities will include:

- ? Identification of national available LD related indicators
- ? Identification of best available data to monitor trends in land cover, land productivity and carbon stocks
- ? Participatory definition of a land cover legend appropriate to monitor land cover changes related to degradation in Azerbaijan
- ? Validation of a land cover transition matrix to map land degradation due to land cover changes
- ? Participatory assessment of land productivity trends through the integration of expert knowledge and cloud computing following Teich et al. (2019)
- ? National determination of soil organic carbon conversion factors
- ? Integration of LDN sub-indicators using the IOAO principle for a baseline LDN assessment.

Output 1.2.2: Main types of LD and their direct and indirect causes identified for different land use and land cover types.

61. The LADA-WOCAT QM tool will be implemented for mapping the main types and drivers of land degradation and the conservation activities undertaken at national, subnational (project area) and local level (project implementation areas). The assessment is based on the participatory completion of a detailed and georeferenced questionnaire that pays attention to the state, causes and evolution of soil, water and biological characteristics. It also searches answers concerning direct and socio-economic causes of these phenomena including its impact on ecosystem services. The database and mapped outputs will provide a powerful tool to obtain an overview of land degradation and conservation in Azerbaijan. Main activities include:

- ? Identification of existing documents and maps (GIS layers, high resolution satellite images, socio-economic and land use data etc.) to construct a base map of land use systems in Azerbaijan.

- ? Participatory completion of a detailed and georeferenced questionnaire on the intensity, rate, type and causes of land degradation and their impacts on ecosystems services, as well as the recommendations and conservation measures.
- ? Development of maps by linking the information obtained through the questionnaire to a Geographical Information System (GIS).

Outcome 1.3: LDN principles integrated into national decision-making processes related to management of natural capital inform land-use planning frameworks.

62. This outcome will support mainstreaming of LDN principles into the national decision-making process through the setting of national voluntary LDN targets and the development of a DSS. Mainstreaming of LDN into the annual and medium-term plans of the relevant ministries and agencies, as well as into other related national strategies will be key for achieving LDN in Azerbaijan, including coordination with activities for climate change, biodiversity conservation and poverty alleviation.

Output 1.3.1 National voluntary LDN targets established.

63. The project will support the government of Azerbaijan to identify its priorities and objectives to achieve LDN in coordination with the Global Mechanism of the UNCCD. To achieve this, based on the baseline LDN assessment, the established LDN Working Group will follow a consultative process involving stakeholder meetings, policy reviews, data analysis and capacity building to leverage, assess, measure and achieve Azerbaijan's commitments to LDN. The LDN target setting process will allow national stakeholders to systematically analyze causes and effects of land degradation to make evidence-based decisions on what is desirable and feasible to achieve by 2030 in order to avoid, reduce, or reverse land degradation. Main activities will include:

- ? Identification of Hotspots of land degradation.
- ? Setting of voluntary LDN national targets and associated measures to achieve them.
- ? Identification of national LDN targets timeframe and funding required for their achievement.
- ? Initiation of the process for official endorsement of established LDN targets to UNCCD

Output 1.3.2 LDN knowledge platform and DSS established in line with the LDN response hierarchy, to inform land use planning processes and anticipate 'gains' and 'losses' of natural capital supported by the Ministry of Ecology and other key ministries and institutions.

64. Through regular consultative and feedback processes, a knowledge platform and a decision support system will be developed and integrated into a national platform. The system will allow the identification and prioritization of appropriate and gender-sensitive interventions for specific sites and

navigate trade-offs within landscapes at different scales, considering the environmental and socio-economic status and implications, the LDN response hierarchy and the principle of counterbalancing anticipated losses with planned gains. To develop the system, a bottom-up approach with full stakeholder participation (gender sensitive, inclusive and transparent) will be implemented to promote national empowerment and ownership of the LDN approach. Activities for capacity building, horizontal exchange of knowledge and participatory validation of LDN indicators across scales will also take place throughout the process. Activities will include:

- ? Mapping of the entry points for including the LDN indicators and the neutrality mechanism in the current national land use planning processes.
- ? Further development of the decision support system for LDN established at the PPG stage together with all levels of stakeholders through discussions, capacity building and adaptation of the methodologies to the end users' needs and feedback.

Outcome 1.4: Enhanced capacity at national and sub-national levels to support the achievement of LDN targets and reporting.

65. To enhance national capacities for LDN, a capacity building programme will be established targeting different stakeholders at different levels. This programme will build on available international as well as national training materials that will be tailored for the needs of achieving LDN, focusing on linking of national LD indicators and monitoring systems with LDN specific indicators and requirements. Development of training modules on LDN principles, including land tenure and gender dimensions, concepts and key indicators targeting decision makers and technical staff.

Output 1.4.1. Gender sensitive capacity development and awareness raising program in place targeting stakeholders including policy makers, local administrations, and farmer organizations for mainstreaming of LDN targets.

66. Practical workshops and training for working groups and stakeholders from the public and private sectors, on LDN, land use planning, tenure rights, sustainable land management and value chains will be implemented. The training material will include a dedicated gender section that integrates relevant gender dimensions outlined in the UNCCD Manual for Gender-Responsive Land Degradation Neutrality Transformative Projects and Programs^[1]. Activities include:

- ? A series of workshops with decision makers and technical staff from the MENR, MOA and MOE involved in the implementation of LDN (at least 70 women out of total 240 people, with an emphasis on the sub-national level) will be held.
- ? Training modules on implementation of LDN in practice and how SLM contributes to gender-responsive achievement of LDN targets at national and sub-national level targeting

technical staff as well as local communities (through the rural advisory service farmer-to-farmer training, etc.) will be implemented.

Output 1.4.2. Capacity building program for government officers to assist in reporting to the UNCCD.

67. A specific training program for integration of national indicators and using validated datasets will be carried out to integrate the results achieved throughout component 1, and particularly in Outcome 1.2. Activities include:

? Training in LDN of decision makers and technical staff at the national level on LDN indicators, monitoring using standard tools and balancing strategies to report status and progress of UNCCD Strategic Objectives 1, 2 and 4.

1.3.3 Component 2: Demonstrating the LDN approach in degraded landscapes of the Absheron peninsula and surrounding areas

68. Through this component, the project will contribute to achieving LDN in Siyazan, Gobustan and Baku districts, supporting the implementation and mainstreaming of SLM in degraded landscapes in a gender responsive way. To effectively scale out climate resilient and sustainable land management practices in Azerbaijan, it is crucial to promote the association and collaboration among farmers. The extensive work on common pool resources has demonstrated the ability of self-organized collectives to sustainably manage key natural resources. Therefore, the first outcome of this component seeks to strengthen gender balanced cooperative mechanisms, establish a farmer-to-farmer training system for sustainable soil management, develop integrated land use plans and strengthen key value chains; while the second outcome aims at implementing and scale out climate resilient SLM practices according to the priorities established to achieve LDN in the target landscapes.

Outcome 2.1: Strengthened participatory and cooperative mechanisms support integrated land-use planning and behavioral change in support of LDN.

69. Farmers organizations (FO), such as agricultural cooperatives and pasture user associations, provide a structure for members to participate in programs and services, receive sector information and

connect and share ideas, which can help address land degradation, improve water availability and enhance the resilience and livelihoods of the communities. The creation of cooperatives is considered the best way to move agriculture from small-scale unsustainable production to competitive and sustainable production, through innovative technologies and better access to markets, providing an opportunity to reduce the negative impacts of inappropriate land management. In Gobustan and Siyazan districts, there are no established cooperatives, but there are good opportunities to strengthen these mechanisms, such as an existing legal framework and interest from the government to create agricultural cooperatives. In addition, agricultural land in these districts belongs to the local farmers, which represents an advantage for establishing FO in these regions.

Output 2.1.1: Gender balanced farmers organizations established and strengthened in Gobustan and Siyazan districts.

70. Following the "Strategic Roadmap for the production and processing of agricultural products in Azerbaijan", which identifies measures to create farmer partnerships and develop cooperation in agriculture, the project will strengthen and contribute to the creation of farmers organizations both in the target areas of Gobustan and Siyazan. The "State Program for the Development of Agricultural Cooperation in the Republic of Azerbaijan for 2017-2022" will also provide valuable guidance and lessons learnt to successfully promote the formation of cooperation infrastructure. This will lead to greater attention to sustainable production practices and better natural resource management to preserve ecosystem function under increased climate stress and ensure the sustainability of agricultural production systems and risk-adjusted returns to farmers.

71. A series of activities and steps are proposed to create FOs within the context of the project. Each step represents a point of evaluation where a decision must be made as to whether or not to continue with the FO based on results and analysis. In order to build a strong foundation for the FO, these decisions will require involvement and input from as many potential members as possible. Activities include:

72. Selection of a person or a group of people who will take the lead in establishing community-based farmer organizations (one for Gobustan and another for Siyazan). This person - from another FO or government or other organization, such as a village extension worker - needs to be acquainted with and convinced of how the FO can be used to increase the income of small producers (First 3 months).

73. Characterization and understanding of the communities. Collection of both qualitative and quantitative information on the levels of income and productivity, costs of cultivation, post-harvest losses, output utilization, and the likelihood of making improvements to each of these factors will take place.

74. Identification of common goals and types of associations. To identify a common goal, participatory meetings will be held to further discuss the issues facing the farm business and to identify how the FO can address the issues common to the group. Issues identified during the socio-economic

assessment undertaken during PPG include lack of irrigation, decreased productivity, high prices of seeds and weak participation of women in rural activities.

75. Establishing a steering committee. The steering committee will be responsible for guiding the group through the development process. Specific responsibilities should include informing potential members of the group's progress and coordinating further meetings; surveying producers regarding their needs; collecting market and financial information; assessing the feasibility of the business; overseeing the preparation and implementation of the co-op's business plan.

76. Undertake a feasibility study and develop a business plan. A feasibility study that addresses the risks, benefits, strengths and weaknesses of the proposed activities will be conducted to determine the potential for a successful business, including market access mechanisms and key value chain infrastructure and resources that increase revenue of local population

77. Prepare legal documentation to incorporate into the FO. Incorporation gives the FO a distinct legal standing and limits the financial liability of its members. A co-operative can be incorporated under the national legislation.

Output 2.1.2: Knowledge exchange mechanisms among farmers and extensionists established and adapted information packages for sustainable soil management and soil testing methods developed.

78. By promoting the establishment of a farmer-to-farmer training system, this output will result from building the capacity of farmers on the practice of sustainable soil management and support the extension programs of the MOA of Azerbaijan working on agricultural extension at the field level (promoting broader impact and cost reduction). Increased awareness and access to monitoring tools will allow farmers to make immediate and responsible decisions on soil management with a direct impact in reducing land degradation while complementing the horizontal cooperation mechanisms established through Output 2.1.1. To achieve this, the FAO Soil Doctors Program (SDP) will be implemented in articulation with national programmes on agricultural extension, such as the Agrarian Volunteers Program. The SDP provides a framework and training tools to build the capacity of farmers for sustainable soil management. As a result, gender sensitive packages of theoretical and practical information shaped on specific pedoclimatic characteristics and crops available in Gobustan and Siyazan will be developed. Trainings will also rely on the establishment of demonstration areas and experimental fields (Outcome 2.2). Collaboration with research institutes and universities will be established, which will ultimately support and strengthen the link between academia and farmer practices. It is expected that at least 500 farmers will be involved in the following activities:

- ? Coordination with the national programmes on agricultural extension and identification of farmers interested in the programme in the districts of Gobustan and Siyazan

- ? Adaptation of training materials that address local-specific needs. According to the PPG analysis, key issues in project landscapes are prevention and remediation of soil compaction, minimization of water and wind erosion, enhancement of soil organic matter content and prevention of soil pollution on agricultural fields.

- ? Identification of the methods to use to assess soil conditions with Rapid soil testing Kits and national available methods.
- ? General training to the farmers previously identified and higher-level training to potential soil doctors.
- ? Identification of the soil doctors and training on Soil Testing Methods.
- ? Establishment of demonstration farms for production of agricultural products to practice sustainable soil management, training and assistance of farmers, discussion on sustainable soil management at farmers/community meetings.
- ? Establishment of a monitoring system to collect soil data and strengthen the national soil information system programme.

Output 2.1.3 Participatory integrated gender-sensitive land-use plans developed and priorities identified in Gobustan (18,000 ha) and Siyazan (13,300 ha) districts.

79. Building on the strengthened cooperation among farmers (Outputs 2.1.1 and 2.1.2) and the assessments done in component 1, the development of gender-sensitive land-use plans will contribute to achieve neutrality in 31,300 ha of production systems in Gobustan and Siyazan, to attain sustainable land management in these landscapes (GEF Core Indicator 4.3). Integrated land use planning will allow balancing identified environmental, economic and social priorities, to eventually achieve LDN. To optimize the spatial mix of possible interventions the best information available on land degradation status, land potential and socio-economic data obtained through the participatory assessments of Component 1 will be used. Efficiency of LDN implementation within land use planning processes will be increased by enhancing multi-stakeholder participation for effective implementation of integrated land use planning. Through participatory assessment and evaluation of the different land uses and systems, an agreed analysis of the ecological state of each area of the landscapes can be reached and plans can be discussed to avoid degradation in healthy areas and improve those areas showing degradation. Cooperation among farmers will allow more efficient use of resources and better planning. Involving communities in this 'neutrality' discussion will also allow them to visualize and understand how ecosystem services flow through the different land tenure systems, and how this consequently leads to the need for a holistic approach to landscape issues. As a result, the land use plans should be socially accepted, environmentally sustainable and economically viable, and implementation should be legally possible under current legislation. Taking these factors into account, the plan will include an agreed concrete proposal with site-specific recommendations. Activities include:

- ? Development of a local LDN baseline assessment.
- ? Identification of environmental, economic and social priorities for each site.
- ? Identification of the location of significant land use conflicts through the use of inventories, geo-spatial data, social and economic evaluations including field interviews, surveys and consultation meetings with stakeholders.
- ? Negotiation workshops that include discussions between different sectors, institutions and stakeholders about priorities, opportunities and actions to accomplish Integrated Land Use Planning (ILUP) and achieve LDN in the territory.

- ? Development of an optimal land use scenario covering all sectors and identifying the implementation tools needed to take action.
- ? Validation and socialization of the zonation.

Output 2.1.4: Two gender sensitive land-based value-chains strengthened in Gobustan and Siyazan districts

80. This outcome is aligned with Azerbaijan's Strategic Roadmap for Agriculture and will be based on a value-chain analysis and mapping to further narrow down the preliminary selection of value chains undertaken in the project preparation phase and to identify opportunities for women to increase their incomes. Based on consultations with key stakeholders, a preliminary selection of value chains was undertaken during project preparation based on factors such as gender, environmental impact, market demand, value-addition potential and food security and nutrition co-benefits. The preliminary value chains selected for Gobustan and Siyazan districts include Barley, development of livestock products (sheep wool, cheese), tree and seedling production and wine production. The private sector will play a key role to achieve this outcome, through the implementation of innovative technologies and the certification of products. Key activities for identified value chains are presented in the following paragraphs:

81. Barley: There is a high potential for enhancing Barley productivity in Gobustan and Siyazan districts. Recent studies identified barley accessions introduced from ICARDA with improved characteristics for a complex of valuable economic traits for practical use in breeding for drought, salt and disease resistance in Azerbaijan. Genetic sources of early ripeness, as well as high-yielding barley varieties resistant to lodging, diseases and stress factors have been identified. Through the project and with the cooperation of the private sector (Azersun), these better genetic materials will be introduced in the area to increase yields and resilience to climate change. Building of a drainage network and installation of modern spraying and drop irrigation schemes, storage facilities and flour mills will also contribute to strengthen the barley value chain. Certificates such as Global Good Agricultural Practices (GAP) certificate can also help improve the market opportunities.

82. Livestock products: Particularly in Gobustan there is availability of summer and winter pastures. Improved pasture management that includes assessment activities from various perspectives, soil and water management, issues of salinity, appropriate use of pasturelands, will be implemented based on previous activities undertaken by GIZ. Activities focusing on women's entrepreneurship through opening centers for processing livestock products will be carried out. This would include washing and cleaning of sheep wool, preparing hides for processing, processing of cheese, etc.

83. Tree and seedling production: For the restoration of degraded lands and the production of multipurpose trees, the tree nurseries can create new employment opportunities for women as well as youth and support new programmes on land restoration. The identification of those species more adapted to the local conditions, their production and commercialization can produce a significant improvement to the livelihoods and the environment.

84. Grapes/Wine production: In Gobustan and Siyazan there are still some scattered vineyards and in Siyazan there is one winery. The growth potential is high, and the main reason (as in other sectors) is an increasing population size and increasing consumption. Women are employed in horticulture, mostly in manual harvesting and particularly in grapes 90?100 percent of harvesters are women.

Output 2.1.5. Training programs on value-chains management (e.g., marketing, processing, certification) for local communities extension services, farmers, women groups, and youth.

85. In addition to the activities related to each value chain (Output 2.1.4), training programs on value-chains management (e.g., marketing, processing, certification) for local communities, extension services, farmers, women groups, and youth will be held. This will also involve training on new business models and identification of co-financing investments to expand the services of community farmers with natural or legal status (leading individual farmers, cooperatives, associations, women groups) in production, processing, improving production quality, and increasing market access for small farms. Activities include:

- ? Training of the extension service (500 officers, 50% women) in new business models, as well as marketing, processing and certification of selected value chains.
- ? Training of local communities in business management, marketing, processing and certification of selected value chains. Topics could also include how to work in groups or mutual benefits and how to manage contract farming benefiting 1500 people (50% women).
- ? Training targeting women and youth (500 people) on business management, marketing, processing and certification of selected value chains. Training session on equitable decision-making with women and main adult male (if any) in women-focused VC to focus on benefits to whole household if women are allowed to decide how profits are spent/ how to run the business and emphasize that this is still allows for joint discussions.

Outcome 2.2: Scaling out of SLM approaches and technologies on degraded lands of the Absheron peninsula and surrounding areas.

86. This component will focus on the project implementation landscapes of Gobustan, Siyazan and Baku districts and will follow the activities and recommended list of climate resilient SLM practices of the GCF project ?Strengthening Country Capacities for NDC Implementation in the Agriculture and LULUCF Sectors and Supporting the Identification of Potential Direct Access Entities from Different Sectors Relevant for the Implementation of the Country Work Programme in Azerbaijan?. These involve improved carbon sequestration and soil conservation, agroforestry and improved irrigation. The project will apply a combination of the technologies, through an integrated landscape approach to progress towards LDN, based on the priorities identified during PPG and the land use plans developed in Output 2.1.3.

Output 2.2.1 Integrated sustainable and gender sensitive Land/Water Management approaches and technologies adopted on the demonstration landscapes to avoid, reduce and reverse land degradation

87. This output will result in 2700 ha of degraded agricultural land restored (GEF Core Indicator 3.1) in Absheron Peninsula, Gobustan and Siyazan districts. Demonstration activities carried out for soil sustainable management for Output 2.1.1 will also contribute to this end. The final combination and integration of SLM practices to restore the land will be defined based on the participatory local assessments, the development of integrated land use plans and will synergize with the key value chains that were selected. Based on the preliminary assessment carried out during PPG phase and previous lessons learnt, a set of restoration practices were prioritized. Private sector will also contribute to achieve this output, through the implementation of technologies to restore the land.

Baku sites in Absheron Peninsula:

88. According to the assessment of the ecological condition of the implementation sites near Baku in Absheron Peninsula (600ha) conducted during the PPG phase, these areas show intense degradation but have the potential to be restored and reverse land degradation. Re-vegetation of the area through planting of fruit and ornamental shrubs and trees, and salt and drought resistant forage species will be carried out. For this, a deeper assessment and mapping of the ecological condition of the sites will be carried out to develop an optimal scheme of agro-forestry activity that includes the selection of the plant species composition according to the existing soil-climatic conditions, the determination of the planting scheme, selection of necessary agro-technical measures, etc.

89. The following multipurpose species of trees and shrubs were selected as a preliminary list of species adapted to the extreme conditions of the area that will be considered for restoration of Absheron Peninsula sites: (1) Cypress (*Cupressus Sempervirens*) is a fast-growing, long-lived, evergreen, hardwood tree of the cypress family. It is less demanding to soil, resistant to winds, and is important for field protection and decoration; (2) Olive (*Olea europaea*) is a widespread species of fruit plants typical of Absheron conditions and has high economic and bioecological significance, (3) Ordinary pomegranate (*Punica granatum*) is a flowering shrub species that creates an attractive appearance during fruit ripening. It is cultivated as an ornamental and fruit plant in Absheron conditions and grows better than other trees and shrubs in other degraded soil environments, (4) Fig (*Ficus carica*) grows well in light granulometric soils in Absheron conditions and produces a fruit with high nutritive value, (5) Blackberry (*Rubus sanguineus*) is an evergreen shrub widespread in the xerophilous forest zone of Azerbaijan that is drought-resistant, and that can be used to prevent wind erosion; (6) Eldar pine (*Pinus eldarica* L.) is endemic and relict tree species of Azerbaijan resistant to drought and heat and soil salinity. Together with the gum tree and various species of juniper, it forms a sparse arid forest.

90. In addition to tree and shrub species, to improve the soil structure and reduce wind erosion, fodder crops will be planted between the rows of planted trees. The following forage crops were selected due to their benefits and proved adaptation to grow in Baku and surrounding areas: (1) Wormwood (*Artemisia*

scoparia) is a 30-70 cm tall, drought and salt-resistant perennial semi-shrub that grows well in sandy loam soils. It is a good fodder for small horned cattle in the last autumn and winter months. It is considered a plant with phytomeliorative properties, and can also create an agronomically favorable structure in the soil. (2) Hairy licorice (*Glycyrriza glabra*) is a perennial herbaceous plant of the legume family with a strong root system that can reach a depth of 2-7 m. They grow well in poorly polluted soils of Absheron and in areas close to the surface water and form dense cover (100-120 cm in height). It is both a fodder and a valuable medicinal plant, maintaining its green appearance throughout the growing season. (3) Black clover (*Medicago sativa*) is a high-quality fodder herbaceous plant with a height of 40-60 cm. It is considered an indispensable plant for the restoration of soil fertility. (4) *Lolium rigidum* is an annual herbaceous plant, 20-60 cm tall that has a good ability to grow degraded lands and is highly productive, forming a dense plant cover. (5) Coastal fire grass (*Zerna riparia*) is a perennial herb of the cereal family that is resistant to drought, and forms a dense plant cover when irrigated. (6) Steppe cattail (*Phleum phleoides*) is a perennial herbaceous plant that can form dense plant cover with other grasses. (7) Meadow - (*Cynodon dactylon*) is a perennial herb resistant to salt and drought, with a strong root system. It is a herbaceous plant with high phytomeliorative indicators during the restoration of soil biological productivity. It is a good pasture plant and is resistant to trampling. It is well eaten by all types of cattle. Table 3 shows the selected species of trees and shrubs, which are considered promising for the implementation sites.

Table 3. Selected species of trees and shrubs with potential to restore land in Baku implementation sites

Trees	Cypress	<i>Cupressus Sempervirens</i>
	Olive	<i>Olea europaea</i>
	Ordinary pomegranate	<i>Punica granatum</i>
	Fig	<i>Ficus carica</i>
	Blackberry	<i>Rubus sanguineus</i>
	Eldar pine	<i>Pinus eldarica</i>
	Wormwood	<i>Artemisia scoparia</i>

Fodder crops	Hairy licorice	<i>Glycyrriza glabra</i>
	Black clover	<i>Medicago sativa</i>
	<i>Lolium rigidum</i> Gand.	<i>Lolium rigidum</i>
	Coastal fire grass	<i>Zerna riparia</i>
	Steppe cattail	<i>Phleum phleoides</i> .
	Meadow	<i>Cyodon dactylon</i>

Gobustan and Siyazan implementation landscapes

91. In Gobustan implementation landscape 1100 ha and in Siyazan 1000 ha of agriculture will be restored using a combination of the following activities:

92. Organic matter management (e.g., mulching, composting, reduced tillage): To arrest the decline of soil OM and combat soil degradation strengthening the sustainability of agriculture in these landscapes soil OM will be improved through the application of stable and mature organic fertilizer called compost. Application of compost on salty soils will help to diminish salinity thereby improving soil characteristics, mainly by the increase of salts leaching). To achieve a positive effect of compost application it is crucial to use good quality and mature compost, with high organic matter content and low concentrations of inorganic and organic pollutants. With the SDP these activities will be demonstrated and then expanded to other areas.

93. Agroforestry: Agroforestry practices will be implemented to promote long term production and protect the crops from sun and wind. Agroforestry practices will significantly allow local farmers to protect the soils from wind erosion and reverse degradation by increasing land productivity. As the temperature extremes and droughts are expected to increase, agroforestry can be perceived as a particularly important measure to enhance the resilience of degraded landscapes. Tree strips will also be established on Gobustan croplands and grasslands using drought resistant and multipurpose tree species as wind breaks which will provide additional shading from sun exposure, lowering heat stress of the crops and pastures and positively influencing soil-water balance. In addition, strong wind and intense sun exposure are reducing soil fertility in these areas, which encourages soil erosion and increases the need to apply a higher amount of fertilizer. Wind breaks will help reduce the negative impact on the soil and will also be used as a complementary measure with carbon sequestration and soil conservation.

94. Improved Irrigation Technologies: As the precipitation in the selected areas is below 300 mm/year, irrigation plays an important technology to overcome the dry periods. Improved irrigation methods will be implemented to maintain yields and minimize harvest losses caused by drought. To achieve these, different technologies will be introduced, including:

95. Improved Water harvesting technologies: Rainwater storage is a suitable method to use natural precipitation as efficiently as possible. Storage options include roof-top channel systems connected with a storage reservoir. This irrigation measure is particularly suitable for smallholder farming systems. Creating ponds for harvesting rainwater is another efficient irrigation method already applied in various agricultural sectors.

96. Drip Irrigation: Drip irrigation will be introduced to improve farming in rural areas with limited resources. Drip irrigation reduces demand for water and minimizes water evaporation losses by providing the necessary water resources direct to the root zone of high-value vegetable crops.

97. Pressurized irrigation systems: sprinkler irrigation systems will be introduced.

Output 2.2.2 Resource mobilization plans developed for scaling up of best practices.

98. The resource mobilization plans will prioritize approaches that benefit/are accessible by women as well as men, and organizations known to prioritize gender equity will be approached. It is expected that the amount of funding mobilized for LDN implementation will be approximately 15,000,000 USD.

Activities include:

? Identification of possible sources of financing for scaling up of SLM to achieve LDN at sub-national level, including in-kind contributions from communities, cooperatives, private sector, etc. Special efforts to identify women-specific support will be made e.g., local development plans with budgets for gender equality.

? Identification of national level LDN financing including from line ministries, donors, climate finance, private sector, etc. Organizations known to prioritize gender equity e.g., Austrian Development Agency, ADB, USAID, Green Climate Fund etc. will be prioritized.

? Development of resource mobilization plans at the national and sub-national levels to scale up LDN.

1.3.4 Component 3: Monitoring, evaluation and knowledge management/lessons learned.

99. This component focuses on monitoring, evaluation and learning to support the scaling up of the LDN approach in Azerbaijan through establishment of a project monitoring and evaluation system, and collection and analysis of lessons learned. Lessons learned will be disseminated at national level and monitoring of project progress will keep track of global environmental benefits and co-benefits disaggregated by gender. This will inform adaptive management and improve the implementation of the project.

Outcome 3.1. Knowledge management and lessons learned disseminated at national level.

100. Best practices and lessons learned from the project will be summarized and organized in a framework for scaling-up at regional and national level. At least three (3) gender sensitive LDN knowledge products will be developed and disseminated, and lessons learned on SLM and LDN will be mainstreamed in the national and regional development plans. The outcome will be generated by the following outputs and associated activities:

Output 3.1.1. Experience sharing on Project-related ?lessons-learned? and a national LDN guidelines published.

101. Gender sensitive knowledge and communication products will be developed on SLM and value-chain management that can be applied to achieve LDN at sub-national and national level. A national LDN guideline will be published that describes how LDN should be measured at different scales and how gains and losses could be balanced from pilot site, landscape and up to the national scale. Activities include:

- ? Development of a national LDN guideline and fact sheets on how to balance degradation with restoration, including country-specific examples that integrate gender concerns.
- ? Development of three gender-focused knowledge management products that will contribute to relevant databases e.g., WOCAT so as to inform future interventions in Azerbaijan include:
 - ? One product targeting male and female farmers, using easily accessible format (e.g., WOCAT) and channels targeting women.
 - ? Gender-responsive SLM approaches for LDN targets, targeting policymakers/stakeholders
 - ? Gender-responsive value chains that will support reaching the LDN targets in Azerbaijan, including mapping, selection, implementation and value addition benefiting male and female farmers.

Output 3.1.2 Gender-sensitive communication strategy developed and implemented to support the LDN targets and mainstreaming of lessons learned.

102. The project will prepare a gender responsive communication and outreach strategy to support the dissemination of its results and lessons. Activities include:

- ? Development of gender responsive communication strategy in consultation with key line ministries and stakeholders.
- ? Adoption of the communication strategy by the national LDN coordination mechanism that will be established under outcome 1.1.2. and the Interdisciplinary and multi-institutional LDN working group established under 1.1.3
- ? Public awareness raising campaign to reach all project direct and indirect beneficiaries.
- ? At least 10 informational events and media outreach activities organized.

Outcome 3.2. Monitoring and evaluation.

103. A functioning monitoring system for GEBs and co-benefits will be established as well as a system for reporting the status of LDN to the UNCCD. This information will also support the project mid-term and final evaluation. The outcome will be achieved through three outputs:

Output 3.2.1 Project mid-term and final evaluation conducted.

104. A mid-term evaluation will be carried out with field visits to selected sites and consultation with local stakeholders and national project partners. A final evaluation will also be conducted and will include review of project reports, web-based information, and field visits to selected project sites, with recommendations for ensuring sustainability of Project outcomes and the LDN system. Both evaluations will be carried out by teams that include gender expertise. Activities include:

- ? Project mid-term evaluation with a section reporting on the implementation of the Gender Action Plan (GAP) of the project.
- ? Project final evaluation with a section reporting on the implementation of the GAP of the project.

Output 3.2.2 Global Environment Benefits, co-benefits and costs of SLM monitored, and lessons analyzed.

105. A Project M&E system will be established to measure project progress and impacts in terms of multiple GEBs, and social and economic benefits. Baseline and targets for project indicators will be refined and used for monitoring project progress and impacts and reporting through three (3) annual

project reports (PIRS) submitted to GEF Secretariat and six (6) semi-annual project progress reports submitted by the PMU to the LTO and FAO/GEF unit. Activities include:

- ? Monitoring of GEBs, including area under SLM and carbon benefits.
- ? Monitoring of socio-economic benefits using gender disaggregated data.
- ? Assessment of GEBs and co-benefits disaggregated by gender for reporting to the GEF and for the mid-term and final evaluations.

Output 3.2.3. LDN target-setting reporting mechanism in place

106. Reporting of LDN target setting to the UNCCD requires that digitized and harmonized data as well as a mechanism is available for monitoring and reporting of LDN. To ensure this, the following activities will be implemented:

- ? Harmonization and digitization of land cover data together with the MENR.
- ? Harmonization of land productivity monitoring using remote sensing (NDVI) and national data on soil fertility.
- ? Soil organic carbon monitoring at agricultural experimental stations digitized.
- ? Monitoring system established under the auspices of the MENR.

d. Alignment with GEF focal area and/or Impact Program strategies

107. The project will contribute to the Land Degradation Focal Area objective 1 to Support on-the-ground implementation of SLM activities to achieve LDN and its priority LD-1-1 on Maintain or improve flow of agro-ecosystem services to sustain food production and livelihoods through Sustainable Land Management, and LD-1-4 on Reduce pressures on natural resources from competing land uses and increase resilience in the wider landscape. This will be achieved through Project Component 2 on ?Demonstrating the LDN approach in degraded landscapes of the Absheron peninsula and surrounding areas?. The project will also contribute to GEF LD objective 2 on Creating and enabling environment to support voluntary LDN target implementation and its priority LD-2-5 on Create enabling environments to support scaling up and mainstreaming of SLM and LDN through Component 1 on ?Strengthening the enabling environment and operational basis for practical implementation of LDN in Azerbaijan?. This will be supported by knowledge management and learning that will contribute to scaling up of the LDN approach across the country.

e. Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing.

108. The alternative scenario with GEF funding will lead to strengthened capacities to achieve LDN in Azerbaijan thanks to strengthened intersectoral coordination on land-related issues and improved monitoring systems that improve decision-making. It will also lead to reversing, reducing and avoiding degradation of selected landscapes to achieve a positive net balance at the landscape scale and contribute to improved livelihoods and socio-economic well-being of target communities. GEF incremental support will help introduce resilient and sustainable management of croplands and grasslands, while restoration will be co-funded by the MENR. This will help to improve ground cover and productivity while enhancing carbon stocks in landscapes amounting to 32,274,507 tCO₂-eq., while improving selected value-chains that will contribute to increased income generation opportunities and job creation for women as well as men. The incremental cost reasoning is summarized in the Table 4 below.

Table 4. The incremental cost reasoning.

Baseline scenario	Alternative scenario
<p>Enabling environment for LDN:</p> <p>? Weak intersectoral coordination and absence of coordination mechanisms for both horizontal and vertical coordination and mainstreaming of LDN principles.</p> <p>? Setting of national LDN targets has not been done, as the State Committee on Land and Cartography was abolished in 2016, and its functions were shared between the State Committee on Property and the MENR, hence some important documents and data are difficult to access.</p> <p>? The lead ministry (MENR) has no direct links to the field level and limited access to maps and data on DLDD, as well as to investments in SLM.</p>	<p>? Strengthened capacities to set LDN targets and achieve LDN in Azerbaijan thanks to strengthened intersectoral coordination on land-related issues and improved monitoring systems that improve decision-making.</p> <p>? Increasing the policy and institutional capacity to coordinate and monitor LDN issues, will enable the Ministry of Ecology to mobilize USD15 million across sectors for achieving SDG15.3 on LDN.</p>

<p>Scaling up of SLM to achieve LDN:</p> <p>? Awareness of the need for SLM in Azerbaijan is still low and farmers lack economic incentives for implementing SLM: the cost of additional effort are covered by farmers themselves, while the benefits are received by the entire society.</p> <p>? Use of saline water for irrigation is still widely used in the absence of other sources of water.</p> <p>? Incentives for investing in SLM are lacking due to lack of information of its economic benefits to farmers and society at large.</p>	<p>? Resilient and sustainable land and water management practices, including agroforestry using salt tolerant plants, will be introduced at a salt-affected site at the Absheron Peninsula. This will help to improve ground cover and productivity while enhancing carbon stocks in landscapes amounting to 169, 449 tCO₂eq. Sustainable SLM practices for afforestation will be upscaled to 2000 ha area.</p> <p>? The project will also assess the natural capital of the lands under SLM practices, and the economic impacts of action vs. inaction for SLM practices on 34,000 ha of degraded land which will be put under improved land use planning for future scaling up and investments in SLM practices.</p>
<p>Knowledge, data and experiences to support LDN implementation:</p> <p>? Knowledge among the land users and even decision makers of LDN principles are insufficient. to support decision-making processes on LDN and reporting to the UNCCD.</p>	<p>? A functioning system for reporting the status of LDN to the UNCCD will be put in place and a national LDN guideline published. A gender-sensitive communication strategy will be developed and implemented to support the LDN targets and mainstreaming of lessons learned.</p> <p>? Knowledge management and tracking impacts will inform adaptive learning to enable adjustments and ensure that neutrality is maintained in the future.</p>

f. Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)

109. The project will generate the following global environmental benefits in the Land Degradation focal area:

- ? 34,000 ha of landscape under improved SLM practices thanks to participatory land-use planning leading to enhanced ecosystem resilience. According to the UNCCD LDN response hierarchy, this can be divided into:
 - o 31,300 ha of avoided degradation through improved management.

- o 2,000 ha with reduced degradation through afforestation, and
- o 700 ha with reversed degradation on saline lands.
- o Sequestration of 169, 449 tCO₂eq thanks to implementation of SLM on degraded land.

110. The project will also improve the livelihoods of 1,740 people in total (50% women) through training, awareness raising and access to new knowledge on SLM and resilient landscape management practices. The project will strengthen the capacities of local farmers to convert 2,700 ha of degraded lands, into sustainable agroforestry and horticulture management and allow them getting co-benefits from the forestry by-products.

g. Innovativeness, sustainability, potential for scaling up and capacity development[2]².

a) Innovation

111. Landscapes in Azerbaijan are comprised of various land cover and use types, while their management is compartmentalized in various ministries and at various levels of administration. While forest lands and specially protected lands are under the management of the MENR, pastures are managed by the local authorities, and agricultural lands are privately managed by the farmers. The MOA is coordinating the activities related to the increase of productivity of the agricultural lands, but irrigation related matters are managed by the Amelioration and Water Farms Joint Stock Company. The interdisciplinary and multidisciplinary approach required to achieve LDN across different land-use types is therefore new and innovative in Azerbaijan.

112. The project will promote new knowledge on innovative SLM practices that have not been widely demonstrated in Azerbaijan, targeting the land and water problems on the Absheron Peninsula, including practices such as afforestation of saline pastures which will allow different sectors and stakeholders to improve current unsustainable practices in the region. Another innovative aspect of the project is the assessment of the current natural capital of the land in the peninsula and the economic effect of action vs. inaction related to SLM, leading to identification of incentives of farmers and the private sector to engage in SLM and LDN schemes, and to development of decision-making tools for where and how to invest in SLM.

Sustainability

113. The proposed LDN system will be integrated into national policies and programmes as well as monitoring systems that will ensure its sustainability from an institutional perspective. Inter-sectoral coordination mechanisms on SLM, DLDD and for LDN will be embedded in the mandate of MENR. Central and local government levels will be trained on LDN, and training programmes for LDN will be integrated into sector budgets for the members of the intersectoral coordination mechanism, to create long-term capacity to monitor LD and SLM to balance gains and losses of productive land within a given landscape. The project will sustainably improve land and water management in salt-affected sites at the Absheron Peninsula through integrating sustainable land and water management practices and technologies that will generate socio-economic benefits for farmers as well as environmental benefits. The project will support cooperation and collaboration among different sectors and existing stakeholders and will thus increase the national capacity in dealing with degraded landscapes through the application of the LDN concept and approach.

Scaling up

114. Adoption of land-use planning frameworks at national level that integrate the LDN principles and targets will be the main vehicle for scaling up of LDN and SLM in Azerbaijan. The enabling environment will also be strengthened in terms of new laws and regulations supporting the implementation of the Land Code, the Forest Code and the Water Code, and mainstreaming of LDN into these Codes, which will allow resource mobilization for LDN across sectors from not only public investments but also attract the private sector. The process of analyzing lessons learned from the implementation of SLM at the project site, as well the dissemination of the generated knowledge (such as training manuals) will support the scaling up process of actions in the field that ultimately supports the achievement of LDN at national level.

Summary of changes in alignment with the project design with the original PIF

115. Project area was extended beyond Absheron Peninsula itself, to include additional productive areas with different types of land use and cover. According to the LDN response hierarchy, the main priority is to avoid LD, secondly to reduce LD and lastly reverse. Therefore, it was necessary to include areas at different stages of land degradation, and not only very degraded areas as those in Absheron peninsula. Also, expanding the project area allowed to include different types of stakeholders, particularly smallholder farmers. The project targets 1740 direct beneficiaries, 2700 ha of agricultural lands restored, 34000 ha of landscape under sustainable land management in production systems and 169, 449 metric tons of GGE mitigated. To meet these targets, it was necessary to add the two additional sites proposed in Gobustan and Siyazan, which correspond to cultivated land and pastures that are at different stages of land degradation and managed by small farmers.

[1] UN Women, Global Mechanism of The UNCCD and IUCN. 2019. A Manual for Gender-Responsive Land Degradation Neutrality Transformative Projects and Programmes.

[2] System-wide capacity development (CD) is essential to achieve more sustainable, country-driven and transformational results at scale as deepening country ownership, commitment and mutually accountability. Incorporating system-wide CD means empowering people, strengthening organizations and institutions as well as enhancing the enabling policy environment interdependently and based on inclusive assessment of country needs and priorities.

? Country ownership, commitment and mutual accountability: Explain how the policy environment and the capacities of organizations, institutions and individuals involved will contribute to an enabling environment to achieve sustainable change

? Based on a participatory capacity assessment across people, organizations, institutions and the enabling policy environment, describe what system-wide capacities are likely to exist (within project, project partners and project context) to implement the project and contribute to effective management for results and mitigation of risks.

? Describe the project's exit / sustainability strategy and related handover mechanism as appropriate.

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

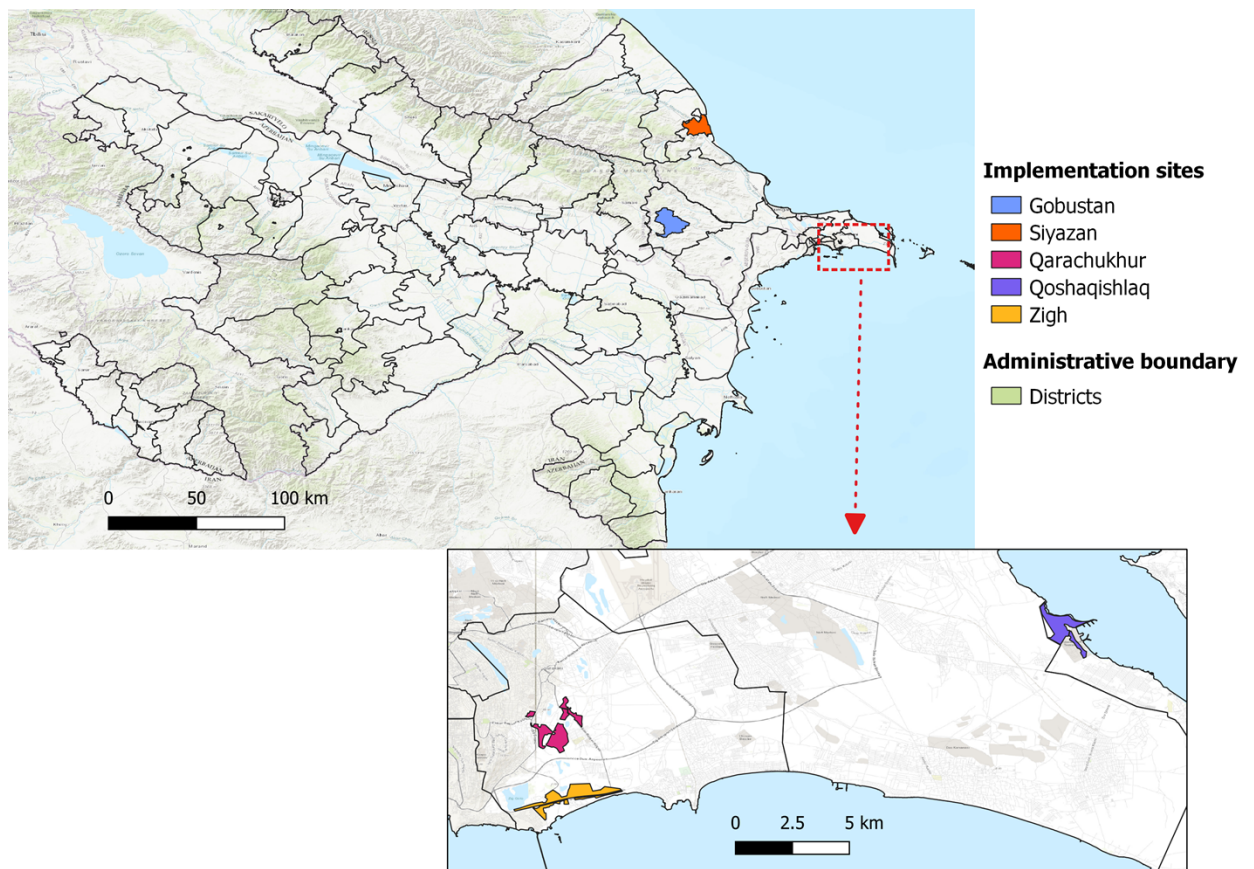
116. The project will have an impact at national, subnational and local level. The project Area was defined using the administrative boundaries of the districts in which the project will have an impact. It represents the largest landscape containing the implementation landscapes and sites. Within the project area 2 landscapes were selected: one in Gobustan district, and one in Siyazan district. These landscapes include different villages that were selected during the PPG process and where direct implementation of SLM, work with the communities and land use planning activities will take place. At a smaller spatial scale, near the capital city Baku, four implementation sites were identified where co-financed activities for the restoration of highly degraded land will take place. All areas can be visualized and characterized in the Project Design Support System developed for the project, available at:?

<https://projectgeffao.users.earthengine.app/view/azerbaijan-ldn>

Table 1. Project site coordinates

Polygon ID	Area (ha)	Centroid Coordinates
------------	-----------	----------------------

		Latitude	Longitude
Project Area	925,111	40.603145	49.250349
Gobustan Landscape	20,838	40.516951	48.903869
Siyazan Landscape	14,257	41.14038	49.084967
Qarachukhur Site (Surakhany)	198	40.38923	50.010608
Zigh Site (Surakhany)	217	40.354693	50.017787
Qoshaqishlaq Site (Pirallahy)	183	40.441767	50.271931
Mushvigabad Site (Garadagh)	10	40.476894	49.789



1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

N/A

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations Yes

Indigenous Peoples and Local Communities Yes

Private Sector Entities Yes

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

117. During project preparation, several consultations were held with diverse stakeholders, government agencies, NGOs, donors etc. Based on the feedback received from these consultations and from the PPG inception workshop, the identified project key stakeholders are detailed in the Table 6.

118. The project will work closely with a wide range of stakeholders including national and local government agencies, universities, research institutions, civil society organizations, private businesses, local communities and residents living around all selected pilot area(s). The MENR will be the main partner for project execution. The MOA will be another important stakeholder at the national level.

119. At the local level, the project team will work very closely with local executive power administration and municipalities to ensure the sustainability of project achievements, as well to ensure the involvement of local people living around the project sites at all stages of the project implementation. Below paragraphs describe stakeholders and their overall involvement into the project execution in general.

120. Ministry of Ecology and Natural Resources (MENR): MENR will be main institution implementing the project at the national level and also together with FAO to ensure overall coordination among all other stakeholders through the Project Steering Committee (PSC) and Working groups. MENR will ensure close links with national institutions and government activities via Focal Points from each participating organization.

121. Ministry of Agriculture (MOA): MOA is another main implementation partner as an institution responsible for the management of agricultural lands and overall agricultural activities at the national level. MOA will support development and implementation of SLM approaches at pilot sites. MOA will be represented in the PSC and will be involved into all major decisions related to the project.

122. National Parliament: Relevant Commissions under National Parliament will be consulted during the development of legal and regulatory documents mainly related to sustainable land management and degradation.

123. Local Executive Power Authorities: The role of local executive power authorities is extremely important for the successful implementation of the project activities. Senior management showed their interest and strong support during the project development stage. They will be mainly involved into development of SLM measures and value chains and will include project proposals into their short- and long-term programmes for the development of regions in Azerbaijan. This will ensure the sustainability of project results.

124. Local municipalities and communities: Local municipalities are special groups in this project as they will be directly involved into the implementation of SLM measures and measures related to land restoration and rehabilitation. Besides, they will also be main beneficiaries of the value chain and business plans development activities.

125. Civil society and non-governmental organizations: Key non-government stakeholders include international, regional and national NGOs such as, REC Caucasus, EcoSfera and others. They were actively involved and consulted during project development stage. Their role will be also important for monitoring and evaluation of project activities.

126. International organizations and funders: They will be regularly consulted and opportunities for further cooperation will be discussed. Their experience in implementation of projects in Azerbaijan on LDN, SLM and in general natural resources management will be highly valuable for the successful implementation of the project. UNDP, GIZ, EU and others are the main institutions involved into different projects related to natural resources management in Azerbaijan.

127. Private sector: Private sector will be mainly involved to support preparation of innovative approaches, SLM measures, value chains, provision of advisory service to local communities. Azerbaijan government is providing all necessary support to engage private sector into various fields including management of natural resources. Therefore, involvement of private sector will be very important and will have additional value to the successful implementation of project.

128. A stakeholder engagement plan has been developed and attached as Annex I.

Table 6. Stakeholder description

Stakeholder	Stakeholder engagement during project preparation

	Engagement method	Role during project Implementation	Materials to be used /Responsible organization
Ministry of Ecology and Natural Resources	Participate in consultations and planning, obtaining available statistical information. They will organize a closer discussion of key issues and present their proposals on project activities .	Direct beneficiary. Lead project design Decision making Proposal drafting	Related officials of respective departments, project leaders
Ministry of Agriculture	Participate in consultation in development of SLM and LDN measures.	Project Partner. Participate in project preparation and implementation	Related officials of respective departments, extension services
National Parliament	Participate in consultation on questions related to policy and institutional frameworks in the field of LDN, SLM and natural resources management.	Project stakeholders. Participate in project preparation and implementation	Related officials of respective commissions
Local Executive Powers	Participate in consultation on LDN, SLM, value chains and development of market products for local communities	Project Stakeholders. Participate in project preparation and implementation	Related officials of respective departments and divisions
Local municipalities	Will be involved in the design of approach of building local capacities on LDN, SLM, as well identification of value chains around surrounding local communities	Project Stakeholders and direct beneficiaries of training programs. Key line of entry regarding work with local communities. Participate in project preparation and implementation	Municipal members, leaders
Local Communities	Local communities will be involved into implementation of field interventions, value chains, business plans development, rehabilitation and restoration activities.	Main project beneficiaries	-Face-to-face consultations with community leaders (in local language). - Round tables - Consultations with women's and vulnerable groups

Civil Society and Non-governmental organizations	They will be mainly involved into preparation of participation of activities related sustainable land management and natural resources use.	Support project implementation, monitoring and evaluation.	-Workshops - consultation meetings
International organizations	Financing and implementing organizations in the regions such as, UNDP, WB, KfW, GIZ and others will be engaged to ensure continuing coordination between initiatives and cost sharing.	Potential project partners. Preparation of initiatives, joint training programs, activities related SLM, LDN, NRM.	-Workshops - Consultation meetings
Private Sector Entities	Support for Preparation of marketing products, value chains and trainings for local communities.	Potential project beneficiaries. Preparation of marketing-based proposals, support for training materials	-Workshops -Consultations

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body; Yes

Executor or co-executor; Yes

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assessment.

129. Women living in rural areas in Azerbaijan still have limited access to productive and technical resources, and to the value chains and markets for the sale of their agricultural products. This ultimately limits their incomes and creates economic dependence. Gender stereotypes form the basis of these problems. Gender issues in agriculture in Azerbaijan also include the poor gender responsiveness of legislation in various spheres of agriculture and natural resources management and the fragmentation of statistical databases. Also, while the gender distribution in agriculture production and harvesting tends to be equally divided between women and men, sales of the products are still dominated by men, showing that men are more associated with the process of making money. The proposed project acknowledges that women still play the most important role in sustainable natural resource management, as home-makers, as farmers and land managers. In this context, the project will pay special attention to the involvement of women, especially in decision-making, policy planning activities, capacity building, and investments on the ground. A detailed Gender Action Plan (GAP) can be found in in Additional Annex 4.

130. The GAP is based on a gender analysis that was conducted for the project and forms the basis for operationalizing the results and key recommendations of the gender analysis. The conducted gender analysis identified and described gender differences, gender differentiated impacts and risks, and opportunities specific to the local context in land and natural resource management, and agricultural production in Azerbaijan, to address gender gaps and promote the empowerment of women through proposed key recommendations in the following directions: *policy, institutional, capacity-building, knowledge, and LDN demonstration and scaling up*).

131. The GAP is informed by relevant international and national frameworks and policies related to the environment and gender equality and is designed in compliance with the GEF Policy on Gender Equality (2017) and promotes the core GEF-principle, that *“stakeholder engagement and analysis be conducted in an inclusive and gender responsive manner, so that the rights of women and men and the different knowledge, needs, roles and interests of women and men are recognized and addressed”*. The Project GAP recommends that a gender-responsive approach must be applied throughout all activities of the project, to make sure that women’s participation and voice are, reflected in decision-making, and that consultations with women’s organizations and local women’s groups, are ensured. The GAP is also framed by the *FAO Regional Gender Equality Strategy for Europe and Central Asia (2019)*, which includes a focus on minimizing gender-related risks and safeguarding rural women’s rights in all actions to achieve sustainable and equitable food systems and rural development. It will also be compliant with *FAO’s Environmental and Social Management guidelines (2015)*. The GAP is also well aligned with *the Gender Action Plan (2017) of UNCCD*.

132. Key policies and frameworks framing the project gender analyses and GAP:

International

-The Republic of Azerbaijan is a party to the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW, 1979) and has submitted six periodic reports on implementation of the treaty, most recently in 2019. In its concluding observations on Azerbaijan's fifth periodic report, the CEDAW Committee recommended that measures be adopted to ensure that rural women have adequate access to land and related resources, social, health and other basic services, economic opportunities and new technologies, as well as equal opportunities to participate in political and public life, in particular in decision-making processes at the community level.

-The government of Azerbaijan has committed to implement the 2030 Agenda and nationalized the Sustainable Goals (SDGs), including SDG 5 on gender equality. Data is available for some of the indicators, but, for example, was not accessible for Indicator 5.a.1 on women's land tenure. Only the first of the 3 available Voluntary National Reports have specific section on gender; although some information is included in the last two, no progress report is given on this SDG.

National

The government has enacted a number of policies and laws in support of women's rights and gender equality, such as the following.

-Constitution of the Republic of Azerbaijan. Guarantees equality of rights and freedoms to everyone regardless of sex, and a presidential decree makes specific commitments, for example on equal representation of women and men in state structures and the development of gender statistics.

-1999 Law on State Support to Small Business. Mentions measures on involving socially vulnerable populations in entrepreneurial activities, and women are one of the recognized groups.

-2006 Law on Guarantees of Gender (Men and Women) Equality. Applies to all areas of public and private life and sets out state policy and responsibilities for ensuring gender equality (e.g., the development of normative acts, gender analysis of draft laws and the implementation of state programmes). The law assigns responsibility for monitoring related to gender equality to the State Committee for Family, Women and Children's Affairs of the Republic of Azerbaijan. A draft amendment has been submitted and suggested changes include clarification and regulation of processes for gender mainstreaming.

-2020, 2020-2023 National Action Plan (NAP) on the Prevention of Domestic Violence. Specifies measures in seven areas including refinement of the regulatory framework, advocacy, the early identification of victims of violence, and a system for the effective protection of victims.

-Draft National Action Plan of the Republic of Azerbaijan on Gender Equality for the years of 2022-2025. The draft plan will strengthen national policy and it also fulfils commitments under CEDAW, the Beijing Platform for Action, the SDGs, the Council of Europe Gender Equality Strategy and International Labour Organization (ILO) Convention 156 on the equal treatment of workers with family responsibilities.

-1999, amended 2021. Family Code. Establishes equal personal and property rights in family relations and the concept of joint marital property and equal marital age.

-2006 Labour Code. Includes protection for pregnant employees and women with young children and includes a provision granting women engaged in agricultural production longer pregnancy and maternity leave than other women workers (Article 125).

-2019, Decree on Approval of the State Program for Social and Economic Development in 2019-2023 in the regions. Continues support the social and economic development of the regions, and particularly rural areas, to improve further infrastructure and social services, increase employment and welfare.

-2016 Strategic Roadmap for the Development of Agriculture. Grants special attention to women under priorities on the development of alternative activities in rural areas and supporting community initiatives for rural development. Under the first priority, measures are planned to increase rural women's employment through a special programme and improved vocational training. Particular attention is given to promoting women's employment in traditional areas that serve rural tourism (carpet weaving, souvenir production, etc.), with a target of a 20 percent increase in women employed in non-agricultural sectors. Under the second priority, programmes are planned to ensure the active participation of women and youth in the social life of rural communities, with an expected overall increase in rural jobs by 30 percent and a threefold increase in programmes aimed at women and youth.

133. On the other hand, as in many contexts, there are policy gaps. For example, the national development plan "Azerbaijan 2020: Look into the Future" dedicates special attention to gender equality and the development of the family within priorities on human capital and social security systems. State policy focuses on measures to prevent gender violence, [creating] equal opportunities for women and men on the labour market, [promoting] women at work and [expanding] their opportunities to occupy leading positions. Gender is not, however, mainstreamed e.g., priorities on environmental protection and ecological issues do not draw attention to the differential impacts of environmental degradation or poor infrastructure on women and men. Gender is also not generally mainstreamed into climate and environment policies. For example, an analysis of documents presented to the United Nations Framework Convention on Climate Change (UNFCCC) indicates that there is a relatively low degree of gender mainstreaming in existing climate policies. The National Forest Programme for 2015-2030 outlines priorities for forest protection and conservation, and the accompanying national action plan mentions a role for women's organizations in improving awareness of the benefits of forests and to engage people in sustainable forest management however, it is not clear whether such initiatives exist. The National Strategy of the Republic of Azerbaijan on Conservation and Sustainable Use of Biodiversity for 2017-2020 does, on the other hand, have an important and very relevant policy provision for the development of effective mechanisms requiring the public participation by taking into account the provision of gender equality while adopting decisions on protection and use of natural resources, and the Ministry of Ecology and Natural Resources, Ministry of Agriculture are custodian agencies. Assuming that a similar provision will be included the next version of the National Strategy, this is an important policy provision, which lays the foundation for concrete projects and programmes.

134. The Project therefore offers opportunities to mainstream gender into policies impacting sustainable agriculture, an opportunity to expand recognition and support/ benefits for female farmers.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes

Closing gender gaps in access to and control over natural resources; Yes

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Does the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

135. Private sector in Azerbaijan has invested in areas such as conducting ecological research and monitoring, land restoration and rehabilitation, environmental education, infrastructure development, law enforcement and others. There is high potential for private sector investments to support restoration of degraded lands and converting them into valuable areas for agriculture or for other uses. Lack of national capacity and non-availability of the relevant assessments are major obstacles for the private sector initiatives devoted to restoration of land. The project will generate the relevant assessments (Outputs 1.2.1 and 1.2.2) and will create a suitable baseline for the private sector investments by applying and demonstrating effective land use practices to avoid, reduce and reverse land degradation (Outcome 2.2). The project will support activities that build synergies between public and private funds, both at the level of financial resources ? e.g., raising private sector funds with public sector funds as seed capital ? and at the policy level, where the government can seek to engage private investors to support public programmes. Some private companies dealing with agricultural production, have experience and are likely to invest to restore available lands in order to increase productivity. For example, the Company AZERSUN has restored 3,400 ha of saline land through recultivation as well as building of the drainage network and installation of modern spraying and drop irrigation schemes. This land is now used to grow vegetables under the Global Good Agricultural Practices (GAP) certificate. The project will support the rehabilitation of degraded areas near Baku (Outcome 2.2.2) through cooperation with AZERSUN. Currently, a Memorandum of Understanding between FAO and AZERSUN Company is under development that will underline all areas of joint collaboration including the actions on the restoration of the degraded lands.

136. In the areas of Gobustan and Siyazan, the socio-economic analysis carried out in the PPG phase revealed that the majority of the landowners are smallholder farmers. In these implementation landscapes, the project will strengthen the cooperation among farmers and the establishment of public-private partnerships (joining the government's efforts with private sector actors), with particular focus on improving the participation of women in the private sector (Outcome 2.1). The gender analysis identified best practices applied by public and some private sector companies to meet the needs of

women entrepreneurs and women workers. The project will strengthen the measures already included in the Strategic Roadmap of Azerbaijan to increase support for women's entrepreneurship by establishing professional associations, providing the necessary knowledge and skills, establishing business incubators, and stimulating mechanisms for women's businesses (Output 2.2.2). The capacities of the stakeholders from the private sector involved in agricultural activities and production and sales of agricultural products will be increased via training, consultation, workshops and provision of knowledge materials on SLM. A set of user-friendly manuals and informational products will be prepared on sustainable land management practices, measures and technologies to be used by local farmers, agricultural cooperatives and women entrepreneurs etc. (Output 3.1.2 and Output 3.1.3). Engagement of the private sector will ensure sustainability of the project results and support replication of successful SLM approaches in other regions of Azerbaijan. Private sector involvement (namely small-holder farmers) in the selected landscapes will be sought and encouraged to improve yields, add value to their agricultural products and link the producers to markets.

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

137. Risk management is a structured, methodical approach to identifying and managing risks for the achievement of project objectives. The risk management plan will allow stakeholders to manage risks by specifying and monitoring mitigation actions throughout implementation. Part A of this section focuses on external risks to the project and Part B on the identified environmental and social risks from the project.

1. Risks to the project

138. In the section below, elaborate on indicated risks to the project, including climate risks[1], potential social environmental, political or fiduciary risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation. Table 8 below describes the risks associated with the project:

Table 7. Project related risks

Description of risk	Impact [2]	Probability of occurrence ³	Mitigation actions	Responsible party
---------------------	-------------------------------	---	--------------------	-------------------

<p>Weak cooperation between key institutional stakeholders (i.e., Environment and Agriculture sectors)</p>	M	M	<p>Close and collaborative cooperation between multiple institutional stakeholders will be essential for the project to achieve its stated goal and objectives. This will be achieved through early involvement of all stakeholders, establishment of the project steering committee, and the technical working group. A communication and outreach strategy will be evolved to reach out to the stakeholders, and regular meetings and presentation of the project results in different phases of the project implementation will be organized to ensure collaborative cooperation between key institutional stakeholders.</p> <p>All new measures developed by the project will be followed-up by training and awareness-raising activities that will involve all relevant stakeholders directly affected to ensure that good practices are disseminated and later on applied by them in Azerbaijan.</p>	MENR/MOA/FAO
---	---	---	--	--------------

Lack of political support to LDN and SLM in the context of grasslands and pastures	M	M	Political support to the project will be garnered through project component 1 that will strengthen the enabling environment for LDN and SLM in Azerbaijan in terms of policies and institutions. It will also create awareness of LDN among public servants and the public at large and its importance for achieving the SDGs and Agenda 2030.	MENR/MOA/FAO
Low technical capacity in operationalizing LDN at national, regional and landscape level affecting project implementation	M	M	<p>The weaknesses and gaps in capacity will be addressed through (a) establishing joint working group for discussion and identification of gaps and necessary actions; (b) development of a capacity building programs and training during the project, by considering specific needs of stakeholders; as well as (c) establishment of the National Information-Sharing Forum.</p> <p>Progress of capacity development initiatives will be regularly reviewed by PSC. Moreover, project progress will be regularly monitored, and necessary corrective actions will be taken as necessary.</p>	MENR/MOA/FAO

Natural changes in agro-ecological zones due to gradual changes in climate and the incidence of extreme events			The project will demonstrate climate-smart SLM measures to achieve LDN that are adaptable to changes in rainfall, temperatures and the incidence of extreme events. This will be supported by FAOs expertise in CSA as well as global databases for resilient SLM technologies and approaches, such as WOCAT.	MENR/MOA/FAO
Lack of local stakeholder engagement and commitment to adopt SLM to achieve LDN			Despite the challenges posed by COVID-19, local stakeholders at the project sites were extensively consulted during the PPG phase, both in the field and online. To ensure continued stakeholder support and engagement, the project will use participatory approaches, such as participatory land-use planning and participatory selection of SLM measures that engage both women and men. Equitable and gender-balanced benefits from SLM will be generated at the local level.	MENR/MOA/FAO

<p>Impacts of climate change and associated hazards threatens agricultural production and peoples? livelihoods</p>		<p>Providing support to local communities through sustainable/alternative livelihoods will enable them to better cope with climate-induced impacts and risks. Additionally, the following measures will be in place to minimize, ameliorate the effects of climate-induced changes, such as (i) development of proposals on the protection of biotopes (analyzing/identifying ecological state of particularly sensitive and indicator species), (ii) development of adaptation programs/proposals for a number of species (in at least pilot areas), (iii) protection of Geno Fund and creating a Seed Bank, and (iv) establishment of databases related to climate-induced changes (to be updated based on systematic monitoring of data). The proposed project will also forge linkages and synergies with ongoing projects and efforts to mainstream adaptation, and to contribute to the knowledge base through its information dissemination and public awareness activities. Awareness will be raised among public about long-term benefits of conservation.</p>	<p>MENR/MOA/FAO</p>
---	--	---	---------------------

<p>Impact of COVID-19 causes significant economic downturn that impacts project outcomes</p>			<p>The negative impacts of COVID-19 might shift the government priorities to other emerging issues, rather than conservation and restoration of land resources. However, FAO works closely with the government of Azerbaijan and during the course of the project will have steering committee meetings and updates of work plan based on emerging issues in a way to guarantee implementation of the project component, while also addressing other issues within the context of the project.</p> <p>Besides, the COVID 19 pandemic revealed that there is urgent need to rehabilitate degraded agricultural land to strengthen resilience to potential food crises. Thus, regular consultations and meetings with stakeholders will ensure that the importance of the project is understood by the relevant government and non-government institutions, and will also support the project activities taking into account long-term goals and strategies, even during potential pandemic situations.</p>	<p>MENR/MOA/FAO</p>
---	--	--	---	---------------------

Political sensitivity in the region	L	L	Escalation of the conflict may result in increased military costs that may cause decrease of the governmental investment of other sectors, including agriculture and environment. It may lead to changes in the state budget plans with minimum focus on agricultural investments, particularly related to LDN. Project team will follow political situation regularly and inform management and donor accordingly in case of such changes during the implementation.	MENR/MOA/FAO
--	---	---	---	--------------

[1] GEF-STAP guidance on climate risk screening: <https://www.stapgef.org/stap-guidance-climate-risk-screening>

[2] H: High; M: Moderate; L: Low.

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

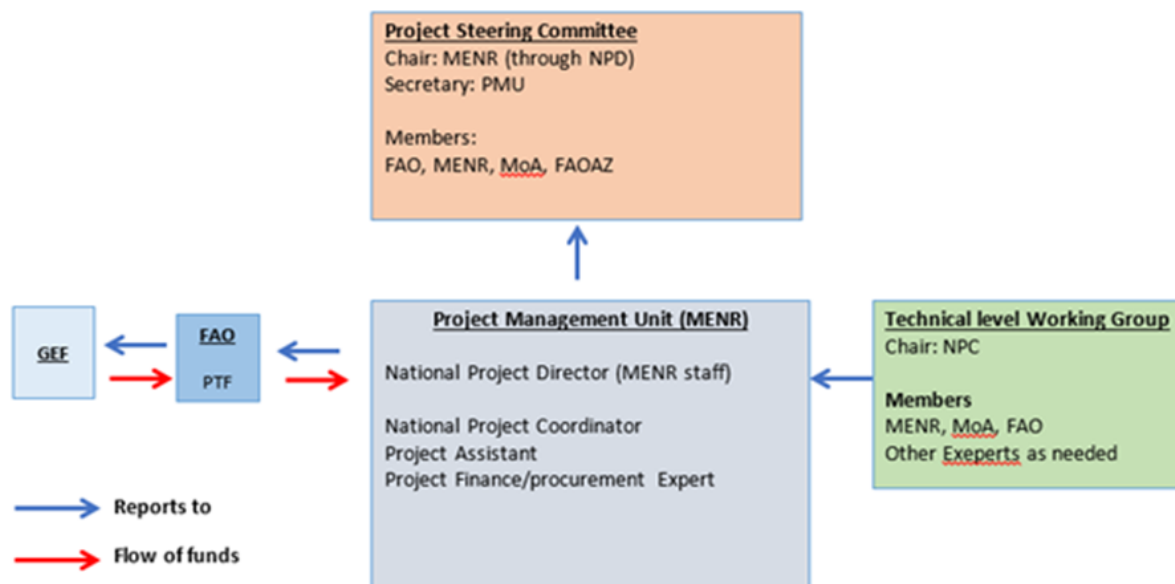
1. Institutional arrangements for project implementation.

139. The MENR will have the overall executing and technical responsibility for the project, with FAO providing oversight as GEF Implementing Agency as described below. The MENR will be the lead executing agency and responsible for the day-to-day management of project results, the overall coordination of project implementation, as well as coordination and collaboration with project participating institutions,

local community organizations and other entities participating in the project, through the structure and mechanisms defined by the project.

140. The project organizational structure is as follows:

Figure 12: Project Organizational Structure



141. **National Project Director (NPD).** The government will designate a National Project Director or Focal Point from the MENR (paid by the government), who will be responsible for coordinating project activities with other national bodies participating in the different project components, as well as with the project partners.

142. **Project Steering Committee (PSC).** The PSC will be the main governing body and advisory board for the project. Its main functions are: i) to provide strategic guidance for the execution of the project; ii) to resolve any disagreements related to the project and its adequate execution; iii) to supervise and support the correct implementation of project components; iv) to coordinate and manage by institutional means, the timely contribution of the co-financing agreed by each institution participating in the Project, as well as other sources of financing that coincide with the objectives of the Project; v) to review and agree on the strategy and methodology to implement the Project, as well as changes and modifications stemming from field implementation; vi) to encourage agreements and other forms of collaboration with national and international organizations; vii) to approve annual work plans, budget revisions and progress reports; viii) to oversee the sustainability of the main project outputs, including scale-up and replication. The PSC will meet in ordinary sessions at least once a year; however, if its members deem it necessary, the PSC may convene extraordinary meetings. All PSC decisions should be adopted by consensus.

143. The PSC will be comprised of representatives from FAO (as Implementing Agency) as well as other government institutions (Ministry of Agriculture, local government institutions). The members of the PSC will each assure the role of a Focal Point for the project in their respective agencies. Hence, the project will have a Focal Point in each concerned institution. As Focal Points in their agency, the concerned PSC members will: (i) technically oversee activities in their sector; (ii) ensure a fluid two-way exchange of information and knowledge between their agency and the project; (iii) facilitate coordination and links between the project activities and the work plan of their agency; and (iv) facilitate the provision of co-financing to the project.

144. **Project Management Unit.** A Project Management Unit (PMU) will be co-funded by the GEF and established within the Ministry of Ecology and Natural Resources. The main function of the PMU, following the guidance of the Project Steering Committee, is to ensure overall efficient management, coordination, implementation and monitoring of the project through the effective implementation of the annual work plans and budgets (AWP/Bs). The PMU will be composed of (i) a National Project Coordinator (NPC), (ii) a procurement/finance specialist, and (iii) an Organizational Capacity Development Consultant (hired by FAO) to help development of project management capacity of PMU. The PMU will be supported by technical specialists financed by the project, including experts on SLM, LDN, legal assessment, monitoring, gender and other experts as indicated in the project budget.

145. The National Project Coordinator (NPC) will be in charge of daily implementation, management, administration and technical supervision of the project, on behalf of the Operational partner [1] and within the framework delineated by the PSC. She/he will be responsible, among others, for:

- ? coordination with relevant initiatives;
- ? ensuring a high level of collaboration among participating institutions and organizations at the national and local levels;
- ? ensuring compliance with all Operational Partners Agreement (OPA) provisions during the implementation, including on timely reporting and financial management;
- ? coordination and close monitoring of the implementation of project activities;
- ? tracking the project's progress and ensuring timely delivery of inputs and outputs;
- ? providing technical support and assessing the outputs of the project national consultants hired with GEF funds, as well as the products generated in the implementation of the project,;
- ? approve and manage requests for provision of financial resources using provided format in OPA annexes;
- ? monitoring financial resources and accounting to ensure accuracy and reliability of financial reports;
- ? ensuring timely preparation and submission of requests for funds, financial and progress reports to FAO as per OPA reporting requirements;
- ? maintaining documentation and evidence that describes the proper and prudent use of project resources as per OPA provisions, including making available this supporting documentation to FAO and designated auditors when requested;
- ? implementing and managing the project's monitoring and communications plans;

- ? organizing project workshops and meetings to monitor progress and preparing the Annual Budget and Work Plan;
- ? submitting the six-monthly Project Progress Reports (PPRs) with the AWP/B to the PSC and FAO;
- ? preparing the first draft of the Project Implementation Review (PIR);
- ? supporting the organization of the mid-term and final evaluations in close coordination with the FAO Budget Holder and the FAO Independent Office of Evaluation;
- ? submitting the OP six-monthly technical and financial reports to FAO and facilitate the information exchange between the OP and FAO, if needed;
- ? inform the PSC and FAO of any delays and difficulties as they arise during the implementation to ensure timely corrective measure and support.

[1] It should be noted that the identified Operational Partner(s) or OP, results to be implemented by the OP and budgets to be transferred to the OP are going to be finalized through FAO internal partnership and agreement procedures which have not yet been concluded at the time of submission of this funding proposal.

Implementing Agency

146. The Food and Agriculture Organization (FAO) will be the GEF Implementing Agency (IA) for the Project, providing project cycle management and support services as established in the GEF Policy. As the GEF IA, FAO holds overall accountability and responsibility to the GEF for delivery of the results. In the IA role, FAO will utilize the GEF fees to deploy three different actors within the organization to support the project:

- ? the Budget Holder, which usually holds the highest authorization at the most decentralized FAO office, will provide oversight to day-to-day project execution;
- ? the Lead Technical Officer, designated according to area of technical expertise and closeness to the implementation area among the core technical staff of FAO will provide technical oversight/support to the project's technical work in coordination with government representatives participating in the Project Steering Committee;
- ? the Funding Liaison Officer(s) within FAO will monitor and support the project cycle to ensure that the project is being carried out and reporting done in accordance with agreed standards and requirements.

FAO responsibilities, as GEF agency, will include:

- ? Administrate funds from GEF in accordance with the rules and procedures of FAO and transfer them to executing partners;
- ? Support project Executing Agency (PMU under MENR) in implementation of the project activities during the early stages of the project (at least one year);
- ? Oversee project implementation in accordance with the project document, work plans, budgets, agreements with co-financiers, Operational Partners Agreement(s) and other rules and procedures of FAO;

- ? Provide technical guidance to ensure that appropriate technical quality is applied to all activities concerned;
- ? Conduct at least one supervision mission per year; and
- ? Reporting to the GEF Secretariat and Evaluation Office, through the annual Project Implementation Review, the Mid Term Review, the Terminal Evaluation and the Project Closure Report on project progress;
- ? Financial reporting to the GEF Trustee.

Execution support during first year of implementation

147. The MENR will also implement UNDP funded project and the PMU will be responsible for both projects. Therefore, FAO will work and develop joint capacity building programme together with UNDP. Aim is to establish well-functioning PMU which will be the main implementation body under the MENR. This will ensure sustainability of capacity within the government institution. FAO will conduct a capacity assessment by the first year of project implementation period to evaluate the progress within the PMU in terms of operational, administrative and financial management. FAO will transfer full implementation of the project to PMU (MENR) after the first year of implementation.

148. During the first year of project implementation, FAO will provide administrative support to MENR. This request is made because the government of Azerbaijan wishes to strengthen its capacity to execute internationally funded projects and programmes. FAO and UNDP will help build this capacity in the context of GEF operations. FAO administrative support, which will be done in close coordination with the PMU, includes (i) the hiring of national and international consultants, entering into contracts with partner institutions, organizing trainings and travel for project stakeholders, and purchase equipment for the MENR as identified in the project budget for Year 1; and (ii) overseeing project implementation in accordance with the Project Document, work plans, budgets, agreements with co-financing partners, Operational Partners Agreement (OPA), and other rules and procedures of FAO.

149. In line with the project budget for Year 1 (budget line 18, NC15) FAO will charge a total of \$6,240 to carry out the procurement and financial management activities related to points (i) and (ii) above. As discussed in paragraph 144 above, FAO will hire an Organizational Capacity Development Consultant (OCDC, hired by FAO for 200 days) to help build project management capacity of the PMU under Component 3. The OCDC will be located within the PMU in the MENR. During Year 1, the OCDC will support the PMU for a total of 80 days. Starting on Year 2, project resources not executed (estimated at \$1.67 million) will be transferred to the MENR via an Operational Partner Agreement. The OCDC will continue to provide support during Year 2 (50 days) and Year 3 (20 days) at a decreasing rate to ensure smooth transition of resources management to MENR.

150. MENR will continue to be responsible for the day-to-day management of project execution, as well as coordination and cooperation with project participating institutions, community organizations, and other project stakeholders, through the structure and mechanisms to be defined above. This includes leading the preparation of Annual Work Plans, leading the preparation of terms of reference for consultants

and contracts for project partners, technically clearing reports and assessments prepared by project partners in order to authorize payments, and leading the preparation of six-monthly implementation reports (including the annual Project Implementation Report, PIR).

2. Coordination with other relevant GEF-financed projects and other initiatives.

151. FAO Azerbaijan, together with the MENR, is currently implementing the GCP/AZE/004/GFF project on Conservation and sustainable use of biodiversity, strengthening Azerbaijan's system of protected areas through improved governance and management. The project components aim to strengthen the national and local enabling environment to support a landscape approach to biodiversity conservation and restore, maintain, and enhance ecosystem functions and services in target landscapes. Similar tools used for assessing/monitoring the land resources in the target areas of the project could be considered for different types of degraded lands within the country. The project also aims to apply CSA and other land management practices to improve productivity and reduce land degradation. The deployed practices could be scaled up in other regions of Azerbaijan with similar environmental conditions and needs.

152. FAO Azerbaijan, together with MENR, also recently successfully completed the GCF Readiness Project GCP/AZE/012/GCR to support the implementation of Nationally Determined Contributions (NDCs) in the agriculture and LULUCF sectors. The project reviewed the current status of NDC implementation to identify key gaps and propose recommendations. The project also analyzed relevant technologies to cope with the impacts of climate change in the agriculture and LULUCF sectors, on the basis of which an investment plan and a feasibility study were developed. The results and lessons learned from the mentioned land sector assessments can be applied during the implementation of this LDN project.

153. At the same time, FAO Azerbaijan is also currently implementing the TCP/AZE/3802/C1 project on Integrating pollinators into Sustainable Forest Management Plans. The project will focus on strengthening the country's capacity and knowledge to integrate pollinator biodiversity into sustainable forest management plans, thereby aiming to promote effective forestry and land management in the country. The project will collect reliable and up-to-date information on forest lands and resources across the country to integrate pollinator biodiversity into sustainable forest management plans. The database analysis, methodologies and tools, assessments, and lessons learned from the project will be widely disseminated and synergies with similar initiatives will be established.

154. Similarly, FAO Azerbaijan is also planning to start implementation of FAO-Turkey Partnership-funded project GCP/SEC/021/TUR on Improvement of Forest Land Restoration for Environmental Development and Sustainability. The project targets to strengthen national capacities for the development of afforestation and forest restoration works, including forest nursery production, effective plantation techniques, and assessment of potential afforestation areas. In order to ensure the sustainability of

the project, an analysis of degradation drivers will be carried out in a participatory manner involving all concerned main stakeholders. The project will also support the review of national frameworks to address the prevention of degradation of forests and other wooded lands, and their restoration based on the achievements of the project. Finally, knowledge developed during the project will be shared globally through the FAO Dryland team and the dedicated Working Group on Dryland Forests and Agro-silvo-pastoral Systems. The current LDN project can use and build on the results of the degradation factors assessment that will be carried out under this project.

155. In addition, FAO Azerbaijan is also currently implementing a TCP/AZE/3801 project on Improved water governance, towards sustainable agricultural development. The project targets strengthening national capacities in analysis, planning, and coordination for the improved governance of land and water resources. One of the main outcomes of the project will be the capacity development regarding water-saving technologies that improve land management and increase the resilience of agriculture to the impacts of climate change. During the implementation of the project, it is expected to create synergies with other ongoing initiatives for sharing best practices and lessons learned, as well as to ensure the sustainability of the results of both this and other similar initiatives implemented in the country.

156. Finally, UNDP Azerbaijan together with MENR is currently implementing the National Adaptation Plan project funded by the GCF focusing on three sectors including agriculture, coastal areas, and water sector. Collaboration with the NAP project will lead to the sharing of effective adaptive practices and technologies applied for land and water sectors to minimize climate change related effects.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The project is fully in line with all five strategic objectives of the UNCCD:

Strategic objective 1: To improve the condition of affected ecosystems, combat desertification/land degradation, promote sustainable land management and contribute to land degradation neutrality

Strategic objective 2: To improve the living conditions of affected populations

Strategic objective 3: To mitigate, adapt to, and manage the effects of drought in order to enhance resilience of vulnerable populations and ecosystems

Strategic objective 4: To generate global environmental benefits through effective implementation of the UNCCD

Strategic objective 5: To mobilise substantial and additional financial and non-financial resources to support the implementation of the Convention by building effective partnerships at the global and national level

Azerbaijan ratified the UNCCD in October 1998 and has initiated the process to develop a National Action Plan; as well as the LDN target setting process. The project will support these processes to strengthen the enabling environment for LDN. The project is consistent with and will support the implementation of the National Drought Plan (2020), in particular with the establishment of a national drought indicators system, the implementation of water conservation practices through improved sustainable use of land and water for agriculture and raising awareness.

154. The project is consistent with and will support the implementation of planned actions of the country's Strategic Roadmap on Agricultural Production and Processing, particularly the following priority objectives:

- ? PRIORITY 7.1. Develop mechanisms for reduction of negative impact of climate change and other natural factors on agriculture
- ? PRIORITY 7.2. Improve mechanisms for environmental protection in agricultural sector
- ? PRIORITY 7.3. Improve mechanisms for sustainable use of agricultural lands and water resources.

155. The project is consistent with and will support the implementation of the country's NBSAP[1], particularly the following priority objectives:

- ? 3.0.2. Improving biodiversity monitoring systems, including the development and application of modern monitoring methods and maintaining accurate records of biodiversity resources
- ? 3.0.4. Developing and effectively managing the protected areas taking into account international best practices
- ? 3.0.9. Providing adequate resources for conservation and sustainable use of biodiversity
- ? 3.0.10. Strengthening institutional capacities in the planning, management and use of biodiversity.

156. The project is consistent with and will support the implementation of the country's NDC, where the country committed to reducing greenhouse gas emissions (including LULUCF) by 35% in 2030 compared to the base year. The project will support activities to develop data and tools to plan processes that will help reduce losses in degradation in the long term throughout the effective land use monitoring system in Azerbaijan.

The proposal also supports the following Aichi national targets:

- ? Improving biodiversity monitoring systems.
- ? Restoring and conserving biodiversity, ecosystems.
- ? Developing collaborative management in biodiversity conservation.
- ? Providing adequate resources for conservation and sustainable use of biodiversity.
- ? Strengthening institutional capacities in the planning, management and use of biodiversity.

157. The proposed project is also aligned with 'Azerbaijan 2020: look to the future' development Concept?, in particular with Section 11: Environmental protection and ecological issues[2]. This section states that in order to make effective use of land resources, measures will be implemented to prevent

desertification, rehabilitate lands that have become unusable as a result of the activities of major industrial and mining enterprises, improve the system of using lands suitable for agriculture and strengthen the protection of lands from anthropogenic contamination.

158. The Project is consistent with "Azerbaijan 2030: National priorities for socio-economic development". This policy document aims to realize five National Priorities related to the socio-economic development of the country in the next decade: i) competitive economy with sustainable growth; ii) a dynamic and inclusive society based on social justice; iii) competitive human capital and a space for modern innovations; iv) great repatriation to the de-occupied territories; v) clean environment and a country of "green growth". These National Priorities are also of particular importance in the implementation of the commitments arising from the UN's "Transforming our world: 2030 Agenda for Sustainable Development". According to the 5th National Priority, given the scale of global climate change, the application of environmentally sound technologies will be given priority, the use of clean energy sources, waste recycling and rehabilitation of polluted areas will be promoted, the environment will be improved, greenery will be restored and increased, and efficient use of water resources and sustainable energy sources will be ensured.

159. The proposed project is consistent with "State Program on socio-economic development of regions of the Republic of Azerbaijan in 2019-2023". The main goal of the program is to ensure sustainable and balanced development of regions in the country, including a competitive economy based on the principles of sustainable development, social welfare, efficient use of natural resources (including lands) and a favorable environment to create a geological safety system enabling reliable environmental protection. To achieve these goals, the Program foresees the implementation of, inter alia, the following in relation to the environment, agriculture and land:

- ? improve the level of self-sufficiency of the country in basic food products, increase the production of environmentally sound products;
- ? increase the reliability of environmental protection and sustainability of the management of natural resources;
- ? improving the supply of irrigation water to arable lands;
- ? develop the road and transport infrastructure in villages;
- ? promote farmer partnership and development of cooperation in agriculture;
- ? facilitate access to financial resources for entrepreneurs and farmers, create innovative forms of farming.

160. One of the sections of the program concerns the use of ecology and natural resources, improvement of the supply of irrigation water, and another one concerns the increase of the role of women and youth in regional development.

161. The proposed project is consistent with "2017-2022: State Program on the Development of Agricultural Cooperation in the Republic of Azerbaijan". The purpose of the State Program is to promote joint economic activity of consumers of agricultural products, to create favorable conditions for the organization of agricultural cooperatives on a voluntary basis, to ensure the sustainable operation of cooperatives, as well as to support the formation and development of cooperation in agriculture.

The following tasks are envisaged within the program:

- ? strengthen awareness raising, advocacy, and extension services on the activities of cooperatives;
- ? develop the agricultural cooperation system, provide state support to cooperatives for this purpose;

- ? ensure efficient use of land, enable application of innovations;
- ? enhance financial services for cooperatives, provide preferential loans, improve the insurance mechanism for them;
- ? support the formation of cooperation infrastructure for the production, processing, sale of agricultural products, as well as logistics and other services.

162. As described above (relevant baseline projects), with the collaboration of UNDP, the government of Azerbaijan has embarked on the preparation and implementation of a National Adaptation Plan (NAP) with a GCF financed project. This GEF project will contribute to this national priority and enrich the experience by developing a National Strategy & National Action Plan (2023-2030) for ?Combating land degradation and increasing land fertility? which will be endorsed by Key Government Sectors.

[1] <https://www.cbd.int/doc/world/az/az-nbsap-v2-en.pdf>

[2] <https://www.adb.org/sites/default/files/linked-documents/cps-aze-2014-2018-sd-06.pdf>

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

163. The proposed project will develop a gender-sensitive communication and outreach strategy, followed by knowledge and communication products in the area of SLM practices that can be applied to achieve LDN in Azerbaijan. National LDN guidelines and fact sheets will also be published that describe how LDN should be measured at different scales and how gains and losses could be balanced from the landscape and up to the national scale.

164. The activities implemented under component 3 - Monitoring, evaluation and knowledge management/lessons-learned, will result in (Outcome 3.1) the launch of knowledge management processes and the dissemination of lessons learned at the national level. This will ensure that lessons learned and best practices on SLM and LDN are mainstreamed in the national development plans and strategies. The process of scaling up and replicating best practices will also be fueled by the use of different types of knowledge products on SLM practices, measures, and technologies to be used by government staff, local farmers, agricultural cooperatives, and women entrepreneurs etc., that will be produced and widely disseminated.

165. In order to achieve this outcome the following will be delivered and/or implemented by the project: Experience sharing on Project-related ?lessons-learned? and a national LDN guidelines published (Output 3.1.1.); Gender-sensitive communication strategy (supported with annual work plans) developed and implemented to support the LDN targets and mainstreaming of lessons learned (Output 3.1.2); Project mid-term and final evaluation conducted (Output 3.2.1); Global Environment Benefits, co-benefits and costs of SLM monitored, and lessons analyzed (Output 3.2.2); LDN target-setting reporting mechanism in place (Output 3.2.3).

166. The project's broad participation process, involving relevant policy making, research, extension and education institutions, will ensure that knowledge is shared efficiently within the country. MENR will be an important partner for lesson sharing and knowledge management. Internationally, existing knowledge sharing platforms and technical tools, such as LADA, WOCAT, the UNCCD preferred database for SLM best practices reporting, will be used for strengthening knowledge management. Lessons learned from other LDN projects where FAO plays an Implementing Agency role will also be widely disseminated.

167. Special emphasis will be placed on different types of information products, including video materials, brochures, and manuals; knowledge management products, assessment reports, methodologies, training and information materials in printed and digital forms, etc., for the development of which a communications specialist will be hired. This will maximize the impact of project activities and ensure effective visibility and dissemination of best practices and lessons learnt under Component 3, and field level through support under Component 2 aimed at scaling up SLM approaches and technologies in the degraded lands of the pilot area.

168. Finally, additional in-depth consultations will take place during the inception phase to examine and evaluate: (i) successful knowledge management experiences in other projects, (ii) obtain current feedback from stakeholder groups and possible beneficiaries? groups (iii) determine how to best link the knowledge generated by other institutions and projects to the findings of this proposal.

169. The tentative knowledge sharing plan of the project is summarized below Table:

Table 9. Tentative knowledge sharing plan.

[illegible]

Sharing of project results at UNCCD website/events										X	X	
Knowledge materials on SLM and LDN												
Preparation of brochures/manuals on SLM practices that can be applied to achieve LDN in Azerbaijan					X	X	X	X	X	X	X	X
National LDN guidelines and fact sheets							X	X	X	X	X	X
A knowledge management product targeting male and female farmers on WOCAT									X	X		
A knowledge management product on gender responsive SLM approaches for LDN targets, targeting policymakers/stakeholders										X	X	
A knowledge management product on value chains that will support reaching the LDN targets in Azerbaijan, including mapping, selection, implementation, and value addition benefiting male and female farmers											X	X
National Capacity building program												
Capacity Building Plan for skill enhancement on LDN monitoring and implementation		X	X	X								

Training content on value-chains management for local communities, extension services, farmers, women groups, and youth ?					X	X	X	X	X	X	X	
Training content for decision makers and technical staff from the relevant ministries involved in the implementation of LDN						X	X	X	X	X	X	X
Training content on LDN indicators, monitoring using standard tools and balancing strategies to report status and progress of UNCCD Strategic Objectives										X	X	X
Training content on implementation of LDN in practice targeting technical staff as well as local communities											X	X
Training content on LDN principles, including land tenure and gender dimensions, concepts and key indicators targeting decision makers and technical staff										X	X	
Systematize and disseminate lessons learned, including gender-related experiences, from capacity-building programmes on LDN/establishment of the National Information-Sharing Forum							X	X	X	X	X	X

9. Monitoring and Evaluation

Describe the budgeted M and E plan

170. Monitoring and evaluation (M&E) of progress in achieving project outcomes and objectives will be based on the targets and indicators set out in the Project Results Framework (Annex A) and the description of the same in relevant above. Project monitoring and evaluation activities have been estimated in USD 111,600 (see Table 10 below). Monitoring and evaluation activities will follow FAO and GEF monitoring and evaluation policies and guidelines. Project reports will be broadly and freely shared, and findings and lessons learned made available.

1. Oversight and monitoring responsibilities

171. The M&E functions and responsibilities, specified in the Project Monitoring Plan (see below) will be implemented through: (i) continuous day-to-day monitoring and project progress oversight missions by the Project Management Unit (PMU, see section 6.1 above); (ii) technical monitoring of indicators by the PMU in coordination with partners; (iii) mid-term review and final evaluation (independent consultants and FAO Evaluation Office); and (iv) FAO's monitoring and oversight missions.

172. PMU will establish a monitoring system to monitor the project progress during the whole implementation cycle. Participatory mechanisms and methodologies will be developed to support the monitoring and evaluation of outcome and output indicators. M&E tasks will include: (i) presentation and clarification (if necessary) of the Project Results Framework to all the project stakeholders; (ii) review of monitoring and evaluation indicators and baselines; (iii) preparation of draft clauses that would be included in the consultants' contracts to ensure fulfilment of their monitoring and evaluation reporting tasks (if appropriate); and (iv) clarification of the division of monitoring and evaluation tasks among the different project stakeholders.

173. The National M&E Expert with support from the team members in the PMU will prepare a draft monitoring (M&E) matrix, which will be discussed and approved by all key stakeholders during the start-up workshop. The M&E Matrix will work as a management tool for the NPC, local experts and Project Partners for: i) biannual monitoring of output indicators; ii) annual monitoring of outcome indicators; iii) definition of responsibilities and means of verification; iv) selection of methodology for data processing.

174. The Monitoring Plan will be prepared by the M&E Expert with support from the Project Team during the first quarter of Year 1 and validated by the Project Steering Committee (PSC). The Monitoring Plan will be based on the Monitoring Plan (Table 9 below) and the Monitoring Matrix and will include: i) the updated outcomes matrix, with clear indicators broken down by year; ii) updated baseline, if necessary, and the tools selected for data gathering; iii) description of the monitoring strategy, including roles and responsibilities for data collection and processing, report flow, monitoring matrix and brief analysis on how and when each indicator will be measured (responsibility for project activities could coincide with that of data collection; iv) updated implementation arrangements, where necessary); v) inclusion of indicators from GEF monitoring tools, data collection and monitoring strategy for mid-term review and final evaluation; and vi) schedule of evaluation workshops, including self-assessment techniques.

175. The M&E Expert will be responsible for the continuous monitoring of project implementation and will be guided by the preparation and implementation of an Annual Work Plan and Budget (AWPB) supported by a biannual project progress reports (PPR). The preparation of the AWPB and the PPRs will represent the output of a unified planning process among the main project stakeholders. As results-based management tools, the AWPB will indicate the proposed actions for the following year and will offer the necessary details on the output and outcome targets, and the PPRs will offer information on actions implementation monitoring and the achievement of the output targets. Contributions to AWPB and PPR will be prepared through a participatory system of progress review and planning with all stakeholders, which will be coordinated and facilitated through progress review and project planning workshops. These contributions will be consolidated into the draft AWPB and PPR.

176. An annual project progress review and planning meeting will be held with the participation of Project partners to finalize the AWBP and PPR. Once finalized, the AWPB and PPR will be sent to FAO's LTO for technical clearance and to the Steering Committee for review and approval. The AWBP will be prepared in accordance with the Outcomes Framework to ensure adequate compliance and monitoring of project outputs and outcomes.

177. Following project approval, the first year AWBP will be adjusted (reduced or extended) to be synchronized with the annual reporting schedule. In subsequent years, AWBPs will follow an annual planning schedule, in line with the reporting cycle described below.

2. Indicators and Sources of information

178. In order to monitor project outputs and outcomes, including contributions to global environmental benefits, a set of indicators is set out in the Outcomes Framework (Annex 1). The indicators and means of verification in the Outcomes Framework will be applied to monitor both project performance and impact. Following FAO monitoring procedures and progress reporting formats, the data collected should be sufficiently detailed to allow monitoring of specific outputs and outcomes and early detection of risks to the project. Output target indicators will be monitored every six months and outcome target indicators will be monitored every year whenever possible or at least in the mid-term and final evaluations.

179. The main sources of information to support the M&E plan include: i) participatory progress review workshops with stakeholders and beneficiaries; ii) on-site monitoring of the field interventions implementation; iii) progress reports prepared by the PMU with inputs from partners, intervention zone coordinators, project specialists and other stakeholders; iv) consultancy reports; v) training reports; vi) mid-term review and final evaluation; vii) financial reports and budget reviews; viii) Project Implementation Reports prepared by FAO's Lead Technical Officer with the support of FAO's Representation in Azerbaijan; and ix) reports on FAO's oversight missions.

3. Reporting plan

180. The reports that will be prepared specifically within the monitoring and evaluation programme framework are: (i) the Project Inception report, (ii) the Annual Work Plan and Budget (AWPB), (iii) the Project Progress Reports (PPR), (iv) the Annual Project Implementation Review Reports (PIR), (v) the technical reports, (vi) the Co-financing Reports, and (vii) the Final Report. In addition, the GEF Core Indicator Worksheet will be completed in connection with the Mid-Term Review and Final Project Evaluation so that progress can be compared with the baseline established during project preparation.

181. After FAO's approval of the project, a national project start-up workshop and regional start-up workshops will be held. Immediately after the workshop, the NPC will prepare a project start-up report in consultation with the PSC and FAO's Lead Technical Officer (LTO). The report will include a description of the institutional roles and responsibilities and coordination with project actors, the progress made in their establishment and start-up activities, as well as an update of any changes in external conditions that may affect project implementation. It will also include a detailed AWPB for the first year and the Monitoring Matrix, a detailed monitoring plan based on the monitoring and evaluation plan presented below. The draft Start-up Report will be delivered to FAO and to the PSC for review and comments prior to finalization of the report, no later than three months after project start-up. The report must be approved by the BH, the LTO and the FAO-GEF Coordination Unit. The BH will upload the report to FPMIS.

182. The NPC shall submit a draft AWPB to the PSC by January 15 of each year at the latest. This should include a detailed list of activities to be executed every month for each output and outcome and the dates by which the targets and milestones of the outputs and outcomes will be achieved throughout the year. It will also include a detailed budget of the project activities to be carried out during the year, along with all necessary monitoring and oversight activities during the year. The AWPB will be reviewed by the PSC and FAO. The final AWPB will be sent to the PSC for approval and to FAO for final authorization. The BH will upload the AWPB to the FPMIS.

183. PPRs are used to identify constraints, problems or bottlenecks that hinder timely implementation, and to take appropriate corrective measures. PPRs will be developed on the basis of systematic monitoring of the output and outcome indicators identified in the Project Results Framework (Annex 1), AWPB and Monitoring Plan. Each semester, the National Project Coordinator will prepare a draft PPR, and compile and consolidate comments from FAO's PTF. The NPC will submit the final PPRs to the FAO Representative in Azerbaijan every six months, prior to June 10 (covering the period from January to June) and prior to December 10 (ranging from July to December). The report for the July-December period should include an AWPB update for the following year for review and no objection by FAO's PTF. Once comments are entered, the LTO will give its technical approval, the BH will approve and submit the final version of the PPR to the National Project Steering Committee (NPSC) for approval. The BH will upload the PPRs to the FPMIS.

184. The NPC, under the supervision of the LTO and the BH and in coordination with the national project partners, will prepare a draft PIR for the July (previous year) and June (current year) periods no later than July 1 of each year. The LTO will finalize the PIR and submit it to the FAO-GEF Coordination Unit for review before July 10. The FAO-GEF Coordination Unit, the LTO and the BH will discuss PIR and ratings. The LTO is responsible for the final PIR review and sanction technical approval. The LTO will submit the final PIR version to the FAO-GEF Coordination Unit for final approval. The FAO-GEF Coordination Unit will present the PIR to the GEF Secretariat and the independent Evaluation Office of the GEF as part of the Annual Monitoring Review of the FAO-GEF portfolio. The PIR will be uploaded to FPMIS by the FAO-GEF Coordination Unit.

185. **Technical reports.** Technical reports will be prepared as part of the project outputs and will serve to document and disseminate lessons learned. All draft technical reports should be prepared and submitted by the Project Coordinator to the PCS and the FAO Representation in Azerbaijan, which in turn, will share them with the LTO for review and approval and with the FAO-GEF Coordination Unit for

information and comments, prior to finalization and publication. Copies of the technical reports will be distributed to the Liaison Committee and the project PSC and other project stakeholders, as appropriate. These reports will be uploaded to FPMIS by the BH.

186. Co-financing Reports. The NPC will be responsible for compiling the necessary information on in-kind and cash co-financing contributed by all co-financiers of the project, both those referred to in this document and those not foreseen (new). Each year, the Coordinator will submit these reports to the FAO Representation in Azerbaijan by July 10, ranging from July of the previous year to June of the year of the Report. This information will be included in the PIR.

187. Final Report. Within two months prior to the project completion date, the National Project Coordinator shall submit a draft Final Report to the PSC and the FAO Representation in Azerbaijan. The main purpose of the Final Report is to provide the authorities with inputs on the political decisions required to continue with the Project, and to provide the donor with information on the use of funds. Therefore, the Final Report will consist of a brief summary of the main outputs, outcomes, conclusions and recommendations of the Project. The report is aimed at people who are not necessarily technical specialists and who need to understand the political implications of the findings and technical needs to ensure the sustainability of the project outcomes. The Final Report offers assessment of the activities, a summary of lessons learned and provides recommendations in terms of its applicability to promote climate-smart livestock, in the context of development priorities at national and provincial levels, as well as practical application. A project evaluation meeting should be held to discuss the draft Final Report with the NPSC and the Liaison Committee prior to its finalization by the Coordinator and approval by the BH, LTO and the FAO-GEF Coordination Unit.

4. Monitoring and Evaluation Plan

188. Table below presents a summary of the main monitoring and evaluation reports, those responsible for each report and deadlines. Project implementation will incorporate participatory monitoring of the Gender Action Plan which has a separate set of indicators that will be monitored and evaluated during the Mid-Term and End of Project Reviews. Separate gender monitoring reports will be prepared by the gender specialist with support from the project gender focal points.

Table 10. Summary of the main monitoring and evaluation reports, parties responsible for their publication and time frames.

M&E Activity	Responsible Units	Deadline/ Frequency	Budgeted Costs (USD)
Inception Workshop	NPC; FAO AZ (with the support of the LTO, and the FAO-GEF Coordination Unit)	Two months after the project began	USD 5,000
Project Inception workshop report	PMU	Immediately after the inception workshop	Part of PMU responsibilities
In-situ impact monitoring (monitoring of core indicators)	M&E expert, local experts and partners, with the support of the PMU	Continuous	USD 36,600 (Time of M&E expert; collection of relevant data on various verification materials)
Oversight visits, progress valuation, and learning missions	NPC; FAO (FAO AZ, LTO) FAO-GEF Coordination Unit can participate in the visits, if necessary.	Annual, or as required	\$15,000 PMU supervision missions; site visits (for project beneficiaries) FAO visits will be funded by the GEF agency fees.
Project Progress Report (PPR) and Project Implementation Report (PIR), Co-financing Reports	NPC, with contributions from project partners and other institutions involved in the implementation.	Biannual	Part of PMU responsibilities
Steering Committee and Project Management Committee Meetings	PMU; FAO; member institutions	Annual or more	To be held at FAO or Ministry offices
Monitoring Environmental and Social Safeguards, Update of GEF Tracking Tools	NPC with inputs from the other co-financiers.	Annual	Part of PMU responsibilities
Technical reports	NPC and FAO (LTO, FAO Azerbaijan)	As appropriate	Part of PMU responsibilities

Mid-term review (MTR)	FAO Azerbaijan, External Consultant, FAO Independent Evaluation Unit in consultation with the project team, including the GEF Coordination Unit and other stakeholders.	Halfway through project implementation	USD 20,000
Terminal Evaluation	<p>External consultant.</p> <p>The BH will be responsible to contact the Regional Evaluation Specialist (RES) within six months prior to the actual completion date (NTE date). The RES will manage the decentralized independent terminal evaluation of this project under the guidance and support of OED.</p>	At the end of project implementation (To be launched 6 months prior to terminal review meeting)	USD 40,000 (includes fees and travel costs of the external consultants)
Total budget			USD 116,600

Evaluation Provisions:

By month 24th of project implementation, an external consultancy will carry out the Mid-Term Review (MTR). The FAO Budget Holder (BH) will organize the MTR in consultation with the Project Steering Committee, M&E unit, FAO LTO and FAO GEF Coordination Unit. The MTR will be carried out in order to review the progress and effectiveness of the project implementation in terms of achievement of objectives, outcomes and outputs. The MTR will allow the implementation of corrective actions, if necessary. The MTR will provide a systematic analysis of the information included in the M&E Plan (see above), with emphasis on the progress in achieving the targets of the expected outcomes and outputs compared to expenditures. The MTR will refer to the approved Project Budget and the AWP/B approved for Project Years 1 and 2. The MTR will contribute to highlighting replicable good practices and the main problems faced during project execution and will suggest mitigation measures to be discussed by the PSC and the FAO Project Task Force (PTF).

The GEF evaluation policy foresees that all medium and large size projects require a separate terminal evaluation.

Such evaluation provides: i) accountability on results, processes, and performance; ii) recommendations to improve the sustainability of the results achieved and iii) lessons learned as an evidence-base for decision-making to be shared with all stakeholders (government, execution agency, other national partners, the GEF and FAO) to improve the performance of future projects.

The BH will be responsible to contact the Regional Evaluation Specialist (RES) within six months prior to the actual completion date (NTE date). The RES will manage the decentralized independent terminal evaluation of this project under the guidance and support of OED and will be responsible for quality assurance. Independent external evaluators will conduct the terminal evaluation of the project taking into account the ?GEF Guidelines for GEF Agencies in Conducting Terminal Evaluation for Full-sized Projects.?

FAO Office of Evaluation (OED) will provide technical assistance throughout the evaluation process, via the OED Decentralized Evaluation Support team ? in particular, it will also give quality assurance feedback on: selection of the external evaluators, Terms of Reference of the evaluation, draft and final report. OED will be responsible for the quality assessment of the terminal evaluation report, including the GEF ratings.

After the completion of the terminal evaluation, the BH will be responsible to prepare the management response to the evaluation within 4 weeks and share it with national partners, GEF OFP, OED and the FAO-GEF CU.

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

189. Degraded lands in Azerbaijan provide many important ecosystem goods and services. These lands provide not only economic benefits, but also social and environmental services. Global environmental benefits related to the establishment of an effective Land Degradation Neutrality system that balances gains and losses of productive land and supports resilient and productive landscapes with a mosaic of land uses and diverse livelihood opportunities will also generate socio-economic benefits for the local communities in the project targeted areas will include:

- ? Strengthening of value chains and improvement of market access for revenue and income generation, with improved employment opportunities for rural women and youth in particular
- ? Improved food, nutritional and water security for vulnerable rural households that are often headed by women, strengthening their human rights to access to food and water
- ? More resilient and equitable livelihoods for both women and men
- ? Reduced risk (natural disasters, market volatility, access to information and finance) related to investing in value-chain development, restoration and SLM on degraded lands
- ? Improved access to finance for smallholders and small-scale livestock owners for investing in new business plans related to restoration and SLM for achieving LDN.

11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification *

PIF	CEO Endorsement/Approval	MTR	TE
Medium/Moderate	Low		

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

Environmental and Social risks from the project.

Environmental and Social Risk Classification: low risk ? moderate risk ? high risk ?

Project is certified as low risk according to the FAO Environmental and Social Risk Assessment Checklist. The below assessment is based on 9 trigger questions. The ?Land Degradation Neutral Azerbaijan? project will not be triggering any of the below safeguard questions, and therefore is classified as low risk according to FAO screening.

Table 8. Trigger questions

	Question	YES	NO	Comments
--	----------	-----	----	----------

1	<p>Would this project:</p> <p>? result in the degradation (biological or physical) of soils or undermine sustainable land management practices; or</p> <p>? include the development of a large irrigation scheme, dam construction, use of wastewater or affect the quality of water; or</p> <p>? reduce the adaptive capacity to climate change or increase GHG emissions significantly; or</p> <p>? result in any changes to existing tenure rights[1] (formal and informal[2]) of individuals, communities or others to land, fishery and forest resources?</p>		<p>X</p> <p>This project will support sustainable land use planning and implementation for achieving land degradation neutrality. The project is promoting Sustainable Land Management (SLM) practices. This in turn will result in carbon sequestration, which is calculated using EX-ACT and the result is attached to the PIF.</p> <p>Tenure rights are recognized in the area of intervention. The project does not foresee any changes in tenure rights in the target sites.</p> <p>The project does not foresee the construction of large irrigation schemes or reuse of wastewater. Depending on the types of activities defined during the preparation phase, the project may consider increasing the efficiency of existing irrigation schemes,</p>
---	--	--	--

2	Would this project be executed in or around protected areas or natural habitats, decrease the biodiversity or alter the ecosystem functionality, use alien species, or use genetic resources?		X	The project uses local species. Further explanation is provided for the next question.
3	<p>Would this project:</p> <p>? Introduce crops and varieties previously not grown, and/or;</p> <p>? Provide seeds/planting material for cultivation, and/or;</p> <p>? Involve the importing or transfer of seeds and or planting material for cultivation <u>or</u> research and development;</p> <p>? Supply or use modern biotechnologies or their products in crop production, and/or</p> <p>? Establish or manage planted forests?</p>		X	The project will not introduce new seeds and plants. There will be support to harvest indigenous medicinal plants from the pastures covered by the area through so called 'wild harvest'. This will provide additional cash income especially for women, and will strengthen livelihoods. Improved pasture management through rotation, etc. will ensure that some of the indigenous medicinal plants and herbs will be sustained and that wild harvest is feasible.
4	Would this project introduce non-native or non-locally adapted species, breeds, genotypes or other genetic material to an area or production system, or modify in any way the surrounding habitat or production system used by existing genetic resources?		X	Same as above answer

5	<p>Would this project:</p> <p>? result in the direct or indirect procurement, supply or use of pesticides^[3]:</p> <p>? on crops, livestock, aquaculture, forestry, household; or</p> <p>? as seed/crop treatment in field or storage; or</p> <p>? through input supply programmes including voucher schemes; or</p> <p>? for small demonstration and research purposes; or</p> <p>? for strategic stocks (locust) and emergencies; or</p> <p>? causing adverse effects to health and/or environment; or</p> <p>? result in an increased use of pesticides in the project area as a result of production intensification; or</p> <p>? result in the management or disposal of pesticide waste and pesticide contaminated materials; or</p> <p>? result in violations of the Code of Conduct?</p>		X	<p>The project will reduce the risk of pests in all land uses it includes through development of integrated landscape management plans. These plans will support the establishment of mosaic landscapes with a mix of land uses that will reduce pests. In the PPG phase SLM practices that are environmentally friendly and support organic approaches to agriculture as well as wild harvest of medicinal plants from pastures will be identified in consultation with local land users. GEF funds will not be used to purchase or promote pesticides. In addition, IPM (an integrated pest management plan) will be developed for organic farming to use all sustainable available tools to control pest without use of chemical pesticides.</p>
---	--	--	---	---

6	Would this project permanently or temporarily remove people from their homes or means of production/livelihood or restrict their access to their means of livelihood?		X	
7	Would this project affect the current or future employment situation of the rural poor, and in particular the labour productivity, employability, labour conditions and rights at work of self-employed rural producers and other rural workers?		X	

Could this project risk overlooking existing gender inequalities in access to productive resources, goods, services, markets, decent employment and decision-making? For example, by not addressing existing discrimination against women and girls, or by not taking into account the different needs of men and women.

X

As mentioned above, this project is aiming at providing additional cash income especially for women, and will strengthen livelihoods.

The project complies with FAO's policy on gender equality and assures all activities will be conducted in a gender sensitive mode, complying with FAO and GEF criteria. For instance, the project will pursue a gender-sensitive approach to ensure women's participation in training workshops, demonstration activities, farmer field schools, and management committees. If needed, special arrangements will be made to ensure their participation; for instance, setting up day-care assistance, creating a safe atmosphere to ensure women can voice their opinion, targeting technologies that will be also used by women, etc. These will be all included in the project gender action

	<p>Would this project: ???have indigenous peoples* living outside the project area? where activities will take place; or ???have indigenous peoples living in the project area where activities will take place; or ???adversely or seriously affect on indigenous peoples' rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (physical? and non-physical or intangible?) inside and/or outside the project area; or ???be located in an area where cultural resources exist?</p> <p>* FAO considers the following criteria to identify indigenous peoples: priority in time with respect to occupation and use of a specific territory; the voluntary perpetuation of cultural distinctiveness (e.g. languages, laws and institutions); self-identification; an experience of subjugation, marginalization, dispossession, exclusion or discrimination (whether or not these conditions persist).</p>		X	
9	<p>?The phrase "Outside the project area" should be read taking into consideration the likelihood of project activities to influence the livelihoods, land access and/or rights of Indigenous Peoples' irrespective of physical distance. In example: If an indigenous community is living 100 km away from a project area where fishing activities will affect the river yield which is also accessed by this community, then the user should answer "YES" to the question.</p> <p>?Physical defined as movable or immovable objects, sites, structures, group of structures, natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic or other cultural significance located in urban or rural settings, ground, underground or underwater.</p> <p>?Non-physical or intangible defined as "the practices, representations, expressions, knowledge and skills as well as the instruments, objects, artifacts and cultural spaces associated therewith that communities, groups, and in some cases individuals, recognize as part of their spiritual and/or cultural heritage"</p>			

[1] [1] Tenure rights are rights to own, use or benefit from natural resources such as land, water bodies or forests

[2] Socially or traditionally recognized tenure rights that are not defined in law may still be considered to be ?legitimate tenure rights?.

[3] Pesticide means any substance, or mixture of substances of chemical or biological ingredients intended for repelling, destroying or controlling any pest, or regulating plant growth.

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
Risk certification for project GCP AZE019GFF	Project PIF ESS	
FAO ES Screening Checklist_Azerbaijan_Nov2	Project PIF ESS	
fpmis_1603992657965	Project PIF ESS	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	A
Objective: Support the national efforts to develop and implement LDN national targets, and demonstration of SLM in Absheron Peninsula and surrounding areas, contributing to rehabilitation of degraded lands and improved livelihood resilience						
Component 1: Strengthening the enabling environment and operational basis for practical implementation of LDN in Azerbaijan						
<u>Outcome 1.1:</u> Enhanced institutional coordination and policies for LDN	New cross-sectoral policies/laws Intersectoral coordination mechanisms for LDN	LDN principles are not part of the SLM enabling environment in Azerbaijan	One cross-sectoral policy on LDN developed	Two cross-sectoral policies integrating LDN principles Functioning intersectoral coordination mechanisms for LDN (horizontal and vertical)	Policy documents; Draft legal laws and sub-laws/regulation; Technical reports; State budget document and budgetary reports from various stakeholders working on the national priorities Minutes from meetings of intersectoral coordination mechanisms	Strengthened government mechanisms for having government policies

<p>Output.1.1.1: Revised LDN-related policies/legislations and relevant instruments based on a gap analysis</p>	<p>Regulatory framework assessment for the implementation of LDN</p> <p>National Strategy & National Action Plan (2023-2030) for ?Combating land degradation and increasing land fertility?</p> <p>Draft State Program on the ?Development of livestock production and efficient use of pastures?</p> <p>Roadmap with policy proposals for strengthening agricultural cooperation in the country</p>	<p>No National Action Programme (NAP) to Combat Desertification and implement UNCCD</p> <p>No specific policy or strategy to promote the introduction and dissemination of LDN</p> <p>Existing policies and regulations do not clearly identify sources of financing and investment to prevent and combat land degradation</p>	<p>LDN policy assessment that includes a gender lens</p> <p>Analysis report on the implementation of the ?Development of agricultural cooperation in Azerbaijan? State Program</p> <p>Draft National Strategy & National Action Plan (2023-2030) for ?Combating land degradation and increasing land fertility?</p>	<p>Gaps and opportunities of the existing regulatory framework for the implementation of LDN are identified</p> <p>National Strategy & National Action Plan (2023-2030) for ?Combating land degradation and increasing land fertility? is developed in a participatory way and officially endorsed by key Government Sectors</p> <p>State Program for the ?Development of livestock production and efficient use of pastures? that integrated LDN principles is drafted.</p>	<p>LDN policy assessment report</p> <p>Analysis and lessons learnt report on the implementation of the ?Development of agricultural cooperation in Azerbaijan? State Program</p> <p>The National Strategy & National Action Plan (2021-2030) for ?Combating land degradation and increasing land fertility? reflecting the LDN principles</p> <p>Proposals to overcome the identified constraints to enhance agricultural cooperation and increase and stimulate financial support</p> <p>Technical reports from validation and stakeholder dialogue workshops</p>	<p>Strengthened regulatory framework for LDN from government</p>
---	--	--	---	--	--	--

Output 1.1.2: Vertical and horizontal coordination mechanisms among the main actors involved in LDN established and strengthened.	Horizontal intersectoral coordination mechanism at national level Vertical intersectoral coordination mechanisms	Lack of horizontal and vertical coordination related to land degradation monitoring and implementation of SLM No land management groups in target districts	Gender-balanced horizontal and vertical intersectoral coordination mechanisms at national level and sub-national levels At least one multi-stakeholder land management group is established in Gobustan and Siyazan districts	Gender-balanced Coordinating body on Land Management issues under the Cabinet of Ministers is established Established and functional multi-stakeholder Land management groups at municipal level in target communities Horizontal and vertical intersectoral coordination mechanisms at national level and sub-national levels fully functioning with agreed terms of reference	Terms of references and meeting minutes from the two mechanism; participants? lists Administrative and procedural documents drafted for the Coordinating body on Land Management	Strengthened coordination mechanism supported by central government pilot. The will be a key part of the LDN issues. The will be a local authority coordination and land relations.
Output 1.1.3: Interdisciplinary and multi-institutional LDN working group established	National LDN Working Group established	No National LDN working group	Gender balanced multi-stakeholder LDN working group structure is agreed with key stakeholders	National LDN Working Group is fully functioning with agreed terms of reference and communication channels	Technical workshop and working meeting reports; Terms of reference	Established a LDN group supported by central government.
Outcome 1.2: Land degradation status and trends assessed by participatory processes	LD assessment of status and trends that also specify how gender differences and inequality contribute to LD	No National Assessment of Land degradation or LDN baseline	Methodological framework and tools identified and ready to develop a national LD assessment	LDN baseline based on the three change of state LDN indicators set Participatory evaluation of land degradation types and drivers.	Technical workshop and working meeting reports; LDN baseline report, LDN metrics at national level	Capacity building and awareness

Output 1.2.1: National LDN baseline based on 3 change of state indicators validated by national experts and supplemented with national LD indicators	<p>LDN indicators maps at national level</p> <p>Land cover transition matrix validated by stakeholders</p> <p>Number of national spatially explicit degradation indicators available</p>	<p>No LDN baseline assessment</p> <p>National LD indicators are not identified or available</p> <p>Default LDN indicators produced during PPG</p>	<p>Most appropriate methodology and data sets for the estimation of LDN indicators identified and validated by experts</p> <p>Relevant national datasets and methodologies related to the assessment of land degradation are identified</p> <p>Land Cover legend and transition matrix to monitor LD agreed among stakeholders</p>	National LDN Baseline developed and validated through a participatory process	Technical workshop and working meeting reports; LDN baseline report, LDN metrics at national level	<p>The national capital data and</p> <p>The will part vali know excl wor</p>
Output 1.2.2: Main types of LD and their direct and indirect causes identified for different land use and land cover types.	<p>Land Use system maps at national, subnational and local level available</p> <p>LADA-QM results mapped and available on an interactive platform</p>	<p>There is no LD & SLM assessment available that identifies causes and recommendations and uses global standard tools, such as LADA QM</p>	<p>Land Use System Map developed by the integration of relevant data sets at national, subnational and local level</p> <p>Platform to complete LADA QM online established in Azerbaijani</p>	Participatory LD assessment that specifies and maps causes, and recommendations finalized and presented to the Government	<p>Workshop minutes and lists of participants</p> <p>LD assessment report based on LADA/WOCAT tools</p>	<p>Cap know ava und and asse</p>
Outcome 1.3: LDN principles integrated into national decision-making processes related to management of natural capital inform land-use planning frameworks	LDN principles mainstreamed into medium-term plans of MENR and relevant agencies	LDN has not yet been mainstreamed in Azerbaijan	LDN targets mainstreamed into the MENR medium-term plan	LDN targets mainstreamed in MENR and relevant agencies	MENR medium-term plans; agency medium-term plans	<p>M</p> <p>a</p> <p>co</p> <p>mai</p> <p>in</p> <p>an</p> <p>mak</p>

Output 1.3.1: National voluntary LDN targets established	Established voluntary LDN targets Official Endorsement of LDN targets sent to UNCCD	Azerbaijan has not yet established any LDN targets	Voluntary LDN targets established	LDN targets officially endorsed by the Government of Azerbaijan	LDN target-setting report to the UNCCD; LDN endorsement letter to the UNCCD	Pol to th proc gov Min Eco Nat Res Aze
Output 1.3.2: LDN knowledge platform and DSS established in line with the LDN response hierarchy, to inform land use planning processes and anticipate ?gains? and ?losses? of natural capital supported by the Ministry of Ecology and other key Ministries and institutions.	Intersectoral and gender sensitive LDN knowledge platform in place; DSS that integrates the LDN response hierarchy	No LDN knowledge platform or DSS exist in Azerbaijan	LDN knowledge platform in place	LDN DSS in place to support intersectoral and gender sensitive governance of land resources in Azerbaijan	Technical description, user guidelines and LDN-DSS web-portal and platform	Wil the to in in th mak thro estb and
Outcome 1.4: Enhanced capacity at national and sub- national levels to support the achievement of LDN targets and reporting	Number of people, including women, with enhanced capacity to support the achievement of the LDN targets. (Contributes to GEF Core Indicator 11. Number of Direct Beneficiaries disaggregated by gender).	There is limited knowledge and understanding of LDN in Azerbaijan	150 people trained, including 40 women	240 people with enhanced capacity, including 70 women, to support the achievement of LDN targets in Azerbaijan. (Contributes to GEF Core Indicator 11. Number of Direct Beneficiaries disaggregated by gender).	Knowledge Management platform; reports from training events	Wil inte part LDN buil targ

Output 1.4.1: Gender sensitive capacity development and awareness raising program in place targeting stakeholders including policy makers, local administrations, and farmer organizations for mainstreaming of LDN targets	Number of policy makers trained; number of local administrative officers; and farmer organizations trained in mainstreaming of LDN targets	There is limited understanding of LDN in Azerbaijan and how to mainstream LDN targets into policy and planning	10 policy makers; 40 local administrative officers; and 100 farmers from farmers organizations trained	20 policy makers; 50 local administrative officers; and 150 farmers from farmers organizations trained	Training material in the form of online modules and reports; reports from training events; participants' lists	Will integrate LDN into national local government
Output 1.4.2: Capacity building program for the government officers to assist in reporting to UNCCD.	Number of government officers trained in reporting on LDN to the UNCCD	There is limited understanding of how to report on LDN to the UNCCD	At least 10 government officers trained in LDN reporting to the UNCCD	20 government officers trained in LDN reporting to the UNCCD	Reports from training events; participants' lists	Will integrate LDN into training reports from government
Component 2: Demonstrating the LDN approach in degraded landscapes of the Absheron peninsula and surrounding areas						
Outcome 2.1: Strengthened participatory and cooperative mechanisms support integrated land-use planning and behavioral change in support of LDN.	Land area under integrated land-use planning ((ha);	There are no mechanisms in place in Azerbaijan for participatory land-use planning nor cooperation of rural communities in value-chain management	2 participatory land-use plans developed	31,300 ha under integrated land-use planning	Reports from training events; participants' lists; district-level planning documents; legal documents	Local communities farmers to establish participatory land-use planning and cooperative value chain
Output 2.1.1: Gender inclusive farmers organizations (FOs) established and strengthened in Gobustan and Siyazan districts	Number of FOs established/strengthened	Existing legal framework in place and interest from the government in creating agricultural cooperatives	1 FOs established/strengthened	2 FOs established/strengthened	Legal documents/agreements for creating cooperatives	Farmers interested in establishing and strengthening government remote support

Output 2.1.2: Knowledge exchange mechanisms among farmers and extensionists established and adapted information packages for sustainable soil management and soil testing methods developed	FAO Soil Doctor Programme (SDP) in place	Azerbaijan has no FAO Soil Doctor Programme in place	The Extension service in pilot districts introduced to the SDP	Soil testing and monitoring conducted with farmers in pilot districts	Data from soil testing and monitoring	Farmer will participate in SDP extension services
Output 2.1.3: Participatory integrated gender-sensitive land-use plans developed and priorities identified in Gobustan and Siyazan districts	Number of land-use plans; Area covered by the plans (ha)	Participatory land-use plans do not exist in Azerbaijan	2 participatory land-use plans covering 8,000 ha developed	6 participatory land-use plans covering 31,300 ha developed	Participatory land-use plans for Gobustan and Siyazan districts; technical and validation reports	Will local stakeholders participate in land-use planning
Output 2.1.4. Two gender sensitive land-based value-chains strengthened in Gobustan and Siyazan district	Number of value chains strengthened	Preliminary value chains were selected in the PPG phase, including, barley.	Detailed mapping of value chains identified in the PPG	2 value chains strengthened in line with LDN principles	Reports with business plans for selected value chains; list of value-chain actors involved	Will local stakeholders focus on value chain business
Output 2.1.5: Training programs on value-chains management (e.g., marketing, processing, certification) for local communities? extension services, farmers, women groups, and youth	Number of value chain actors trained in sustainable VC management (% women) (Contributes to GEF Core Indicator 11. Number of Direct Beneficiaries disaggregated by gender).	Local communities have weak links to viable value chains. Most VCs do not consider environmental sustainability, including LDN	100 value-chain actors with strengthened capacity in sustainable VC management that integrates LDN principles	500 value-chain actors with strengthened capacity in sustainable VC management that integrates LDN principles (50% women) (Contributes to GEF Core Indicator 11. Number of Direct Beneficiaries disaggregated by gender).	Reports from training events; participants' lists	Will among other things, improve marketing of selected value chains with principles

Outcome 2.2: Scaling up of Sustainable Land Management approaches and technologies in degraded lands of the Absheron peninsula and surrounding areas contribute to the national LDN targets	GEF Core Indicator 3.1. Area of degraded agricultural land restored	Current land management is unsustainable and restoration efforts are not based on up-to-date SLM knowledge and therefore ineffective	8 SLM technologies adopted in the target landscapes	GEF Core Indicator 3.1; 2,700 ha of land restored;	Carbon monitoring using Ex.Act; remote sensing and GIS maps; local surveys	Land ben imp SLM thei
	GEF Core Indicator 4.3. Area of landscapes under sustainable land management in production systems			GEF Core Indicator 4.3. 31,300 ha of land with avoided and reduced degradation; and		
	GEF Core Indicator 6.1. Carbon sequestered or emissions avoided in the AFOLU sector			GEF Core Indicator 6.1. 169, 449 tCO ₂ eq of avoided emissions or carbon sequestration		
Output 2.2.1 Integrated sustainable and gender sensitive Land/Water Management approaches and technologies adopted on the demonstration landscapes to avoid, reduce and reverse land degradation	Number of SLM technologies adopted; Ha of land with avoided and reduced degradation and ha of land with reversed degradation.	Current land management is unsustainable and restoration efforts are not based on up-to-date SLM technologies and therefore ineffective	8 SLM technologies adopted in the target landscapes	31,300 ha of land with avoided and reduced degradation; 2,700 ha of land restored	Carbon monitoring using Ex.Act; remote sensing and GIS maps; local surveys	Land ben imp SLM thei
Output 2.2.2 Resource mobilization plans developed for scaling up of best practices	Number of plans developed; number of resources (USD) targeted	No organized resource mobilization for scaling up of SLM exists	One resource mobilization plan for each landscape developed	Proposals for the mobilization of USD 15,000,000 USD of funding for LDN implementation completed	Resource mobilization plans and proposals prepared	The is w allo resc SLM acti Aze prio to S

Component 3: Monitoring, evaluation and knowledge management/lessons-learned

Outcome 3.1. Knowledge management and lessons learned disseminated at national level	Direct and indirect beneficiaries with improved knowledge and awareness about LDN (Contributes to GEF Core Indicator 11. Number of Direct Beneficiaries disaggregated by gender).	The knowledge and awareness about LDN in Azerbaijan is very low	1 000 direct and indirect beneficiaries with improved knowledge and awareness about LDN	5 000 direct and indirect beneficiaries with improved knowledge and awareness about LDN. 1,000 direct beneficiaries (Contributing to GEF Core Indicator 11. Number of Direct Beneficiaries disaggregated by gender).	Surveys; website and social media statistics	Nat agen othe stake com reach proj ben wel gen crea abo
Output 3.1.1. Experience sharing on Project-related ?lessons-learned? and a national LDN guidelines published	Direct and indirect beneficiaries with improved knowledge and awareness about LDN; National LDN guideline	No guideline or Knowledge Management products on LDN available	1 National LDN guideline; 10 fact sheets	1 National LDN guideline; 30 fact sheets; 3 gender-focused Knowledge Management products	Guideline document; fact sheets, Knowledge Management publications	Cor proj lead lear iden less
Output 3.1.2 Gender-sensitive communication strategy developed and implemented to support the LDN targets and mainstreaming of lessons learned	Communication strategy; number of people reached by public awareness raising campaigns; number of appearances in national and local media and partner websites	None	Public awareness raising campaign reaches 1 000 people (50% women); at least 3 informational events and media outreach activities	Public awareness raising campaign reaches 5 000 people (50% women); at least 10 informational events and media outreach activities	Articles in national and local media, appearance in TV, website and social media statistics	Nat agen othe stake com reach proj ben wel gen crea abo
Outcome 3.2. Monitoring and evaluation	M&E system in place for monitoring of GEBs and co-benefits	None	Timely monitoring of project outcomes, outputs and activities and mid-term evaluation	Timely monitoring of project outcomes, outputs and activities and final evaluation	Evaluation reports, PIRs, PPRs	Ad fun to e

Output 3.2.1 Project mid-term and final evaluation conducted	Mid-term evaluation; final evaluation	None	Mid-term evaluation and recommendations implemented	Final evaluation with recommendations	Evaluation reports	Adequate funding to e
Output 3.2.2 Global Environment Benefits, co-benefits and costs of SLM monitored, and lessons analyzed	M&E system that ensures timely delivery of project benefits in terms of GEBs and gender disaggregated co-benefits	None	Timely monitoring of project outcomes, outputs and activities informs the mid-term evaluation	M&E information informs the final evaluation	PIRs, PPRs	Adequate funding, national agencies, M&E
Output 3.2.3. LDN target-setting reporting mechanism in place	LDN reporting mechanism for the three LDN indicators	None	Digitized and harmonized data available for monitoring and reporting of LDN	Mechanism for monitoring and reporting on LDN operational	LDN reporting mechanism in place	Capacity, knowledge, data, established reporting mechanism

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comment by Hannah Boyne, Senior Policy Advisor and Programme Manager, Department for Environment, Food and Rural Affairs, Council, United Kingdom made on 1/7/2021

We understand this project is not implemented in the newly liberated territories.	This is correct. Pilot areas are in and around Absheron Peninsula close to Baku. The Project does not foresee any activity in liberated areas.
---	--

Our concern is about the staff capacity in the Ministry of Ecology to support this project given that the potential attention in exploring opportunities in the newly liberated territories.	Project Components include comprehensive capacity enhancement activities aiming development of national potential related to LDN and SLM. Besides, project management unit will be supported by national and international consultants who will support Ministry of Ecology and Natural Resources in effective implementation of the project. MENR will assign dedicated focal point to support project team during the implementation stage.
--	---

Comment by Stefan Schwager, Head International Climate and Biodiversity Finance, GEF and GCF Federal Office for the Environment?, Council, Switzerland made on 12/22/2020

Switzerland is supportive of the project.	Noted with thanks.
We appreciate the thorough project proposal and welcome the indicated share of co-financing. We encourage that the level of co-financing should be verified during project implementation in particular because it is primarily indicated in in-kind contributions.	Project preparation team conducted series of stakeholder consultations during the full project document preparation stage with government and non-government institutions and particularly related to co-financing to ensure availability of cash and qin-kind contribution at implementation stage. All beneficiaries re-confirmed their co-finance commitments and provided relevant letters to project team.

<p>We also welcome the involvement of the private sector (i.e., MoU with Azersun) and encourage to strengthen this part during the further development and implementation of the project.</p>	<p>Project team discussed participation of private sector (particularly with Azersun) in detail and agreed on their potential involvement in various project components from early stage of the project. Azersun confirmed their high interest and motivation as they see it good opportunity for medium- and long-term achievements to improve degraded lands in country. Besides, FAO Azerbaijan is planning to sign an MoU with Azersun on March 2022 for much broader cooperation within the FAO portfolio, including LDN project.</p>
---	--

Comment by Kordula Mehlhart, GEF Council Member, Head of Division on Climate Finance, BMZ?, Council, Germany made on 1/7/2021

Germany welcomes the proposal which has a concise aim to define Land Degradation Neutrality baseline and targets and is accompanied by a comprehensive and concise implementation strategy. Germany requests that the following requirements are taken into account during the design of the final project proposal:

<p>The Regional Environmental Centre for the Caucasus (RECC) is an important non-governmental stakeholder that carries out projects to combat land degradation, financed inter alia by the European Commission and the GEF. Germany requests to include the RECC as a stakeholder to consult with and use existing synergies.</p>	<p>REC Caucasus is one of the main players in Azerbaijan in the field of natural resources management and they are involved in development and implementation of various FAO initiatives, including GEF funded projects. The Project Design team regularly consulted with RECC during the development of full proposal to discuss synergies and potential cooperation directions in future. Besides RECC, the project design team also actively discussed components in detail with other active NGOs in country.</p>
<p>With view to the assessment of the current natural capital and ecosystem services using the ELD approach (output 2.1.1), Germany recommends contacting the Secretariat of the ELD initiative to make best use of existing material and established procedures, e.g., for the trainings.</p>	<p>Project will not assess natural capital and ecosystem services.</p>
<p>While the ECOserve project (GIZ/Ministry of Agriculture) is mentioned and it is planned to use lessons learned and collected data, Germany emphasizes the need for close collaboration given multiple existing synergies such as the ongoing setup of a MRV system for environmental indicators that could be supplemented.</p>	<p>The project design team, including the Ministry of Agriculture, was in contact regularly with the GIZ program implementation team regularly to share knowledge and experience in related field and to identify the existing and potential synergies. Please note that the Ministry of Agriculture is one of the main beneficiaries of GIZ support, and they participated actively in the design of the project document. MOA is the main implementation partner of ECOserve project and they also supported with relevant material and knowledge from mentioned project.</p>

Part I: Project Information B. Indicative Project Description Summary	What STAP looks for	STAP Response	FAO Response
Project Objective	Is the objective clearly defined, and consistently related to the problem diagnosis?	Yes	

Project components	<p>A brief description of the planned activities. Do these support the project's objectives?</p> <p>Yes, pages 30-33 describe main project activities to be organized around three main components. STAP recommends preparatory activities related to component #1 include assessment for land potential, resilience (e.g. use the RAPTA or similar approaches) and socio-economic conditions of the project area, as suggested earlier and in accordance with the STAP LDN guidelines, and the scientific conceptual framework for LDN. STAP acknowledged the mention of national indicators of LDN? and advises these include indicator for locally relevant ecosystem services that are not covered by the 3 global LDN indicators. Thought needs to be given in components 1 and 2 on incentives for landholders and for the private sector; consider market based instruments as proposed in Baumber et al 2018.</p> <p>For component #2, do consider the magnitude and salt-types when designing land reclamation and rehabilitation interventions that advance LDN. Seek nature based solutions such as bioremediation using vermitechnology (Ansari, ABDULLAH ADIL. "Reclamation of sodic soils through vermitechnology." Journal of Soil and Nature 1, no. 1 (2007): 27-31.)</p> <p>For component #3: in the preparation of the PPG, this component needs to identify indicators and metrics that enable to assess learning and uptake of new behaviors? that are pro-LDN. A good Theory of Change and logic framework will be needed that link the planned activities with the objectives, and that establish a series of core indicators related to the outputs associated with activities, in such a way that monitoring and evaluation can be undertaken following the principles of adaptive management the PIF mentions. Overall plan activities using integrated spatial land use planning; and make clear the link between the demonstration aspects of the project (component #2), and how the implementation of activities under Component #2 will be extrapolated to Components #1 and #3 (which have a broader, national scale coverage), a</p>	<p><i>STAP recommendations were considered during PPG phase:</i></p> <p>Component 1: <i>the conditions of the project implementation landscapes were assessed. A participatory and evidence based approach was conducted to define the project area and project implementation landscapes in accordance with the scientific conceptual framework for LDN. Regular consultations with stakeholders and the analysis of the degradation trends, land cover/use and land potential were considered to define these areas. Field assessments on soil texture and structure, considering historical and current land cover and use were conducted in the project implementation sites. The socio economic conditions were assessed in different settlements and villages through focus groups and the analysis of statistical data. In addition, mechanisms for providing incentives for landholders and for the private sector engagement in SLM and LDN; considering market based instruments were proposed. The legal framework, previous experiences and plausibility to implement payments for ecosystem (or environmental) services (PES) through different measures to mobilize funding for LDN and provide incentives for landholders and the private sector were analyzed.</i></p> <p>Component 2: <i>The different magnitude and salt types will be further assessed during project implementation with the support of the Soil doctors program to demonstrate and scale out relevant Sustainable Soil Management Practices based on the assessment of the sites. The project will apply a combination of nature based technologies, to avoid, reduce and reverse LD through an integrated landscape approach. They involve improved carbon sequestration and soil conservation, agroforestry and improved irrigation, based on the list of climate resilient SLM practices recommended in a recent GCF project.</i></p> <p>Component 3: <i>Scientifically-sound and locally relevant SLM and LDN indicators and metrics still need to be further identified, to measure the LDN baseline at different spatial scales and for monitor change. Some indicators that reflect soil health and land conditions across scales and detect off-site impacts are available and transparent and unified national monitoring protocols and datasets will be strengthened through the project. Monitoring of LDN process indicators, will be used to monitor capacity building and policy processes.</i></p>
--------------------	--	---

Outcomes	<p>A description of the expected short-term and medium-term effects of an intervention. Do the planned outcomes encompass important global environmental benefits/adaptation benefits?</p>	<p>Short and medium term effects are described and the narratives associated to the alternative scenarios. The planned outcomes do encompass important global environmental benefits. Adaptation can also be claimed by this project if the PPG attends suggestions given in the climate change screening document.</p>	<p><i>The project builds on the fact that LDN is an accelerator of several SDG targets in Azerbaijan. Project implementation landscapes and SLM practices were selected considering and maximizing synergies and positive impacts on biodiversity conservation and climate change adaptation and mitigation.</i></p>
	<p>Are the global environmental benefits/adaptation benefits likely to be generated?</p>	<p>Achievement of the global environmental benefits enunciated is plausible, and it will require adaptive management (as mentioned in the PIF), good multi-stakeholder dialogue processes (see STAP guidelines), and the ability to cooperate with the different projects described in the baseline that will provide inputs to this project. STAP recommends revising the claimed global environmental benefits during the PPG preparation, preferable after an assessment of land degradation, land potential and resilience of pilot areas is completed.</p>	<p><i>The project will strengthen vertical and horizontal coordination mechanisms among the main actors involved in LDN which will support the multi stakeholder dialogue and adaptive management of the project to achieve the global environmental benefits enunciated.</i></p>

Outputs	<p>A description of the products and services which are expected to result from the project.</p> <p>Is the sum of the outputs likely to contribute to the outcomes?</p>	<p>The outputs are likely to contribute to the proposed outcomes, and the team is encouraged to develop a good theory of change, connecting outcomes, outputs and activities to ensure that all risks and barriers mentioned are attended in the design of activities conducive to the outputs.</p>	<p><i>The STAP recommendation was considered in the development of the Theory of change. A deeper assessment of the barriers was conducted during PPG to better identify and consider these in the ToC. The drivers are linked to all the components in the new ToC figure.</i></p>
---------	---	---	---

Part II: Project justification	What STAP looks for	STAP Response	FAO Response
<p>1. Project description. Briefly describe:</p> <p>1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)</p>	<p>A simple narrative explaining the project's logic, i.e. a theory of change.</p>	<p>The project does not include a theory of change, rather a copy of the logic framework that underpins the scientific conceptual framework of LDN.</p>	<p><i>A new theory of changed was developed for the project document. Assumptions and impact drivers were inserted for each step in the new ToC.</i></p>
	<p>Is the problem statement well-defined?</p>	<p>Yes, causes of land degradation in the nation and the selected area (Absheron peninsula) are described; including the pressing issue of scarcity of freshwater and anthropic pollution.</p>	<p><i>During PPG phase the barriers and causes of land degradation were also identified and described for the new areas included in the project.</i></p>

	Are the barriers and threats well described, and substantiated by data and references?	Barriers are well described, and basic references provided.	
	For multiple focal area projects:	n/a	
2) the baseline scenario or any associated baseline projects	Is the baseline identified clearly?	<p>No, the project provides a description (pg 27) of the baseline in terms of drivers and pressures of the current state of land degradation in the country and the project area; it identifies current responses of the government (ie. legislation) that links to LDN, and describes the baseline of associates projects that will provide some baselines information. The team acknowledges that <i>limited research has been done to date on the Absheron peninsula of where land degradation is occurring, and with what intensity, including soil salinization processes, which has led to a lack of proper maps in general. Therefore, at the PIF stage, it was not possible to find a suitable map including a detailed analysis of the problem, but it was proposed to conduct the needed mapping during the PPG phase.</i> (pg 28).</p>	<p><i>During PPG maps on land use and productivity were produced using national and subnational data. An interactive application was developed to integrate the data and strengthen data transparency and sharing. However the project includes activities to produce meaningful geospatial data that will support land use planning processes and LDN monitoring.</i></p>

	Does it provide a feasible basis for quantifying the project's benefits?	<p>No, and the team recognizes that limitation, and</p> <p>STAP encourages the team to conduct a good inventory of datasets that can be used to establish a quantitative baseline (data sets are mentioned in the PIF, but they need to be assessed for the ?useability?, that is completeness, access, reliability, accuracy); identify sets of indicators and metrics that are needed to establish a baseline for the benefits that need to be quantified, and for establishing targets that will underpin activities and outputs of the project.</p>	<i>See above</i>
	Is the baseline sufficiently robust to support the incremental (additional cost) reasoning for the project?	The PIF lacks information necessary to appraise this aspect of the proposal.	<i>The incremental/additional cost reasoning and expected contributions from the baseline are now described in the project document.</i>
For multiple focal area projects:			
are the multiple baseline analyses presented (supported by data and references), and the multiple benefits specified, including the proposed indicators;			

	<p>are the lessons learned from similar or related past GEF</p> <p>and non-GEF interventions described; and</p>	<p>In a limited manner in the baseline. STAP encourages the team to consult the database of GEF projects that have conducted SLM in salt affected areas, and drylands overall. STAP also encourages to consult a recent special issue of the journal of environmental science and policy on LDN , which includes reflections and learnings of good practice to implement LDN. And the recent publication Delivering an enabling environment and multiple benefits for land degradation neutrality: Stakeholder perceptions and progress</p>	
	<p>how did these lessons inform the design of this project?</p>	<p>Lessons learned and data collected by the Management of natural resources and safeguarding of ecosystem services for sustainable rural development in the South Caucasus (ECOServe)?. will be used to strengthen the proposed project. TheGEF funded ?Conservation and sustainable use of biodiversity: Strengthening network of protected areas through improved governance and management? to begin in 2021. will be used for coordination purposes (one of ECOServe outputs is related to the restoration of the degraded lands through application of the Integrated Landscape Approach. The Adaptation planning support for Azerbaijan? project is mentioned in the baseline section though no mention on how data and lessons from this project will inform the proposed LDN project.</p>	<p><i>We welcome the STAP suggestions. The documents were consulted and their recommendation taken into account. In addition to the projects mentioned by STAP, the project will build on lessons learnt on climate resilient SLM practices identified in the GCF project ?Strengthening Country Capacities for NDC Implementation in the Agriculture and Land use, land-use change, and forestry (LULUCF) Sectors and Supporting the Identification of Potential Direct Access Entities from Different Sectors Relevant for the Implementation of the Country Work Programme in Azerbaijan?. In addition FAO will work and develop joint capacity building programme together with UNDP.</i></p>

<p>3) the proposed alternative scenario with a brief description of expected outcomes and components of the project</p>	<p>What is the theory of change?</p>	<p>The ToC is guided by the assumption that strengthening of the policy and institutional framework in support of LDN, establishment of LDN monitoring and reporting systems, support to the multi-sectoral land-use planning processes in Azerbaijan, as well as capacity development of institutions and individuals can advance achieving the LDN commitments of Azerbaijan.</p> <p>The project needs to revise and strengthen the theory of change, to include how it will deal with the behavioral aspects that it aspires to change, including targeted stakeholders, activities and their linkages with outputs and outcomes; the ToC needs also to include external factors (climate change, pandemics, etc) and internal factors (lack of cooperation) that may affect the planned pathways. In short, more work on assumptions about how the proposed changes might happen and about contextual drivers that may affect whether the activities and outputs are appropriate for influencing the desired change in the Absheron peninsula.</p> <p>STAP encourages the team to use the Theory of Change Primer and the guidelines on multi-stakeholder dialogues plus the forthcoming STAP guidance on behavioral change to help in the design of a theory of change and coherent narrative.</p>	<p><i>In the new and revised ToC not only the assumptions and drivers are linked to all the components but also to the intermediate state/behavioural change were identified and included. Clarification of the ToC impact pathway was provided in the narrative.</i></p>
	<p>What is the sequence of events (required or expected) that will lead to the desired outcomes?</p>	<p>Components 1, 2 and 3 explain the sequence of events, and STAP recommends the team maps better the ?links? between the components and the desired outcomes during the PPG phase.</p>	<p><i>The outcomes and outputs were revised and better linked during PPG phase.</i></p>

	<p>What is the set of linked activities, outputs, and outcomes to address the project's objectives?</p>	<p>Explained in the document. Please refer to earlier comments to enhance this aspect</p>	<p><i>The aspect was enhanced as explained above.</i></p>
--	---	---	---

	<p>Are the mechanisms of change plausible, and is there a well informed identification of the underlying assumptions?</p>	<p>The mechanisms of change are plausible, but there needs to be a good Theory of Change in place, complemented by a clear logic framework that maps the mechanisms of change (including those that will prompt behavioral change mentioned in the PIF). STAP recommends a backwards mapping from an intervention goal through all the long and short-term outcomes to the outputs needed to achieve it, identifying a logic arrangement of causal links between these to check the underlying assumptions stand.</p>	<p><i>As part of the PPG process, the theory of change was fully developed, including identification of underlying assumptions and impact drivers, and considering the mechanisms of change.</i></p>
	<p>Is there a recognition of what adaptations may be required during project implementation to respond to changing conditions in pursuit of the targeted outcomes?</p>	<p>The risk section describes adaptations that could be required, and STAP recommends these risks be included in the revised ToC.</p>	<p><i>The revised ToC includes the underlying assumptions and the project includes a monitoring cycle that will facilitate adaptive management.</i></p>

<p>5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund, LDCF, SCCF, and co-financing</p>	<p>GEF trust fund: will the proposed incremental activities lead to the delivery of global environmental benefits?</p>	<p>The narrative provided in the PIF indicates the proposed incremental activities can lead to the delivery of GEBs, though STAP recommends GEBs and indicators to measure their attainment are revised in the PPG phase, and strengthened.</p>	<p><i>GEBs and indicators were revised and strengthened.</i></p>
	<p>LDCF/SCCF: will the proposed incremental activities lead to adaptation which reduces vulnerability, builds adaptive capacity, and increases resilience to climate change?</p>	<p>n/a</p>	
<p>6) global environmental benefits (GEF trust fund) and/or adaptation benefits (LDCF/SCCF)</p>	<p>Are the benefits truly global environmental benefits/adaptation benefits, and are they measurable?</p>	<p>Attainment of LDN delivers GEBs, and STAP recommends the indicators be revised (See earlier comments)</p>	<p><i>See earlier response</i></p>
	<p>Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?</p>	<p>yes</p>	

Are the global environmental benefits/adaptation benefits explicitly defined?	Yes, STAP recommends revision of the GEBs in the PPG phase	<i>See earlier response</i>
Are indicators, or methodologies, provided to demonstrate how the global environmental benefits/adaptation benefits will be measured and monitored during project implementation?	Somewhat; this aspect of the project needs to be improved in the PPG, refer to earlier comments and the use of locally-relevant complementary indicators explained in the STAP LDN guidelines and the LDN conceptual framework	<i>In addition to the 3 LDN change of state indicators, during PPG complementary indicators and metrics to monitor the LDN pathway were explored and included in the project document.</i>

	<p>What activities will be implemented to increase the project's resilience to climate change?</p>	<p>This aspect is not clearly explained; the project baseline of the PIF includes a UNDP project on adaptation planning support to increase capacity on climate resilience and adaptation in water, agriculture and coastal areas, through the implementation of actions and activities that will reduce or eliminate barriers to an effective adaptation process at both the national and local levels. The PIF states that climate change assessments related to the agricultural sector and collected data will be used to strengthen the proposed LDN project. STAP strongly encourages that climate change vulnerability (exposure, sensitivity and adaptive capacity) are considered in component #2; that proposed SLM and other LDN- related interventions are 'climate-resilient', and that the PPG considers the suggestions of the CC screening document.</p>	<p><i>Component 2 will focus on the project implementation landscapes of Gobustan, Siyazan and Baku districts and will follow the activities and recommended list of climate resilient SLM practices of the GCF project 'Strengthening Country Capacities for NDC Implementation in the Agriculture and Land use, land-use change, and forestry (LULUCF) Sectors and Supporting the Identification of Potential Direct Access Entities from Different Sectors Relevant for the Implementation of the Country Work Programme in Azerbaijan'. These involve improved carbon sequestration and soil conservation, agroforestry and improved irrigation. The project will apply a combination of the technologies, through an integrated landscape approach to progress towards LDN, based on the priorities identified during PPG and the land use plans developed in Output 2.1.3.</i></p>
--	--	--	--

<p>7) innovative, sustainability and potential for scaling-up</p>	<p>Is the project innovative, for example, in its design, method of financing, technology, business model, policy, monitoring and evaluation, or learning?</p>	<p>There is innovation in the proposed mapping of the natural capital, on the coupling of LDN conceptual framework with the Economics of Land Degradation and on the proposed analysis of linkages between land condition, degradation and its impact on livelihoods from a gender lens (i.e. how land degradation affects women and men differently), and on assessing perceptions of stakeholders on the impact of land degradation, their perception of responsibilities and mitigation practices.</p> <p>The project has room to bring in innovation in business models (e.g. PPPs), policy (mix of instruments ranging from market based to behavioral, and education); incentives around PES, ?carbon farming? and ?environmental trusts that collect funds from those that will degrade the landscape and cannot offset using the like for like principle of LDN). See for instance the work in australia of the Biodiversity Conservation Trust., which provides a novel way to engage the private sector that has a stake in land degradation and it is willing to support restoration and rehabilitation There is also scope for innovation in interventions to rehabilitate salt affected areas through bioremediation (e.g. vermitechnology) and to use more intensively remote sensing (satellite, airborne, drone based) to map baselines and monitor indicators of interventions.</p>	<p><i>Indeed, the project will promote new knowledge on innovative SLM practices that have not been widely demonstrated in Azerbaijan, including practices such as afforestation of saline pastures which will allow different sectors and stakeholders to improve current unsustainable practices in the region. Another innovative aspect of the project is the assessment of the current natural capital of the land in the peninsula and the economic effect of action vs. inaction related to SLM, leading to identification of incentives of farmers and the private sector to engage in SLM and LDN schemes, and to development of decision-making tools for where and how to invest in SLM.</i></p>
---	--	---	---

	Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?	Adoption of land-use planning frameworks at national level that integrate the LDN principles and targets will be the main vehicle for scaling up of LDN and SLM in Azerbaijan. Furthermore Knowledge management and tracking of project impacts will inform adaptive learning to enable adjustments and ensure that neutrality is maintained in the future	<i>The interdisciplinary and multidisciplinary approach required to achieve LDN across different land-use types through SLM implementation and land use planning is indeed new and innovative in Azerbaijan.</i>
	Will incremental adaptation be required, or more fundamental transformational change to achieve long term sustainability?	Provided a clear mechanism of change is worked out in the PPG, that stakeholders are empowered through actions that strengthen human and social capital and that climate change vulnerability is factored in the interventions, incremental changes proposed will achieve long term sustainability.	<i>The project will establish and strengthen gender inclusive farmers organizations in Gobustan and Siyazan districts, promoting the formation of cooperation infrastructures (Output 2.1.1). This will lead to greater attention to sustainable production practices and better natural resource management to preserve ecosystem function under increased climate stress and ensure the sustainability of agricultural production systems and risk-adjusted returns to farmers.</i>
1b. Project Map and Coordinates. Please provide geo-referenced information and map where the project interventions will take place.		Provided.	

<p>2. Stakeholders.</p> <p>Select the stakeholders that have participated in consultations during the project identification phase: Indigenous people and local communities; Civil society organizations; Private sector entities.</p> <p>If none of the above, please explain why. In addition, provide</p> <p>indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.</p>	<p>Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers?</p>	<p>Relevant stakeholders have been identified and their role in the project. STAP recommends identifying representatives of youth organisations and that training on LDN reaches this group.</p>	<p><i>Key stakeholders and their role in the project have been further identified and summarized in a table in the ProDoc.</i></p>
	<p>What are the stakeholders' roles, and how will their combined roles contribute to robust project</p>	<p>STAP recommends stakeholders that are targets of behavior change and those that can be 'agents' of that change are identified in the PPG so that actions and responsibilities can be assigned and those stakeholders included in relevant phases of the project design and implementation.</p>	

<p>3. Gender Equality and Women's Empowerment.</p> <p>Please briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis). Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes/no/tbd.</p> <p>If possible, indicate in which results area(s) the project is expected to contribute to gender equality: access to and control over resources; participation and decision-making; and/or economic benefits or services.</p> <p>Will the project's results framework or logical framework include gender-sensitive indicators? yes/no/tbd</p>	<p>Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?</p>	<p>The proposed project acknowledges that women still play the most important role in sustainable natural resource management, as home-makers, as farmers and land managers. In this context, the project will pay special attention to the involvement of women, especially in decision-making, policy planning activities, capacity building, and investments on the ground. Adequate gender screening of the project will take place in the preparation phase in order to ensure equal benefits for both men and women. The project will make every effort possible to ensure women participate in all project activities, including in data collection and analysis, policy development and planning, restoration, and awareness-raising activities.</p> <p>STAP recommends the team uses the manual for gender-responsive land degradation neutrality transformative projects and programmes to devise LDN interventions, including training.</p>	<p><i>A gender analysis and Gender Action Plan were completed in the PPG phase and have informed the design of the project, particularly with respect to capacity building activities and investments on the ground..</i></p>
---	---	--	---

	Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed?	Gender considerations will not hinder other important stakeholders, and STAP recommends to include gender and youth as a group. The 2013 report of the World Bank provides important insights on the challenges of this group; this project provided support for enhancing employment opportunities and social interaction for IDP youth to ease the path to financial independence and a smooth transition to adulthood. STAP suggests the project team reflects on the learnings of projects like this and considers component #2 includes activities that foster jobs and training for youth.	<i>During PPG the Gender Action Plan (GAP) was developed to set out concrete actions and indicators for project implementation and monitoring. It is based on consultations with women in Project areas (see Annex 3) and the draft FAO Country Gender Assessment for Azerbaijan. The value chains that would enhance employment opportunities for women and youth were prioritized. Training programs on value-chains management (e.g., marketing, processing, certification) in output 2.1.5 target women groups, and youth.</i>
--	---	--	--

5. Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being	Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project's control? Are there social and environmental risks which could	Risks identified are comprehensive and STAP recommends the revision of ?climate change risks? to include the questions here on the left as a checklist; as said earlier the PPG needs to consider the suggestions of the climate risk screening document can help to address some of these questions and improve the analysis of risks.	<i>The climate change context and risks at the project sites have</i>
---	--	---	---

<p>achieved, and, if possible, propose measures that address these risks to be further developed during project design</p>	<p>affect the project?</p> <p>For climate risk, and climate resilience measures:</p> <p>? How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately?</p> <p>? Has the sensitivity to climate change, and its impacts, been assessed?</p> <p>? Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with?</p> <p>? What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures?</p>		<p><i>been described and have informed the preliminary selection of SLM practices that will be introduced</i></p>
--	---	--	---

<p>6. Coordination. Outline the coordination with other relevant GEF-financed and other related initiatives</p>	<p>Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects?</p>	<p>Somewhat; 3 projects are identified that will provide learnings and information to this project. STAP strongly recommends the team ?mines? the GEF database to search for leanings of other GEF projects that have pursued similar objectives in socio-ecological contexts similar to the one of Azerbaijan; there is also a good body of knowledge in literature about good practice on reversing land degradation of salt affected areas that the team needs to consider in the PPG.</p>	<p><i>During the PPG phase a more thorough stocktaking of other projects and lessons learnt was undertaken. The current project is building on the lessons and knowledge generated by these projects. The climate resilient SLM practices that will be scaled out were selected from the GCF project ?Strengthening Country Capacities for NDC Implementation in LULUCF Sectors ??and the LDN DSS will build on the developments of the GEF funded project on LDN in Turkey.</i></p>
	<p>Is there adequate recognition of previous projects and the learning derived from them?</p>	<p>See comment above</p>	
	<p>Have specific lessons learned from previous projects been cited?</p>	<p>See comment above</p>	
	<p>How have these lessons informed the project's formulation?</p>	<p>See comment above</p>	

	<p>Is there an adequate mechanism to feed the lessons learned from earlier projects into this project, and to share lessons learned from it into future projects?</p>	<p>The baseline describes coordination with 3 related projects (gef and non-gef) that will feed into this project, and component #3 mentions mechanisms for sharing lessons from the proposed LDN project.</p>	<p><i>Indeed, lessons learnt were donisdered during PPg and will inform implemnetation</i></p>
<p>8. Knowledge management. Outline the Knowledge Management Approach? for the project, and how it will contribute to the project's overall impact, including plans to learn from relevant projects, initiatives and evaluations.</p>	<p>What overall approach will be taken, and what knowledge management indicators and metrics will be used?</p>	<p>The 3 components describe the processes of data collation and collection succinctly. More thinking and work is needed to propose relevant indicators and metrics for knowledge management and sharing. Consider to adapt some learnings on metrics for KM from this past GEF project: Community-based project assessment using the indicators of resilience in SEPLS: Lessons from the GEF-Satoyama Project, as well as the information provided in the paper entitled Cross-scale monitoring and assessment of land degradation and sustainable land management: A methodological framework for knowledge management</p>	<p><i>The project has developed a learning cycle that will be informed by its M&E system. In addition, a communication strategy will be implemented and lessons analysed and knowledge management products disseminated under Component 3. Indicators and metrics for this is included in the Project Result Framework.</i></p>
	<p>What plans are proposed for sharing, disseminating and scaling-up results, lessons and experience?</p>	<p>Described in component #3; and in page 52. STAP recommends two way communication channel with the UNCCD Knowledge Hub to use the knowledge available in that platform to inform design of this project and to share the learnings from this project beyond the national context.</p>	<p><i>See above</i></p>

ANNEX C: Status of Utilization of Project Preparation Grant (PPG).
(Provide detailed funding amount of the PPG activities financing status
in the table below:

PPG Grant Approved at PIF: 43,162			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Consultants	53,262	32,308	24,091
Contracts	34,000	38,903	0
Travel	8,238	486	0
Training	4,500	2,335	0
General Operating Expenses	0	307	1,570
Total	100,000	74,339	25,661

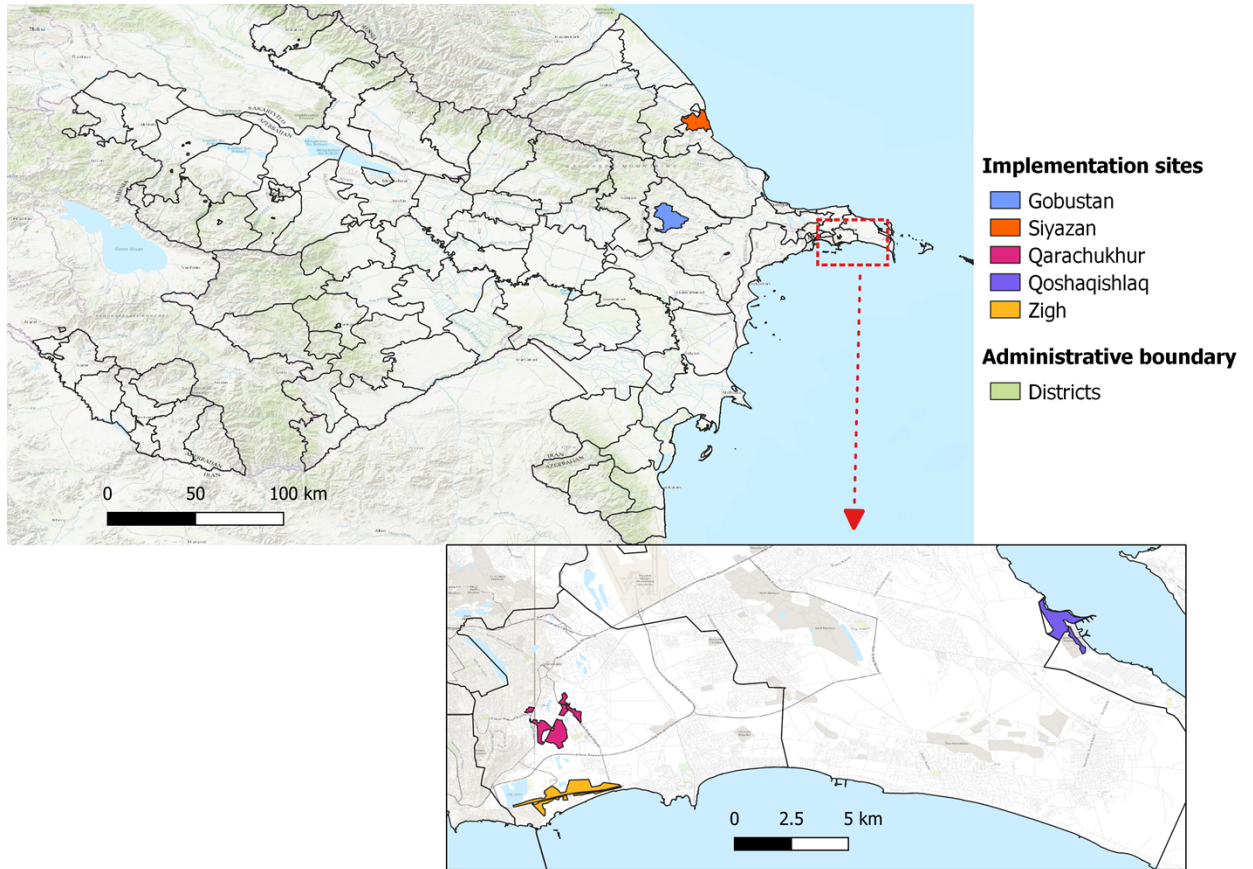
ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.

The project will have an impact at national, subnational and local level. The project Area was defined using the administrative boundaries of the districts in which the project will have an impact. It represents the largest landscape containing the implementation landscapes and sites. Within the project area 2 landscapes were selected: one in Gobustan district, and one in Siyazan district. These landscapes include different villages that were selected during the PPG process and where direct implementation of SLM, work with the communities and land use planning activities will take place. At a smaller spatial scale, near the capital city Baku, four implementation sites were identified where co-financed activities for the restoration of highly degraded land will take place. All areas can be visualized and characterized in the Project Design Support System developed for the project, available at:?

<https://projectgeffao.users.earthengine.app/view/azerbaijan-ldn>

Table 1. Project site coordinates



Polygon ID	Area (ha)	Centroid Coordinates	
		Latitude	Longitude
Project Area	925,111	40.603145	49.250349
Gobustan Landscape	20,838	40.516951	48.903869
Siyazan Landscape	14,257	41.14038	49.084967
Qarachukhur Site (Surakhany)	198	40.38923	50.010608
Zigh Site (Surakhany)	217	40.354693	50.017787
Qoshaqishlaq Site (Pirallahy)	183	40.441767	50.271931

Mushvigabad Site (Garadagh)	10	40.476894	49.581789
-----------------------------	----	-----------	-----------

ANNEX E: Project Budget Table

Please attach a project budget table.

FAO Cost Categories	Unit	Unit cost	No. Units	Comp. 1	Comp. 2	Comp. 3	Subtotal project components	PM C	Total	M&E (accounted for in Comp. 3)	Executed by MEN R	Executed by FAO
5013												
Consultants												
<i>National consultants</i>												
NC1- Policy and institutional development expert	Days	150	150	22,500			22,500		22,500		22,500	0
NC2- LDN expert	Month	2,000	48	96,000			96,000		96,000		96,000	0
NC3 - Junior LDN expert	Month	1,000	48	48,000			48,000		48,000		48,000	0
NC4- Livestock and pasture management expert	Days	150	100	15,000			15,000		15,000		15,000	0
NC5- Gender Expert	Days	150	150	22,500			22,500		22,500		22,500	0
NC6 - GIS Expert	Days	150	200	30,000			30,000		30,000		30,000	0
NC7- Technical Capacity Building Expert	Days	150	100	15,000			15,000		15,000		15,000	0
NC8- Socio-economic assessment	Days	150	60		9,000		9,000		9,000		9,000	0
NC9- Value chain and business plan development	Days	150	150		22,500		22,500		22,500		22,500	0
NC10 - SLM Expert	Days	150	150		22,500		22,500		22,500		22,500	0
NC11- Communication specialist	Days	150	150			22,500	22,500		22,500		22,500	0

NC12- M&E Expert	Days	170	80			13,600	13,600		13,600	13,600	13,600	0
NC13 - Organizational Capacity Development Consultant	Days	200	150			30,000	30,000		30,000		0	30,000
NC14- National Project Coordinator	Month	1,500	46				0	69,000	69,000		69,000	0
NC15 - Procurement/finance specialist	Month	780	32				0	24,960	24,960		18,720	6,240
Sub-total national Consultants				249,000	54,000	66,100	369,100	93,960	463,060	13,600	426,820	36,240
International consultants												
IC1- LDN Expert (international)	Days	400	180	72,000			72,000		72,000		72,000	0
IC3 - GIS Expert	Days	350	125	43,750			43,750		43,750		43,750	0
IC4- Capacity building consultant	Days	350	50	17,500			17,500		17,500		17,500	0
IC2- Gender and Land Tenure Expert	Days	400	80	32,000			32,000		32,000		32,000	0
Sub-total international Consultants				165,250	0	0	165,250	0	165,250	0	165,250	0
5013 Sub-total consultants				414,250	54,000	66,100	534,350	93,960	628,310	13,600	592,070	36,240
5650 Contracts												
LD Country Assessment	Lump sum	20,000	2	40,000			40,000		40,000		40,000	0
Establishment of DSS and capacity enhancement	Lump sum	15,000	2	30,000			30,000		30,000		30,000	0
Capacity building program design and implementation	Lump sum	12,000	3	36,000			36,000		36,000		36,000	0
Creation of a national Soil Information/monitoring System	Lump sum	30,000	1		30,000		30,000		30,000		30,000	0

Development of land use scenarios	Lump sum	15,000	3		45,000		45,000		45,000		45,000	0	
Value chain development	Two value chains	25,000	2		50,000		50,000		50,000		50,000	0	
Agor-forestry activities in Absheron area	Lump sum	500	600		300,000		300,000		300,000		300,000	0	
Gobustan - Land restoration works	Lump sum	180	1,100		198,000		198,000		198,000		198,000	0	
Siyazan - Land restoration works	Lump sum	180	1,000		180,000		180,000		180,000		180,000	0	
Development of resource mobilization plans	Lump sum	10,000	3		30,000		30,000		30,000		30,000	0	
Public outreach campaign	Lump sum	10,000	3			30,000	30,000		30,000		30,000	0	
Data collection annual reports	Lump sum per year	5,000	3			15,000	15,000		15,000	0	15,000	0	
EX-ACT calculations	Annual	2,000	4			8,000	8,000		8,000	8,000	8,000	0	
GEB Data collection annual reports	Lump sum per year	5,000	3			15,000	15,000		15,000	15,000	15,000	0	
Mid-Term review	Lump sum	20,000	1			20,000	20,000		20,000	20,000	0	20,000	
Final Evaluation	Lump sum	40,000	1			40,000	40,000		40,000	40,000	0	40,000	
Annual audits	Unit	7,500	3			22,500	22,500		22,500		0	22,500	
Spot checks	Unit	4,000	3			12,000	12,000		12,000		0	12,000	
5650 Sub-total Contracts					106,000	833,000	162,500	1,101,500	0	1,101,500	83,000	1,007,000	94,500
5021 Travel													
Lumpsum National travel (technical)	Trip	1,620	43	21,680	32,640	15,340	69,660		69,660	15,000	69,660	0	
Lumpsum International travel (technical)	Trip	2,663	8	3,000	10,650	7,650	21,300		21,300		21,300	0	
Knowledge exchange (study tours)	Trip	10,000	4		40,000		40,000		40,000		40,000	0	

5021 Sub-total travel				24,680	83,290	22,990	130,960	0	130,960	15,000	130,960	0
5023 Training												
National LDN Strategy (21-30)	Meetings	1,000	4	4,000			4,000		4,000		4,000	0
Stakeholder workshops/meetings (at all pilot sites 3 sites*2 times a year)	Workshop	1,000	24	24,000			24,000		24,000		24,000	0
LDN WG initial workshop	Workshop	3,000	1	3,000			3,000		3,000		3,000	0
LDN WG meetings	Meeting	2,000	10	20,000			20,000		20,000		20,000	0
Expert meetings on participatory assessment	Workshop	2,500	2	5,000			5,000		5,000		5,000	0
Expert meetings to establish LDN targets	Workshop	3,000	3	9,000			9,000		9,000		9,000	0
Training for gov officers (UNCCD reporting)	Workshop	2,000	2	4,000			4,000		4,000		4,000	0
Workshop (FO/farmers)	Lump sum	500	16		8,000		8,000		8,000		8,000	0
Training/workshop (at site level)	Lump sum	1,000	36		36,000		36,000		36,000		36,000	0
Workshop (soil doctors)	Lump sum	500	7		3,500		3,500		3,500		3,500	0
Stakeholder meetings	Lump sum	1,700	30		51,000		51,000		51,000		51,000	0
Value chain training (incl. marketing/processing)	Lump sum	500	8		4,000		4,000		4,000		4,000	0
Validaiton workshop (RMP)	Lump sum	3,000	1		3,000		3,000		3,000		3,000	0
M&E reporting	Meeting	700	4			2,800	2,800		2,800		2,800	0
Inception Workshop	Lump sum	6,000	1			6,000	6,000		6,000	5,000	6,000	0
Final Workshop	Lump sum	6,000	1			6,000	6,000		6,000		6,000	0
M&E reporting (on GEB)	Meeting	1,000	4			4,000	4,000		4,000		4,000	0

5023 Sub-total training				69,000	105,500	18,800	193,300	0	193,300	5,000	193,300	0
5024 Expendable procurement												
Training kit (Rapid soil testing kit)	Unit	50	150		7,500		7,500		7,500		7,500	0
5024 Sub-total expendable procurement				0	7,500	0	7,500	0	7,500	0	7,500	0
6100 Non-expendable procurement												
Drone	Piece	20,211	1	0	20,211		20,211		20,211		20,211	0
Laptops/desktops	Unit	1,500	3				0	4,500	4,500		4,500	0
Printer	Unit	1,000	1				0	1,000	1,000		1,000	0
6100 Sub-total non-expendable procurement				0	20,211	0	20,211	5,500	25,711	0	25,711	0
5028 GOE budget												
(Lumpsum) misc. expenses	Lump sum	4,500	1	1,500	1,500	1,500	4,500		4,500		4,500	0
6300 Sub-total GOE budget				1,500	1,500	1,500	4,500	0	4,500	0	4,500	0
TOTAL				615,430	1,105,001	271,890	1,992,321	99,460	2,091,781	116,600	1,961,041	130,740

SUBTOTAL Comp 1	615,430
SUBTOTAL Comp 2	1,105,001
SUBTOTAL Comp 3	271,890
Subtotal	1,992,321
Project Management Cost (PMC)	99,460
TOTAL GEF	2,091,781
M&E Budget	116,600

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template

provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agency is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies' capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).