

STAP SCREEN – GEF ID 11429

GEF ID	11429
Project title	Blueing the Caspian Sea
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1. Summary of STAP's views of the project

This project seeks to 'address pollution and improve biodiversity conservation in the Caspian Sea,' a worthwhile objective given the natural and economic value of the largest enclosed water body on Earth. While the problems facing the Caspian Sea are well understood and described, as is the history of general engagement in this transboundary water basin, the project's emphasis on activities such as capacity building, monitoring, and gap analyses, combined with very limited stakeholder engagement, and the lack of attention paid to gender issues and the private sector, makes it unlikely to contribute to meaningful improvement in environmental or socio-economic outcomes in this beleaguered water body.

Overall, it is a well-intentioned project that aims to address select environmental problems plaguing the shared water body (biodiversity loss and pollution). However, the project remains relatively unambitious, especially in light of the three decade history of GEF and non-GEF support for the Caspian Sea basin. Nor does the project appear to take into account recent legal, institutional, environmental, economic and political developments in the region.

Despite the political challenges facing the region, which STAP acknowledges, the project is insufficiently ambitious to achieve significant environmental outcomes, especially in view of the challenges the region is facing, but also in light of earlier projects in the region, and it displays a general lack of innovation, let alone potential for transformation.

While STAP is rating this project as a minor, mainly because the proposed activities seem feasible and can deliver some GEBs in the identified areas (pollution, biodiversity) and the design of the project supports those, the proponent needs to significantly revise the proposal in line with the comments below to ensure it delivers a good return on GEF investments especially with regards to proper integrated water (fresh and marine) management and a source to sea (S2S) approach (especially as the project has a strong IW component) and thus generates GEBs in an innovative and transformative manner.

Note to STAP screeners: a summary of STAP's view of the project (not of the project itself), covering both strengths and weaknesses.

STAP's assessment*

- Concur - STAP acknowledges that the concept has scientific and technical merit
- Minor - STAP has identified some scientific and technical points to be addressed in project design**
- Major - STAP has identified significant concerns to be addressed in project design

Please contact the STAP Secretariat if you would like to discuss.

2. Project rationale, and project description – are they sound?

See annex on STAP's screening guidelines.

The document explains the relevance of the region and the issues at stake based on relevant scientific and other information. However, these critical issues are not addressed in a meaningful, transformative or effective way. Of all the problems facing the Caspian Sea, this project focuses solely on pollution and biodiversity loss, though climate change impacts and the need for adaptation are mentioned, but only as part of the problem description.

This narrow focus might be sensible if the project were to focus on integrated/transboundary fresh and marine water resources management (using a source-to-sea approach), whereby pollution control/prevention and biodiversity protection/restoration would be integral components. However, this is not the case for the proposed project which treats these two issues separately, and consequently misses a potential opportunity for integration. It would be helpful to understand the rationale underpinning the project focus on these two issues and the selected approach (versus source to sea, for example).

Importantly, the PIF refers to the negative impacts of environmental degradation on the project countries of Azerbaijan, Kazakhstan and Turkmenistan without acknowledging the other littoral countries that face similar issues. Despite political and other factors that may prevent direct engagement with these other countries, providing this type of contextual information – particularly in a transboundary water basin – is necessary to strengthen the overall rationale and justify the approach taken.

While the project objective (“Strengthen the capacity of the participating countries to address pollution and improve biodiversity conservation in the Caspian Sea”) is relatively clear, the manner in which this will be achieved remains incomplete. For instance, the objective and the approach highlight the shared nature of challenges to justify the need to take a transboundary approach; however, most of the planned activities remain limited to the national level of the three participating countries (e.g. with marine spatial planning activities only focusing on the territorial waters of the countries, noting a contradiction between the project description (page 7) which refers to marine planning in territorial waters and the ToC figure which refers to transboundary spatial marine management).

Given the immensity of the problems facing the Caspian Sea and the fact that this project builds on a history of GEF engagement (since 1990) and on existing agreements including a legally binding convention and relevant protocols, the project should be clear about how it is building on past efforts to avoid duplication. This should include an explanation of how this project will address issues/barriers that previous projects failed to do, and how. The proponent also should connect with another proposed project (“Integrated Management of Seascapes of the Kazakhstani part of the Caspian Sea and Land Resources of Adjacent Territories”, ID 11524, proposed by UNDP) in order to prevent duplications and harvest the benefits of collaboration and synergies.

Curiously, the project does not make any reference to the Convention on the Legal Status of the Caspian Sea, adopted in 2018. This instrument and its implementation are likely to shape relations between states in the region generally (hence having a potential impact on the overall conflict/cooperation situation potentially presenting a risk or an opportunity for the project, especially with some issues relating to territorial claims remaining unresolved in the convention), but also with regards to environmental issues more specifically, especially if economic development plans that result from the agreement are implemented (e.g. the new Trans-Caspian Gas Pipeline on the seabed).

While the project mentions the Teheran Convention and the regional protocols under it, the description of the project and its various components does not fully clarify how their implementation will be supported (only that the project will support them in order to address implementation gaps). It is also not clear if supporting the implementation of these protocols is actually at the core of the project (which would make sense given that the Tehran Convention and the 5 protocols are the legal basis of cooperation between states and the institutional mechanism for cooperation) or if the support is only a side product but not at the heart of the project.

The project aims to support blue economy opportunities and development (a long term goal in the ToC), but beyond spatial planning and capacity building, it is not clear what these opportunities are exactly, and how the activities listed under biodiversity protection and pollution management would specifically contribute to blue economy development. Similarly, nature based solutions are mentioned with no explanation for which solutions and how they would be implemented. The same is true for resilience of coastal populations – also a long-term goal in the ToC – but with no engagement (based on the information provided in the document) with these populations, it is unclear how they can benefit and be made ‘more resilient’.

The indicators beg the question why the terrestrial protected area target is so much higher than the marine areas for a project that spends a significant share of the finances for IW (and not biodiversity). This could potentially make sense in a S2S approach if, for example, the targeted terrestrial protected area was focused on restoration that also served to improve water quality, etc. but without details, it is difficult to follow and therefore needs more elaboration. This is particularly relevant given the large IW component of the project.

Overall, the Theory of Change needs to be improved. As currently written, the project components do not explain how they will adequately address the issues/barriers (and why the ones to be addressed have been chosen, as opposed to others) – nor how they relate to the root causes. As currently written, it feels like two separate projects – one that targets pollution and that focuses on biodiversity – thus missing an opportunity for integrated management. This also undermines the claimed upscaling potential to other regions.

Component 1 calls for integrated management, but does not connect well to the topic-specific activities, which remain quite detached from each other. It also is quite unambitious with its focus on workshops, capacity development and a strong focus on national rather than transboundary aspects.

Component 2 also largely focuses on assessments, inventories and other forms of information collection and management begging the question of how it builds on previous work done e.g. under the Tehran Convention, its protocols and the various groups under it and how this project would be additional and transformative. The same applies to Component 3.

Gender issues, the engagement of the private sector, and knowledge management are not well described and it is unclear how the project will address these issues, especially given the challenges facing the region (which are mentioned, but for gender aspects only). The lack of stakeholder engagement casts doubt on the extent to which local people will actually benefit from this project and the statement that “the project will foster citizen engagement by reiterating and emphasizing the role and value of local, national, and regional stakeholders in project activities” only heightens these concerns.

Finally, it is concerning that this project is meant to align with the World Bank [Middle Trade and Transport Corridor](#) project, which seeks to triple the amount of freight traffic across the Caspian Sea, including containers carrying metals and chemical fertilizers and therefore bringing a potential pollution risk to the already vulnerable ecosystem, highlighting a lack of coherence among objectives for the region. The project should explain how these environmental risks will be mitigated.

Note: provide a general appraisal, asking whether relevant screening guideline questions have been addressed adequately – not all the questions will be relevant to all proposals; no need to comment on every question, only those needing more attention, noting any done very well, but ensure that all are considered. Comments should be helpful, evaluative, and qualitative, rather than yes/no.

3. Specific points to be addressed, and suggestions

STAP recommends addressing all the issues raised in Section 2; specifically, the proponent should address the points below:

1. The **Theory of Change** should be revised to consider what actions are ‘necessary and sufficient’ to address the myriad of problems facing the Caspian Sea. See STAP’s [primer on Theory of Change](#) for how to do this. If this project targets specific threats, this should be made clear through logical causal pathways that explain how this will be done, starting with the goal and working backwards. If there are critical issues that won’t be covered in this project (fisheries? climate change?), make clear their possible impacts on the goal of this project in the project rationale (including by developing a simple future narrative) and how they will be addressed (or are already being addressed) by other organizations, etc. The ToC should take into account newly emerging challenges, including those stemming from recent legal and economic/investment developments.

2. Consider employing a **Source to Sea approach** to better integrate pollution and biodiversity that uses spatial planning and management as tools, rather than have those be the main outcome. This type of approach would also allow for greater integration of other issues previously identified (e.g., climate change impacts).
3. Engage with **local stakeholders** from the beginning (i.e. design) to develop the ToC and causal pathways to be clear about their role, if and how they will benefit (as claimed). This needs to include a broader variety of stakeholders, beyond the government, despite the challenges of doing so in the region.
4. Be more specific about what is meant by a **Blue Economy** – what does this mean in practice for the Caspian Sea and how does it contribute to potentially competing visions and projects? See STAP’s document on the [GEF and the Blue Economy](#). The same is true for nature-based solutions – be specific about which solutions, where, why and how to avoid using jargon that lacks substance.
5. Clarify **how this project builds on lessons learned** from 30 years of GEF engagement in this area. Surely by now there has been a history of capacity building and monitoring, etc. that need not be repeated by this project. If these activities are necessary, explain why and how the project builds on past efforts (and/or why they might have failed/have been less successful – and why this project is different). This should also include a fuller explanation of how this project compliments, rather than duplicates, other current activities, e.g. under the various conventions, etc.

Note: number key points clearly and provide useful information or suggestions, including key literature where relevant. Completed screens should be no more than two or three pages in length.

*categories under review, subject to future revision

ANNEX: STAP'S SCREENING GUIDELINES

1. How well does the proposal explain the problem and issues to be addressed in the context of the **system** within which the problem sits and its drivers (e.g. population growth, economic development, climate change, sociocultural and political factors, and technological changes), including how the various components of the system interact?
2. Does the project indicate how **uncertain futures** could unfold (e.g. using simple **narratives**), based on an understanding of the trends and interactions between the key elements of the system and its drivers?
3. Does the project describe the **baseline** problem and how it may evolve in the future in the absence of the project; and then identify the outcomes that the project seeks to achieve, how these outcomes will change the baseline, and what the key **barriers** and **enablers** are to achieving those outcomes?
4. Are the project's **objectives** well formulated and justified in relation to this system context? Is there a convincing explanation as to **why this particular project** has been selected in preference to other options, in the light of how the future may unfold?
5. How well does the **theory of change** provide an "explicit account of how and why the proposed interventions would achieve their intended outcomes and goal, based on outlining a set of key causal pathways arising from the activities and outputs of the interventions and the assumptions underlying these causal connections".
 - Does the project logic show how the project would ensure that expected outcomes are **enduring** and resilient to possible future changes identified in question 2 above, and to the effects of any conflicting policies (see question 9 below).
 - Is the theory of change grounded on a solid scientific foundation, and is it aligned with current scientific knowledge?
 - Does it explicitly consider how any necessary **institutional and behavioral** changes are to be achieved?
 - Does the theory of change diagram convincingly show the overall project logic, including causal pathways and outcomes?
6. Are the project **components** (interventions and activities) identified in the theory of change each described in sufficient detail to discern the main thrust and basis (including scientific) of the proposed solutions, how they address the problem, their justification as a robust solution, and the critical assumptions and risks to achieving them?
7. How likely is the project to generate global environmental benefits which would not have accrued without the GEF project (**additionality**)?
8. Does the project convincingly identify the relevant **stakeholders**, and their anticipated roles and responsibilities? is there an adequate explanation of how stakeholders will contribute to the

development and implementation of the project, and how they will benefit from the project to ensure enduring global environmental benefits, e.g. through co-benefits?

9. Does the description adequately explain:

- how the project will build on prior investments and complement current investments, both GEF and non-GEF,
- how the project incorporates **lessons learned** from previous projects in the country and region, and more widely from projects addressing similar issues elsewhere; and
- how country policies that are contradictory to the intended outcomes of the project (identified in section C) will be addressed (**policy coherence**)?

10. How adequate is the project's approach to generating, managing and exchanging **knowledge**, and how will lessons learned be captured for adaptive management and for the benefit of future projects?

11. Innovation and transformation:

- If the project is intended to be **innovative**: to what degree is it innovative, how will this ambition be achieved, how will barriers and enablers be addressed, and how might scaling be achieved?
- If the project is intended to be **transformative**: how well do the project's objectives contribute to transformative change, and are they sufficient to contribute to enduring, transformational change at a sufficient scale to deliver a step improvement in one or more GEBs? Is the proposed logic to achieve the goal credible, addressing necessary changes in institutions, social or cultural norms? Are barriers and enablers to scaling be addressed? And how will enduring scaling be achieved?

12. Have **risks** to the project design and implementation been identified appropriately in the risk table in section B, and have suitable mitigation measures been incorporated? (NB: risks to the durability of project outcomes from future changes in drivers should have been reflected in the theory of change and in project design, not in this table.)