

Increased Effectiveness for Biodiversity Conservation through Improved Management and (Institutional) Establishment of New National Parks in Azerbaijan

Review PIF and Make a recommendation

Basic project information

GEF ID

12257

Countries

Azerbaijan

Project Name

Increased Effectiveness for Biodiversity Conservation through Improved Management and (Institutional) Establishment of New National Parks in Azerbaijan

Agencies

FAO

Date received by PM

12/22/2025

Review completed by PM

Program Manager

Alla Ljungman

Focal Area

Multi Focal Area

Project Type

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments

March 30, 2026

The comments have been addressed. Cleared.

January 22, 2026

a) YES. The proposed project is aligned with the Global Environment Facility-8 programming directions, contributing primarily to Biodiversity Focal Area Objective 1, significantly, to Land Degradation Focal Area Objective 1 (avoiding and reducing land degradation through sustainable land management), and to Climate Change Mitigation in the AFOLU sector. The project is expected to deliver multiple global environmental benefits through improved conservation, sustainable use, and restoration of natural ecosystems, by implementing an integrated landscape management approach across protected areas and their buffer zones.

b) Not completely.

(1) The General Project Information table currently indicates that WWF Azerbaijan will serve as an **Executing Partner**. However, in line with the LoE, the executing organization is still to be determined. Please ensure that the wording for the ?executing partner? in the General Project Information table matches the LoE and is indicated as TBD. In the section on ?Coordination and Cooperation with Ongoing Initiatives and Projects,? it may be clarified that WWF Azerbaijan is being considered for an executing role and will be assessed accordingly.

Executing Partner:

Worldwide Fund for Nature (WWF) Azerbaijan

I am pleased to endorse the preparation of the above project proposal with the support of FAO. If approved, the preparation of the proposal will be supported by and the project will be executed by an organization to be determined¹. I request the GEF Implementing Agency (FAO) to provide a copy of the project document before it is submitted to the GEF Secretariat for CEO endorsement / Approval.

And please adjust the **Executing Partner Type** accordingly (TBD) or leave this line empty.

Executing Partner Type:

CSO

Please make sure to change the executing partner in Portal (including section Institutional arrangements) to match that in LoE ? after PIF approval, the executing partner can be modified

(2) There is no entry for the **GEF Agency ID** line. Please add.

GEF Agency ID:

(3) The project title should be updated to clarify that "establishment" refers to the **institutional establishment** of the newly created national parks, with an emphasis on developing their governance and management systems. As currently formulated - *"Increased Effectiveness for Biodiversity Conservation through Improved Management and Establishment of New National Parks in Azerbaijan"* - the title may be misleading, as it suggests that the project will create new national parks. However, no value has been added under core indicator 1.1 (terrestrial protected areas newly created (placed under legal protection status), ha). Two new national parks - Akhar-Bakhar National Park (23,901.99 ha) and Ilisu National Park (13,966 ha) - were recently established in 2025 by presidential decree, placing them under legal protection status already.

Agency's Comments

Agency Response - 04 March 2026:

(b)

(1) The General Project Information table has been revised as suggested. The reference to the Executing Partner and the Executing Partner Type has been left blank, in line with the LoE, and indicated as TBD.

The section "Coordination and Cooperation with Ongoing Initiatives and Projects" has also been updated to clarify that WWF Azerbaijan is being considered for a potential executing role and will be assessed accordingly.

(2) The Agency ID is added now.

(3) Thank you for the comment. We would like to clarify that Akhar-Bakhar National Park and Ilisu National Park were formally established by governmental decree in July 2025. This decree represents the official government decision to allocate state-owned lands, previously under various uses, for protection under the newly designated national parks. However, the establishment process remains at an early stage of operationalization. The Government has mandated the Ministry of Ecology and Natural Resources to further develop essential components, including institutional arrangements, staffing, management planning, zoning, and sustainable financing mechanisms. In this context, the Ministry has endorsed the proposed project to seek GEF support for advancing the full operationalization of the two national parks. Here, the term "establishment" refers specifically to the institutional and operational establishment of these newly designated protected areas to ensure their effective management and functioning.

To address the comment, we've integrated the word "institutional" to the title in parentheses.

Additionally, to clarify this comment, we provided a brief explanation in the Summary text (please refer to Paragraph 3)."

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments

March 30, 2026

The revision of the Project Summary is noted. Cleared.

January 22, 2026

Please shorten the project summary to approximately 250 words and consider reducing the level of detail in sections 1, 3, particularly the component descriptions, and 4.

Agency's Comments

Agency Response - 04 March 2026:

The summary has been shortened to the limit as suggested.

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?

b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments

May 14, 2026

Cleared.

March 30, 2026

b) (1) Cleared for PPG phase. It is noted that the governance arrangements for the integrated landscape management approach, including the stakeholders involved, have been further elaborated. Please ensure that the governance arrangements are further developed and detailed during the PPG phase and clearly presented at CEO Approval/Endorsement. Cleared for PPG phase.

(2) Cleared.

(3) Cleared.

(4) Cleared.

January 22, 2026

a) Yes.

b) (1) Please provide more detail on the governance arrangements for the integrated landscape management approach, including the stakeholders involved and the respective roles of national and local administrations, relevant ministries, and civil society organizations. In particular, clarify how cross-sectoral coordination will be ensured among sectors such as agriculture, environment, industry, energy, and tourism. Outputs 2.1.1 and 2.2.1 should be further developed to explicitly reflect the engagement of stakeholders at all levels - from national to local - and to explain how the governance mechanism will function in practice.

(2) In addition, please elaborate on the nature-based solutions (NbS) proposed under outputs 2.2.2 and 3.1.1, and clearly explain the distinction between these two outputs in terms of objectives, scope, and expected results.

(3) For Component 4, please clarify how the executing partner/project will collaborate with the Ministry of Education, universities, and research institutions to leverage project results, strengthen curricula, and support the transfer of knowledge and skills to young people.

(4) Outputs and Outcomes are missed in the M&E component. Please add.

Agency's Comments

Agency Response - 04 March 2026:

b)

(1) Additional details provided on the governance arrangements for the ILM approach under Paragraph 38, as well as Paragraph 49. The expected governance mechanisms for the execution of the activities under Outputs 2.1.1 and 2.2.1 have also been specified.

(2) Additional information has been added to thoroughly explain the nature and intention of the proposed activities, describing the governance structure behind the proposed intervention, and clarifying the difference and complementarity of the indicated Outputs 2.2.2. and 3.1.1.

(3) A dedicated paragraph has been integrated to the PIF (under Paragraph 57) to clarify how the project seeks to leverage its results in collaboration with Universities and Ministry of Education, with a specific focus on fostering knowledge transfer and exploring opportunities to strengthen academic curricula.

(4) Outputs and Outcomes of M&E component has been added to the ToC.

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's Comments

March 30, 2026

Cleared.

January 22, 2026

Yes. Please add outputs under the monitoring and evaluation.

Agency's Comments

Agency Response - 04 March 2026:

Outputs and Outcomes of M&E component has been added to the ToC.

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments

May 14, 2026

Cleared.

March 30, 2026

Addressed, the PMC has been revised down to \$190,000 or 5%. Cleared.

February 19, 2026

M&E allocation to PMC is 7.3% of the GEF Financing. For projects up to \$5 million - the recommended threshold is 5% - please revise. Also, Outputs and Outcomes are missed in the M&E component.

Monitoring and Evaluation (M&E)					
M&E	Technical Assistance	Component 5: Monitoring and Evaluation (M&E)	Output 5.1.1: Gender-responsive M&E framework and tools developed and deployed	GET	280,000.00
		Outcome 5.1: Established and operationalized comprehensive project monitoring system	Output 5.2.1 Project Implementation Report (PIR), Project Progress Report (PPR) and Mid-term Review (MTR) conducted		2,000,000.00
		Outcome 5.2: Project reporting and evaluation system implemented	Output 5.2.2 Project Terminal Evaluation (TE) conducted		
Sub Total (\$)					3,790,000.00
Project Management Cost (PMC)					
			GET		188,501.00
			Sub Total(\$)		3,000,000.00
			Total Project Cost(\$)		3,978,501.00
					30,500,000.00

Agency's Comments

Agency Response - 04 March 2026:

The comment has been addressed by reducing the M&E amount to the threshold. Outputs and Outcomes of the diagram have been reflected accordingly.

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments

May 14, 2026

Cleared.

January 22, 2026

a)-b) yes.

Agency's Comments

4.2 JUSTIFICATION FOR PROJECT

a) Is there an indication of why the project approach has been selected over other potential options?

b) Does it ensure resilience to future changes in the drivers?

c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?

d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments

March 30, 2026

Cleared.

January 22, 2026

a)-c) Yes.

d) Please clarify the role and responsibilities of the executing entity, and provide a more detailed explanation of how governance under the integrated landscape management approach will be implemented. In particular, describe how steering committees at different levels will be structured and function, including their composition, mandates, and coordination mechanisms to ensure effective decision-making and cross-sectoral collaboration.

Agency's Comments

Agency Response - 04 March 2026:

(d) This section has been revised to inform on the structure and functionality of national and local coordination mechanisms for cross-sectoral collaboration.

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments

March 30, 2026

Cleared.

January 22, 2026

In general, Yes. However, some outputs need to be clarified. Please see Questions 3.1 and 4.2 of this review sheet.

Agency's Comments

Agency Response - 04 March 2026:

The clarifications required for the points 3.1 and 4.2 were provided in the related sections.

5.2 INCREMENTAL/ADDITIONAL COST REASONING

Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat's Comments

March 30, 2026

Yes, Cleared.

Agency's Comments

5.3 IMPLEMENTATION FRAMEWORK

a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) Is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's Comments

March 30, 2026

Cleared.

January 22, 2026

a) Please clarify the role and responsibilities of the executing partner, and provide a more detailed explanation of how governance under the integrated landscape management approach will be implemented. In particular, describe how steering committees at different levels will be structured and function, including their composition, mandates, and coordination mechanisms to ensure effective decision-making and cross-sectoral collaboration.

b) N/A

c) Not fully.

d) For Component 4, please clarify how the executing partner/project will collaborate with the Ministry of Education, universities, and research institutions to leverage project results, strengthen curricula, and support the transfer of knowledge and skills to young people.

Agency's Comments

Agency Response - 04 March 2026:

a) Paragraphs 69-72 have been added under the section 'Coordination and Cooperation with Ongoing Initiatives and Project' to describe the expected structure for the project governance and implementation management.

d) Under Section B, description of Component 4 was re-edited to clarify how the project seeks to leverage its results in collaboration with Universities and Ministry of Education, with a specific focus on fostering knowledge transfer and exploring opportunities to strengthen academic curricula.

5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project's indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's Comments

March 30, 2026

Cleared. a)-b) The GHG calculations in NEXT are attached and the CI 6 seems achievable.

January 22, 2026

a) We are unable to assess the CO₂ reduction in the AFOLU sector (CI 6.1), as access to the relevant Excel documents is password protected. Please, attach the document that we can access.

b) Yes, except CI6.1 that we cannot access.

Agency's Comments

Agency Response - 04 March 2026:

a-b) The excel document with the GHG calculations (NEXT file) has been re-uploaded to the portal.

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's CommentsN/A

Agency's Comments

5.6 RISKS

a) Is there a well-articulated assessment of risk and identification of mitigation measures under each relevant risk category?

b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?

c) Are environmental and social risks, impacts and management measures adequately screened and rated at this stage and consistent with requirements set out in SD/PL/03?

Secretariat's Comments

May 14, 2026

Cleared. It is noted that the Annex G contains TOR for the independent ESIA.

April 29, 2026

The project is aiming for *improve biodiversity conservation and ecosystem resilience by piloting a new zoning methodology and applying participatory ILM approaches?* (Component 1). Without building trust with local communities and Indigenous Peoples, it is challenging to implement this project effectively and sustainably.

Thus, please note that meaningful consultation with local communities particularly vulnerable groups and Indigenous Peoples are vital for this project activities and it is critical to conduct further assessment of 1) history of creating the National Parks and 2) identify historical and ongoing tensions and conflicts, 3) assessment of enforcement agencies, and 4) social assessment to identify existing users of the National Parks.

Please refer to some existing good practice guidelines for managing the risk of projects involving protected and conservation areas (PCAs), such as below. The Good Practice Note particularly emphasizes the below as key risk management approaches:

1. *Review history and laws creating and governing the PCA?*
2. *Identify historical and ongoing tensions and conflicts?*
3. *Assess enforcement agencies?, and*
4. *Social Assessment to identify existing PCA uses?*

Good Practice guidelines:

World Bank Good practice note: Managing the risk of Projects involving Protected and Conserved Areas (PCAs) (2025)

Main text and Annexes I-III

Screening tool (Annex II), timing of E&S assessment, assessment of enforcement agencies (Annex III)

<https://thedocs.worldbank.org/en/doc/345f6737b55b565433d838862b5d56f9-0290012026/original/pca-gpn-with-annexes-i-iii.pdf>

Annexes IV-XII

<https://thedocs.worldbank.org/en/doc/82b29d2ef5499b260a01fcc1af35b610-0290012026/original/PCA-GPN-DEC-29-Annexes-IV-XII.pdf>

To manage potential risk of land use conflict with local communities and Indigenous Peoples and government, it is also critical to identify local communities and Indigenous Peoples depend on and live in, and conduct in-depth consultations with them to understand potential impacts on them.

April 14, 2026

c) (1) (2)

Please verify that the ESS risks have been reassessed and that the latest ESS document is attached. Based on the information provided, it appears that no prior environmental and social impact assessments were conducted before the national parks were legally designated.

While projects involving protected areas are critical for sustainable development and the health of both people and the planet, they can also present risks that need to be carefully managed - either during the PPG phase or through project design (e.g., by including specific outputs such as ESIA, ESMP, etc.). The ESS document at the PIF stage is expected to adequately identify and present these risks. Currently, the risks under ESS7 remain low, which is undermining an adequate resource allocation to manage those risks.

The establishment of protected areas may pose significant risks to communities living in buffer zones or within park boundaries, particularly in terms of restricted access to natural resources that support their livelihoods, or even potential resettlement. In the absence of prior assessments, the risk should be rated as high

March 30, 2026

a) Noted. Cleared.

b) TBD

c) (1) the Environmental and Social risk category (currently moderate) should be the same as the rating under the key risk table.

(2) 1) Please provide more information about potential land acquisition for the Zangazur National Parks. Have the government conducted any environmental and social assessment with local communities including Indigenous Peoples/traditional communities? If so, please provide documents illustrating in-depth consultations and compensation mechanisms with local communities and Indigenous Peoples who lived and used the area including seasonal use. Please also provide information of environmental and social assessment (including consultation with local communities and Indigenous Peoples) and mitigation and compensation measures with local communities including Indigenous Peoples/traditional communities when they created the national parks in the Akhar-Bakhar and Ilisu.

2) If the project has not recognized any Indigenous Peoples in the project areas so far, please clarify how consultations with local communities took place to develop the project concept (PIF) and how the results of consultations were integrated into the project concept (PIF).

February 3, 2026

a) Please explain how the overall risk rating was identified.

b) Need to be reassessed based on the ESS risk comments provided below.

c) (1) The rating under the Environmental and Social risk category (currently moderate) should be the same as the rating under the key risk table, Environmental and Social Safeguards (ESS) risk, as per the GEF risk appetite GEF/C.66/13.

(2) We note that FAO attached Environmental and Social Risk Screening checklist. An overall ESS risk is classified as Low. To create new national parks, it is critical to have strong engagement with Indigenous Peoples and local communities, particularly small-scale farmers, in early stage.

1. Please clarify if there is any land acquisition or limited access to natural resources for local communities related to establishment of new national parks. Please provide more information about this and reconsider environmental and social risk of the project.
2. Please clarify if there are any ethnic minorities/ Indigenous Peoples in the project areas and provide more information about this. Some academic journals state that there are Indigenous Peoples in the project areas. Examples include: Shikhaliyev E. 2025, available [here](#); Ozcelik T. 2025, available [here](#); Clifton J. and Tiessen C. 2005, available [here](#); Sayfutdinova L 2021, available [here](#).
3. If there are any Indigenous Peoples in the project areas, please clarify how consultations with Indigenous Peoples took place to develop the project concept (PIF) and how the results of consultations were integrated into the project concept (PIF).
4. If there are any Indigenous Peoples in the project areas, please consider integrate Indigenous Peoples governance, traditional and local knowledge, and security of tenure as a part of project, particularly in Component 1, 2, and 3.
5. Please ensure Indigenous Peoples communities as partners in the project governance including the project steering committee.
6. Please consider incorporating monitoring indicators related to respect Indigenous Peoples? 1) governance mechanisms, 2) traditional and local knowledge, and 3) security of tenures, and socioeconomic benefits on Indigenous Peoples in the project.

Agency's Comments

Agency Response - 15 May 2026:

The comments have been addressed under the paragraphs 62-65, as well as within the Annex G where Terms of Reference (ToR) for Environmental and Social Safeguards (ESS), Independent Environmental and Social Impact Assessment (ESIA), Stakeholder Engagement and Social Assessment to be conducted during the PPG Phase has been provided.

As described within the PIF, given the project's focus on protected areas, buffer zone establishment, integrated landscape management, and community engagement, a comprehensive environmental and social assessment will be undertaken during the PPG phase which will carry out a thorough assessment of the social, environmental, institutional, and governance context of the target protected areas, including historical and ongoing tensions, livelihood dependencies and potential impacts, stakeholder dynamics, and community use of natural resources, with meaningful consultations involving local communities, relevant ethnic minority groups, civil society organizations, and other stakeholders. Please refer to the Terms of Reference for the assessment annexed separately - Annex G.

The findings and recommendations of this assessment will directly inform and, where necessary, reshape the final project design, with identified risks, mitigation measures, and Environmental and Social Management Plan actions systematically integrated into project components, outcomes, outputs, activities, implementation arrangements, stakeholder engagement mechanisms, and safeguard instruments, alongside corresponding budget allocations to ensure effective implementation.

The project design will also incorporate identified capacity-building needs for local communities, civil society organizations, and relevant institutions, and where appropriate, local organizations, facilitators, or civil society actors will be sought out to be engaged to support meaningful consultations and community engagement.

The project will adopt a participatory governance approach that promotes meaningful representation of local communities and relevant stakeholders in decision-making processes, ensuring their continued engagement throughout project design, implementation, monitoring, and adaptive management. The project design will also include local communities and representatives of vulnerable groups as active implementation partners and contributors to

project activities to support inclusive and sustainable project outcomes; ensuring all segments/different groups within the local population are empowered, their voices and concerns are captured, and their meaningful participation is achieved.

Agency Response - 16 April 2026:

Thank you for the comment. Below we have described in detail how the FAO ESS 7 (Land tenure, displacement, and resettlement) has been assessed based on its overall potential impact and three specific triggers.

The overarching screening question - whether the project, through its activities or policy influence, could affect areas where people live or their access to livelihood resources (including informally recognized tenure rights) - has been answered ?YES? as the project may have some level of impact in this regard.

Detailed description of each trigger:

ESS 7.1 Could the project activities lead to voluntary, temporary or permanent, full or partial physical displacement of people in the project area? I.e. people may be living in the project sites and be asked to move.

This question is also answered YES. However, such displacement is considered unlikely. The protected areas targeted by the project were established prior to project design, and project activities are not expected to result in voluntary or involuntary physical displacement of communities.

ESS 7.2 Has there to the best of your knowledge been prior displacement in anticipation of the project?

The answer to this question is NO, the government has been consulted on that, and formally answered FAO that no displacement has taken place in anticipation of the project, hence, and given the sovereignty of the government at the national level, FAO is confident the answer is accurate.

ESS 7.3 Could any of the project activities be expected to lead, even unintentionally, to the loss of ownership of, use of, or access rights to resources (agricultural or livestock or fish production, forest products, soil, land and water resources, grazing areas, etc.)? I.e. people may be using the project sites for their livelihoods and lose access.*

The answer to this question is also NO, as the project activities will not lead to the loss of ownership of, use of or access rights to resources. The decision for the creation of the PA was made prior to the project preparation, even prior to the project request. The project activities will establish integrated landscape management approaches in Ilisu, Akhar-Bakhar, and Zangazur National Parks and their buffer zones applying participatory approaches, and will strengthen rural livelihoods by supporting nature-based value chains that generate sustainable economic opportunities.

Based on FAO ESS, this project has rated with moderate risk, as the project is not establishing PA.

Additionally, as noted during the previous review round, and recognizing the importance of these considerations, the formulation team will undertake a thorough assessment during the PPG phase to review any existing national-level studies, assessments, or consultation processes related to these protected areas, identify potential impacts, and conduct targeted consultations

with local communities and relevant stakeholders to ensure their perspectives are adequately captured, taking into consideration the national legislation in place for this kind of assessment.

Should additional risks be identified during the PPG phase, the ESS screening can be revisited, and the project's risk categorization may be adjusted accordingly. However, based on the currently available information and the project scope, the Moderate Risk classification remains appropriate.

Agency Response - 07 April 2026:

c) (1) The ESS screening has been revised, with the risk rating increased to "Moderate"; both risk levels are now aligned. The updated ESS file has been uploaded to the portal.

(2) At the PIF stage, comprehensive environmental and social assessments, including detailed consultations with local communities, are not available, it is also important to note that the protected areas were created before the request for the preparation of the GEF proposal. Recognizing the importance of this aspect, the formulation team will undertake a thorough assessment during the PPG phase to review any existing national-level studies, assessments, or consultation processes related to these protected areas, identify potential impacts, and conduct targeted consultations with local communities and relevant stakeholders to ensure their perspectives are adequately captured taking into consideration the national legislation in place for this kind of assessment.

Agency Response - 04 March 2026:

a) Among the nine risk categories listed in the table, five were rated as 'low' and four as 'moderate'. Given this even distribution, and adopting a precautionary approach, it was decided to rate the overall risk as 'moderate'.

b) & c) (1).

There are two types of risks that are assessed for the project proposal:

- 1) "Residual risk to the likely achievement of intended outcomes"; ie. "Risks to the project" and
- 2) "Environmental and social impacts"; that are the risks that may be brought about by the implementation of the project, i.e. "Risks from the project".

The "key risks" table under the "Project Justification" of the PIF portal entry, thus, according to the instruction on the portal; reviews the risks that might affect the achievement of outcomes and what mitigation measures will be undertaken to address these. The instruction further informs that the "risk rating should reflect the overall risk to outcomes". The GEF Risk Appetite document (GEF/C.66/13) describes the "Environmental and Social Risk category" as a part of the context dimension that captures the risk in the operating environment. It describes the risk analysis to "reflect the extent to which external factors affect the achievement of outcomes from GEF financing".

The risks that are reviewed in the Agency Environmental and Social Risks Screening on the other hand are defined both in the above mentioned "Risk Appetite document" as well as "Policy on Agency Minimum Standards on Environmental and Social Safeguards" (PL/SD/03) document as the analysis of "any adverse impacts the project might have on people or the environment"; i.e.. a screening "to determine the appropriate extent and type of environmental and social impact assessment" of the project.

Thus, the Environmental and Social risks category under the "Key Risks" table identifies risks that may jeopardize the achievement of project's results and is selected as "moderate".

The FAO Environmental and Social Screening reviews any potential negative impact that the project may have on the society or environment and finds that there are no significant risks to be considered and is assigned as "low risk".

In any case, the Risk Management Plan that will be prepared for the project will take into consideration all of the risks that are identified in both of these analyses and will develop appropriate mitigation measures for any risk that may be identified through deeper analysis and field engagement during the PPG period.

(2) The project will pursue strong community engagement strategy while developing landscape management plans for the establishment of institutional structure and plans for the parks, as well as to ensure improvement of local community livelihoods, ensuring their involvement in the sustainable and long-term protection of the parks. Any cultural/traditional particularities of the local communities will be studied during the PPG stage for the integration of possible measures into the project design ensuring the local communities' involvement in the proposed project.

1. It should be noted that the areas of Akhar-Bakhar and Ilisu NPs are already defined by the government through an official decree dated July 2025; changing the status of state-owned lands for protection purposes. Thus, no issues related to land acquisition or limited access will come about, as the lands are not being utilized by the local community members.

2, 3, 4, 5 and 6. Azerbaijan does not recognize any Indigenous communities with traditional rights or governance structures. The articles provided refer to an ethnic group which has dispersed habitation in the North-East mountain ranges (not particularly in project target areas). Regardless, recognizing the high relevance of the subject, it is important to clarify that during the PPG phase, FAO intends to conduct more comprehensive assessments and consultations with local communities. These will further verify the possible presence of any ethnic qualities of the local community members in national parks adjacent regions during the PPG period and the formulation team will develop appropriate measures for safeguarding traditional knowledge and practices within its work.

5.7 Qualitative assessment

a) Does the project intend to be well integrated, durable, and transformative?

b) Is there potential for innovation and scaling-up?

c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's Comments

February 3, 2026

a) - c) yes.

Agency's Comments

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's Comments

February 3, 2026

Yes.

Agency's Comments

6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)

Secretariat's Comments

February 3, 2026

Yes.

Agency's Comments

6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat's Comments

February 3, 2026

Yes.

Agency's Comments

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments

February 3, 2026

Yes.

Agency's Comments

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's Comments

March 30, 2026

Cleared.

February 3, 2026

Yes, however, the dates and names of the stakeholders consulted should be provided , including Civil Society Organizations, Community-based Organizations local community, indigenous people group, women and youth groups.

Agency's Comments

Agency Response - 04 March 2026:

The section has been elaborated under paragraphs 81-82; there are no indigenous people recognized by the country. During the PPG phase, the project design team will ensure targeted consultations with local communities, youth and women's groups, relevant private sector actors, and other stakeholders to further strengthen inclusiveness and participatory project design.

8 Annexes

Annex A: Financing Tables

8.1 Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

STAR allocation?

Secretariat's Comments

March 30, 2026

Cleared.

February 3, 2026

Please remove the decimals from the General Project Information, PPG and Sources of Funds tables.

Agency Fee(s) Grant: (c)	377,956.00	Agency Fee(s) Non-Grant (d)	0.00
Total GEF Financing: (a+b+c+d)	4,356,457.00	Total Co-financing:	30,500,000.00
PPG Amount: (e)	150,000.00	PPG Agency Fee(s): (f)	14,248.76

PPG Amount: (g)	PPG Agency Fee (h)
150,000	14,248.76

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds i	Grant / Non-Grant	PPG(g)	Agency Fee(h)	Total PPG Funding(i)
FAO	GET	Azerbaijan	Biodiversity	BD STAR Allocation: BD-1	Grant	66,361	6,304	72,665.00
FAO	GET	Azerbaijan	Land Degradation	LD STAR Allocation: LD-1	Grant	83,639	7,944.76	91,583.76
Total PPG Amount						150,000.00	14,248.76	164,248.76

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(i)
FAO	GET	Azerbaijan	Biodiversity	BD STAR Allocation	2,000,000.00
FAO	GET	Azerbaijan	Land Degradation	LD STAR Allocation	2,520,705.76
Total GEF Resources(i)					4,520,705.76

Agency's Comments

Agency Response - 04 March 2026:

As suggested, the tables have been revised to remove the decimals.
Focal Area allocation?

Secretariat's Comments
February 3, 2026

Yes.

Agency's Comments
LDCF under the principle of equitable access?

Secretariat's CommentsN/A

Agency's Comments
SCCF A (SIDS)?

Secretariat's CommentsN/A

Agency's Comments
SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat's CommentsN/A

Agency's Comments
Focal Area Set Aside?

Secretariat's CommentsN/A

Agency's Comments
8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments
February 3, 2026

Yes.

Agency's Comments

8.3 Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat's Comments

February 11, 2026

Yes

Agency's Comments

Annex B: Endorsements

8.4 Has the project been endorsed by the country? (ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's Comments

January 22, 2026

Yes.

Agency's Comments

Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat's Comments

January 22, 2026

Yes.

Agency's Comments

Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat's Comments

January 22, 2026

Yes.

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's CommentsN/A

Agency's Comments

Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project's intended location?

Secretariat's Comments

January 22, 2026

Yes.

Agency's Comments

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's Comments

January 22, 2026

Yes.

Agency's Comments

Annex E: Rio Markers

8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat's Comments

May 14, 2026

Cleared.

March 30, 2026

It is noted that the Rio Marker for Adaptation have been removed. Cleared.

January 22, 2026

Yes, except Climate Change Adaptation. Please explain why the Rio Marker for Adaptation is 1. It is not possible to understand the reasoning for this after reading the project.

ANNEX E: RIO MARKERS ⓘ

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Significant Objective 1	Significant Objective 1	Principal Objective 2	Significant Objective 1

Agency's Comments

Agency Response - 04 March 2026:

The Rio Markers section has been revised by removing the reference to the CC Adaptation.
Thank you for the comment.

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments

January 22, 2026

Yes.

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's CommentsN/A

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

May 14, 2026

All comments have been addressed. The PIF is cleared for the PPG phase.

February 11, 2026

Not yet

Agency's Comments

Agency Response - 04 March 2026:

All comments have been addressed, and the revisions/updates on the PIF document have been highlighted in yellow for easy reference.

9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/Approval

Secretariat's Comments

April 9, 2026

Please ensure that, within the first month at the PIF stage, any existing national-level studies, assessments, or consultation processes related to the protected areas are identified. If none are available, a scoping study for an ESIA should be commissioned. If a full ESIA and corresponding ES Management Plans cannot be completed within the PPG phase timeline (8 months), please ensure that the project design includes dedicated outputs for the development of a comprehensive ESIA and ESMP.

During the PPG phase, please further explore the differences and potential overlaps between proposed outputs 2.2.2 and 3.1.1. and amend if needed.

March 30, 2026

1) Ensure that the governance arrangements for the integrated landscape management approach, including the stakeholders involved, are further developed and detailed during the PPG phase and clearly presented at CEO Approval/Endorsement.

2) We welcome further assessment of local communities and Indigenous Peoples living and/or using natural resources in project target landscapes including seasonal and temporal use of natural resources.

3) In case there are any Indigenous Peoples using the project targeted landscapes, please ensure obtaining free, prior and informed consent (FPIC) from Indigenous Peoples during PPG. Please also ensure results of the consultations with Indigenous Peoples to be integrated into the project design particularly Component 1, 2 and 3 during the PPG.

4) Please refer to a definition of Indigenous Peoples in the GEF [POLICY ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS](#) below:

5) *Indigenous Peoples* means people belonging to a distinct social and cultural group characterized in varying degrees by (i) self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct Habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; (iii) customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture; and (iv) a distinct language or dialect, often different from the official language or languages of the country or region in which they reside. ?To varying degrees? reflects the fact that some characteristics may be less, or no longer, evident, but have been present and are relevant in identifying Indigenous Peoples. (POLICY ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS (SD/PL/03), page 6 and 7)

It is critical to ensure strong engagement of Indigenous Peoples and local communities for this project. Please ensure involvement of Indigenous Peoples and local communities for this project not only as beneficiaries but also as partners, particularly on Component 1, 2 and 3.

If there are any Indigenous Peoples in the project areas, please consider integrate Indigenous Peoples governance, traditional and local knowledge, and security of tenure as a part of project, particularly in Component 1, 2, and 3 during PPG.

Please consider incorporating monitoring indicators related to respect Indigenous Peoples? 1) governance mechanisms, 2) traditional and local knowledge, and 3) security of tenures, and socioeconomic benefits on Indigenous Peoples in the project during PPG.

February 19, 2026

In the development of the Gender Action Plan, please ensure that the GAP aligns with the project components. Please ensure that in the development of the results framework, gender-specific indicators are included to facilitate monitoring and reporting. Please indicate measures to facilitate and support the implementation of the GAP (e.g., budgets, regular monitoring, adaptive management, etc.). Please make a reference to include in PIRs, MTRs and TE, reports on gender-specific results, including the implementation of the Gender Action Plan.

Agency's Comments

Agency Response - 16 April 2026:

The comment is duly noted. The project will ensure that, within the PPG stage, any existing national-level studies, assessments related to the targeted protected areas are identified and reviewed and the findings are integrated to the project activities accordingly. Furthermore, environmental and social analysis will be conducted along with the preparation of Environmental and Social Management Plan.

The comment on the outputs 2.2.2 and 3.1.1 is well received, during the PPG phase, the formulation team will further review them to revise as necessary.

Agency Response - 07 April 2026:

At the PIF stage, comprehensive environmental and social assessments, including detailed consultations with local communities, are not available, it is also important to note that the protected areas were created before the request for the preparation of the GEF proposal. Recognizing the importance of this aspect, the formulation team will undertake a thorough assessment during the PPG phase to review any existing national-level studies, assessments, or consultation processes related to these protected areas, identify potential impacts, and conduct targeted consultations with local communities and relevant stakeholders to ensure their perspectives are adequately captured taking into consideration the national legislation in place for this kind of assessment.

Additionally, the governance arrangements for the integrated landscape management approach, including the identification and engagement of relevant stakeholders, will be further developed and elaborated during the PPG phase, to be clearly presented in detail at the CEO Endorsement submission stage.

Agency Response - 04 March 2026:

We acknowledge this comment and the GAP related elements will be considered and further detailed during the development of the full project proposal.

Review Dates

	PIF Review	Agency Response
First Review	2/20/2026	3/4/2026
Additional Review (as necessary)	4/14/2026	4/7/2026
Additional Review (as necessary)	4/29/2026	4/16/2026
Additional Review (as necessary)		5/15/2026
Additional Review (as necessary)		