

Implementation of Armenia's LDN commitments through sustainable land management and restoration of degraded landscapes

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10365

Countries

Armenia

Project Name

Implementation of Armenia's LDN commitments through sustainable land management and restoration of degraded landscapes

Agencies

FAO

Date received by PM

6/18/2021

Review completed by PM

8/11/2021

Program Manager

Ulrich Apel

Focal Area

Land Degradation

Project Type

FSP

PIF ☐

CEO Endorsement ☐

Part I ? Project Information**Focal area elements**

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Table A is aligned. One correction request:

- Project Dates: The completion date needs to be adjusted to reflect the 36-month timeline.

08/04/2021: Addressed.

Cleared

Agency Response

07/16/2021

Many thanks, it has been an oversight, now the dates have been updated.

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not fully.

Table B: Please strive for proportionality between the PMC portion of co-financing and the GEF portion of the PMC.

We note that Table B provides a target for SLM, however Core Indicator 4.3 is not completed. Please clarify / make consistent.

08/04/2021: Addressed.

Cleared

Agency Response

07/16/2021

Table B has been updated

Updated information on Core Indicator 4.3 has been added.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not fully.

Table D is adequate and resources are available.

Comments on the budget:

- General operating expenses (GOE) are usually considered PMC costs.
- Please clarify if the share of the personnel cost for the CTA is correctly included in the budget. Currently, only \$7,000 are charged towards PMC for this position, however, the ToR for the position include a large part of managerial tasks.
- Clarification is also needed on the National Project Coordinator and the National Technical Chief Advisor both mentioned in the text. Is this the same role, if not what is the difference between the roles? There are elements that are similar, and the former is not mentioned in the budget. How will their costs be covered?

08/04/2021: Addressed.

08/11/2021: HAS NOT BEEN CLEARED.

- Please explore the possibility of charging the National Technical Chief Advisor to the co-financing portion of the PMC ? the current Terms of Reference do not reflect that the 92.5% of the salary for this position should be paid from the project's components.

09/09/2021: Addressed by the agency (see response below and revised budget).

Cleared

Agency Response

07/16/2021

- GOE costs have been adjusted

- Only a National Technical Chief Advisor (CTA) will be hired, budget and prodoc has been updated to reflect it

09/07/2021

Many thanks for the advice, we have made the changes related to the ToR for the TCA and change it to project coordinator, we have also replaced the words in the document (purple this time). The budget has then been adjusted accordingly removing the Project Assistant.

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes. However, it is noted that utilized and committed funds do not add up to the total of \$100,000. Please adjust or indicate whether unused funds will be returned.

08/04/2021: Addressed.

Cleared

Agency Response 07/16/2021 The amounts have been fixed, many thanks.

Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Changes are not fully coherent / not sufficiently explained.

Please provide additional explanation on targets, other methodologies used, and other focal area specifics, including details explaining changes in targets since the PIF stage.

- We note that Table B provides a target for SLM, however Core Indicator 4.3 is not completed. Please clarify.

- Please explain why the indicator 4.1 has been selected instead of 4.3?

- Please check targets under 6.1 and provide an updated EX-Act tool given the changes with the Core Indicators.

- We also note that text in the portal describing the GEBs is not fully consistent with the indicator targets included in the core indicator table.

08/04/2021: Not fully addressed.

- I still see the indicator target listed under 4.1; have changes been made or not?

- Where is the additional information provided, please point the reviewer to it.

08/11/2021: Addressed.

Cleared

Agency Response

07/16/2021

Additional information has been added

The information in Table B has been updated

The core indicator 4.1 has been deleted

The full Ex-Act calculation has been updated in Annex L

08/09/2021

Many thanks, it has been an oversight, the Core Indicator 4.1 has been removed

As for the additional information,, it is highlighted in blu in the ProDoc after table F

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not fully.

The text elaborates sufficiently, but please also include in the TOC diagram the drivers of the environmental degradation that the project is trying to address.

COVID-19: Please include information on the current impacts of COVID-19 on Armenia and the project site as well as opportunities for green recovery throughout the project justification / description.

08/04/2021: Addressed.

Cleared

Agency Response

07/16/2021 The ToC for the project is fully compliant with the STAP Theory of Change Primer from 2020 and its Figure 3. The STAP publication builds on a comprehensive review of the scientific literature for development of ToCs that emphasises the need to identify underlying assumptions and impact drivers for each step of the ToC, but underlying drivers of the environmental problems are not included in the ToC. We have nevertheless included a box at the beginning of the ToC that summarises the main drivers of land degradation in Armenia, but they are more fully described in the text.

An additional line in table 9 has been added.

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

06/24/2021: Clarification question:

- What incentives are being put in place for farmers to continue with these practices after the project has ended?

08/04/2021: No response provided. Please respond.

08/11/2021: Response provided.

Cleared

Agency Response

08/09/2021

The project will develop integrated land-management (ILM) plans (Output 2.1.1) which will be linked to the policy framework, creating participatory land-use planning with local communities following the LADA/WOCAT and DS-SLM methodology and will link with the National Platform on pasture. This output will create the legal including necessary incentives for farmers to follow up with the activities. Also, the project will prepare the resource mobilization plans and aim to identify sources of financing for the scaling up of SLM practices (Output 2.1.3). The information is included in the ProDoc.

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not fully.

Please address comments made above on core indicators.

08/04/2021: See above comments - I still see the target listed under 4.1.

08/11/2021: Corrected.

Cleared

Agency Response 07/16/2021 The core indicators have been clarified. Indicator 4.1 has been removed from the portal and indicator 4.3 has been added.

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

n/a

Agency Response

Stakeholders

**Does the project include detailed report on stakeholders engaged during the design phase?
Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not fully.

- Please include in the stakeholder table the role of each stakeholder in the project.

08/04/2021: Addressed.

Cleared

Agency Response

07/16/2021 A stakeholder engagement table has been added on page 45.

Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response
Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request
06/24/2021: Not fully.

Given the work on value chains in Component 2, we expect other private sector actors beyond the small producers to be involved or engaged, such as SMEs and/or financiers. Please include further details in the private sector section on this aspect.

08/04/2021: Addressed.

Cleared

Agency Response 07/16/2021 As per COVID-19 restrictions field visits were not possible and the mapping of potential private sector beyond small producers will be conducted during the inspection phase of the project. Farm Credit Armenia, a credit cooperative will be involved in the project since the beginning and help the partnership with other private sectors entities

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request
06/24/2021: Yes.

Cleared

Agency Response
Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Knowledge Management

Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Environmental and Social Safeguard (ESS)

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

Secretariat Comment at CEO Endorsement Request

06/24/2021:

Table 9 appears to be similar to Table 5. The former should reflect the risks that may be posed by the project.

08/04/2021: Addressed.

Cleared

Agency Response 07/16/2021 Table 9 details the risks to the project, not by the project, as is the instruction in the form. It also includes proposed mitigation actions. Table 5 provides information on selected value-chains.

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Yes.

Cleared

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not fully.

08/11/2021: We kindly request to include a budget table in the portal that allows the reader to read and understand the budget lines and figures, as these are currently not legible. (Please consider to present the budget only with the totals per components, not per outcome, so the table would be slimmer).

09/09/2021: Newly formatted table is outside the legible margins of the portal template. We kindly request to narrow the format so that it fits into the margins. You may wish to provide totals by component instead of outcomes, which will reduce the number of columns by 7.

09/14/2021: Addressed.

Cleared

Agency Response

09/07/2021

Newly formatted Table inserted

09/10/2021

The Table has been narrowed, thanks

Project Results Framework

Secretariat Comment at CEO Endorsement Request

06/24/2021: Correction request

- Please ensure that the figure for emissions avoided/sequestered aligns with that is mentioned in the core indicator table.

08/04/2021: Addressed.

Cleared

08/11/2021: DISCREPANCY FOUND:

- Apparently, Core Indicators table sets target at 32,374,507 CO2 sequestered, however Annex A. Project Results Framework sets a target at 19,000,000 CO2 sequestered. Please double check and align.

09/09/2021: Target in Project Logframe provided in Annex A is set at 19,000,000 t CO2, which is different from 32,374,507 t CO2 elsewhere in the documentation.

Please align.

09/14/2021: Addressed.

Cleared

Agency Response

07/16/2021 The numbers on carbon sequestration in the Results Framework are now aligned with the rest of the document and the carbon calculations done in the PPG phase using the Ex-Act tool.

09/07/2021

In any part of the document, the set target is 32,274,507

09/10/2021

We have now found the discrepancy and adjusted it, thanks

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not addressed.

Please respond to comments provided by Council Members from USA and Germany (listed in the portal under stakeholder comments). Since these comments are substantial and may affect project activities, please make sure that they are also reflected in the project documentation as appropriate.

08/04/2021: Addressed. Council comments have been responded to.

Cleared

Agency Response 07/16/2021 Thorough answers to the comments both from Germany and the U.S have been provided in Annex B and their suggestions have been integrated into the design of the project components. The project builds on a wide range of projects funded by Germany and provides more specifics on farmer incentives and training activities at local level, especially on improved pasture management.

STAP comments

Secretariat Comment at CEO Endorsement Request

06/24/2021: Not addressed.

Please provide responses to STAP review in Annex B.

08/04/2021: Addressed. STAP comments have been responded to.

Cleared

Agency Response

07/16/2021 The response to the STAP review that was submitted has been updated and more detailed answers provided when appropriate

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request none received

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request as per Annex 3.

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request have been provided

Agency Response

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

n/a

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

06/24/2021: No. Please address comments made in this review.

08/04/2021: No. A few outstanding comments have not been fully responded to. Please respond to the comments.

08/11/2021: No. Three issues remaining, on budget, core indicators, and the format of annexed budget table. Please address.

09/09/2021: No. Issues not fully addressed. Please address and re-submit.

09/14/2021: Yes. Program Manager recommends CEO endorsement.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	6/24/2021	
Additional Review (as necessary)	8/4/2021	
Additional Review (as necessary)	8/11/2021	
Additional Review (as necessary)	9/9/2021	
Additional Review (as necessary)	9/14/2021	

CEO Recommendation

Brief reasoning for CEO Recommendations

This project in Armenia is fully in line with GEF-7 LDFA strategy to support the country's efforts to implement the voluntary land degradation neutrality (LDN) targets under the UNCCD. The project will follow a landscape approach integrating different

sectors, involving stakeholders and working at different scales. The project will work to formulate comprehensive land use planning to rationalize land use in a way that addresses interconnectedness and tradeoffs across multiple ecosystems, promote good governance to align policy directives at the national and sub-national level, and promote innovations in sustainable land management (SLM). This will include development of two cross-sectoral policies covering environment, forestry, agriculture, rural development and knowledge development/transfer. Furthermore, Armenia's Land Code will be strengthened, and a new law related to LDN will be developed. In addition, two integrated land management plans will be developed to support the restoration of 11,300 ha of degraded grasslands, which will result in sequestration of 32 million tCO₂eq. The project will bring in total 166,000 ha of land under SLM practices, directly benefit 2,500 people. Risks and opportunities of COVID-19 has been assessed and mitigation measures as well as adaptive management structures are in place. The GoA has established national strategies and protocols, which will be adhered to in this context.